



# 2014 Comprehensive Annual Financial Report

Fiscal Year Ended December 31, 2014 • City of O'Fallon



*City of O'Fallon, Missouri*  
*Comprehensive Annual Financial Report*



**Fiscal Year Ended**  
December 31, 2014

**Prepared By: Department of Finance**

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# Introduction

2014 Comprehensive Annual Financial Report  
City of O'Fallon, Missouri



100 NORTH MAIN STREET  
O'FALLON, MISSOURI 63366  
636.240.2000  
www.ofallon.mo.us

May 27, 2015

Honorable Mayor, City Councilmen, City Administrator, and Citizens of O'Fallon:

Dear Ladies and Gentlemen:

The comprehensive annual financial report of the City of O'Fallon, Missouri for the fiscal year ended December 31, 2014 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the government. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the government. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City of O'Fallon's financial statements have been audited by Hochschild, Bloom & Company, LLP a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of O'Fallon for the fiscal year ended December 31, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of O'Fallon's financial statements for the fiscal year ended December 31, 2014, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

## **Profile of the Government**

O’Fallon was incorporated in 1912. On April 7, 2009, the City adopted a home-rule charter under Missouri Revised Statutes utilizing the Mayor – City Council – City Administrator form of government. The Council is comprised of two councilmen duly elected from each of the City’s five wards, and a Mayor who is elected at large. The Mayor serves a four-year term and the Council serves three-year terms. The City Administrator is appointed by the Mayor and approved by the City Council to serve as the chief executive officer of the City.

The City Council sets the policy for the City, and the City Administrator is responsible for administering this policy in the day-to-day activities of City operations.

The City of O’Fallon encompasses 29.69 square miles. The City of O’Fallon is located in St. Charles County, Missouri, about 30 minutes west of the St. Louis City limits on Interstate 70. The City is bisected in a north-south direction by Missouri State Highways M and K and in an east-west direction by Interstates 70, 40/61 and Highway 364. The population of the City for 2014, as provided by the City’s Economic Development Division, is 84,381 persons.

The financial statements include all funds, agencies, boards, commissions, and authorities for which the City is financially accountable in accordance with the provisions of GASB Statement No. 14, “The Financial Reporting Entity” and GASB Statement No. 39, “Determining Whether Certain Organizations are Component Units.”

The City of O’Fallon is a full-service city and provides general administrative services, police protection, highways and streets, water and sewer, community development, parks and recreation, and environmental services.

City management is responsible for establishing and maintaining an internal control framework designed to ensure the assets of the City are protected from loss, theft, or misuse and to ensure that accurate accounting data are recorded to allow for the preparation of financial statements in conformity with U.S. generally accepted accounting principles. The system of internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management.

## **Economic Condition**

The economic condition and outlook for the City is positive. The economic base is diverse and consists of a mix of residential, manufacturing, financial services, governmental services, education and healthcare. Essentially a “bedroom community” in the early 1980’s to the St. Louis Metropolitan area, the City’s economic growth now supports over 1,500 businesses. Our major employers consist of Citigroup, 3,800 employees; MasterCard Int., 2,111 employees; and Fort Zumwalt School District with 1,993 employees.

The City is experiencing an increase in Per Capita Personal Income of \$32,628 which is an increase of 4.4% for 2014 as compared to 2013. The Federal Reserve Bank of St. Louis released a report in March 2015 stating that the year-over-year home prices in the St. Louis Region have increased 4.4% by the FHFA index and 4.7% by the Corelogic index. The City has seen a 9.6% increase in the number of residential building permits issued for 2014 as compared to 2013.

The City's sales tax revenues increased by 5.5% in 2014 as compared to 2013. The current unemployment rate is 4.7% compared which continues to trend downward. This rate has dropped each of the successive 5 years. The City Council chose to maintain the City's general fund property tax rate for 2014 at \$.5512 per \$100 of assessed valuation. The outlook on the City's long-term economic base is stable.

During 2014, Highway 364 was completed which is an extension of Page Avenue bringing traffic across the Veteran's Memorial Bridge from St. Louis into St. Charles County and ends at Interstates 40/64 and Highway N. The Highway provides opportunities for additional retail within O'Fallon's boundaries and provides alternative routes into St. Charles County from St. Louis County.

### **Long-term Financial Planning**

The City Charter requires the submission of a Capital Improvement Program (CIP) to be included with the City's budget. The program consists of a) a clear general summary; b) a list of all capital improvements which are proposed to be undertaken during the five (5) fiscal years next ensuing, with appropriate supporting information as to the necessity for such improvements; c) cost estimates, method of financing and recommended time schedules for each such improvement; and d) the estimated annual cost of operating and maintaining the facilities to be constructed or acquired.

During 2014, City Council adopted a Strategic Plan prioritizing the City's goals. The goals listed are as follows: 1) focus on infrastructure, 2) building/facility plans, 3) economic development, 4) leverage new technologies, 5) public safety, and 6) operational/employee issues.

The City sought funding through general obligation bonds on the April 2014 ballot for the development of O'Day Park as a Metropolitan Park which encompasses 59 acres south of Hwy 40/61, a new Civic Hall and the expansion of Alligator's Creek Aquatic Center. The total cost for construction of this project is estimated at \$19,050,000. Although the proposition received greater than 50% of the vote (popular vote), it did not receive the 57.1% required for passage. The City intends to review the financial options and continues to seek funding for this project.

In addition to the park funding, the City sought funding through general obligation bonds on the April 2014 ballot for the purchase of land and construction of a Justice Center, including an updated police station with holding cells, police training facilities and a municipal courtroom. The total cost for construction of this project was estimated at \$33,680,000. The 2014 ballot issue failed with less than the required 57.1% of the vote. Subsequent to the 2014 ballot issue, the City was able to secure and purchase land for this project utilizing our general fund reserves in the approximate amount of \$1,960,000. After placing the proposition back on the ballot in April 2015 at a reduced cost of

\$28,680,000, the proposition passed with 60.06% of the vote. The City is currently in the design phase of the Justice Center and it is anticipated that construction will begin early 2016.

### **Relevant Financial Policies**

The Finance Department strives to keep abreast of current trends and procedures for cash management and forecasting to ensure the most efficient and profitable use of the City's cash resources. While efforts are made to maximize the return on the City's investment dollar, the primary concern is to always assure the return on principal. To maximize investment earnings, the City consolidates cash balances of all funds except for certain restricted funds. Idle cash during the year was invested in an investment account (agency funds).

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget adopted by the City Council. Activities of the General, Special Revenue and Debt Service Funds are included in the annually appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. Effective budgetary control is also aided in the General Fund by establishing control at the individual department levels. In addition, the City Council adopts an annual budget for the enterprise funds as a management control device to facilitate the monitoring of expenditures. Unencumbered appropriations lapse at year-end.

The City utilizes the capital improvement program to adequately maintain and enhance the public's capital assets over their useful life. In order to adequately maintain assets that are used routinely and have a shorter useful life, they are identified as part of the City's annual replacement program. Examples of these assets include computers, vehicles and body armor for the police officers. A percentage of these assets are replaced each year to prevent the cost being too great in any given year.

### **Major Initiatives**

The City continues to promote economic development through the adoption of the Economic Development Strategic Plan. The Strategic Plan is a resource guide for the community and provides a 5-10 year vision promoting creative, positive and reasonable objectives to continue O'Fallon's economic growth. Through this plan, the department developed various goals to which help guide the Strategic Plan: business retention, business attraction, marketing and regulations.

The City strives to maintain streets at or above a 75 PCI (pavement condition index). In order to accomplish this, the City plans to replace 2,400 concrete slabs each year through the assistance of a temporary streets crew in addition to contract labor.

Through a partnership of the City's Recreation Department and Public Works Department, the City is developing a study to provide guidelines for constructing a bikeable/walkeable plan for the Highway K and Highway M Corridor along with other available options. This is an initial phase of the project that would provide an alternative means of transportation to our residents along with promoting a healthy community.

The City continues to participate in the ‘Let’s Move’ initiative that is being promoted through First Lady Michelle Obama. *‘The initiative is dedicated to solving the problem of obesity within a generation, so that children born today will grow up healthier and able to pursue their dreams.’* There are currently 15 entities that have become My Plate Partners with the City showing their dedication to teaching children and their parents/caregivers the importance of eating healthy and exercising.

The City will continue to seek alternative funding sources, such as grants, and analyzing City operations for areas of efficiency and cost effectiveness.

### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of O’Fallon, Missouri for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2013. To be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR). This report satisfied both U.S. generally accepted accounting principles and applicable legal requirements.

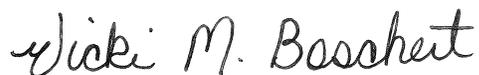
A Certificate of Achievement is valid for one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program’s requirements and shall submit to the GFOA to determine the eligibility for another certificate.

In addition, the government also received the GFOA’s Distinguished Budget Presentation Award for its annual budget document for fiscal year 2014. In order to qualify for the Distinguished Budget Presentation Award, the government’s budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report could not have been accomplished without the assistance and dedication of the Finance Department’s staff. I would like to express my appreciation to the City Administrator and the entire Management Team for their cooperation in providing information to make this report possible.

The assistance and recommendations in the preparation of this report from the City’s independent certified public accountants, Hochschild, Bloom & Company LLP, is greatly appreciated. Sincere gratitude is also extended to the Mayor and each member of the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Vicki M. Boschert, CPA  
Director of Finance

**City of O’Fallon  
City Officials**

**Mayor**

William Hennessy (2017\*)

**City Council**

Ward 1

Dave Hinman (2017\*)

Rick Lucas, President Pro Tem (2016\*)

Ward 3

John Haman (2017\*)

Richard Battelle (2016\*)

Ward 5

Mike Pheney (2017\*)

Debbie Cook (2016\*)

Ward 2

Rose Mack (2017\*)

Jim Pepper (2016\*)

Ward 4

Bob Howell, (2017\*)

Jeff Schwentker (2016\*)

**City Administrator**

Bonnie L. Therrien

**City Attorney**

Kevin O’Keefe

**City Judge**

Larry Nesslage

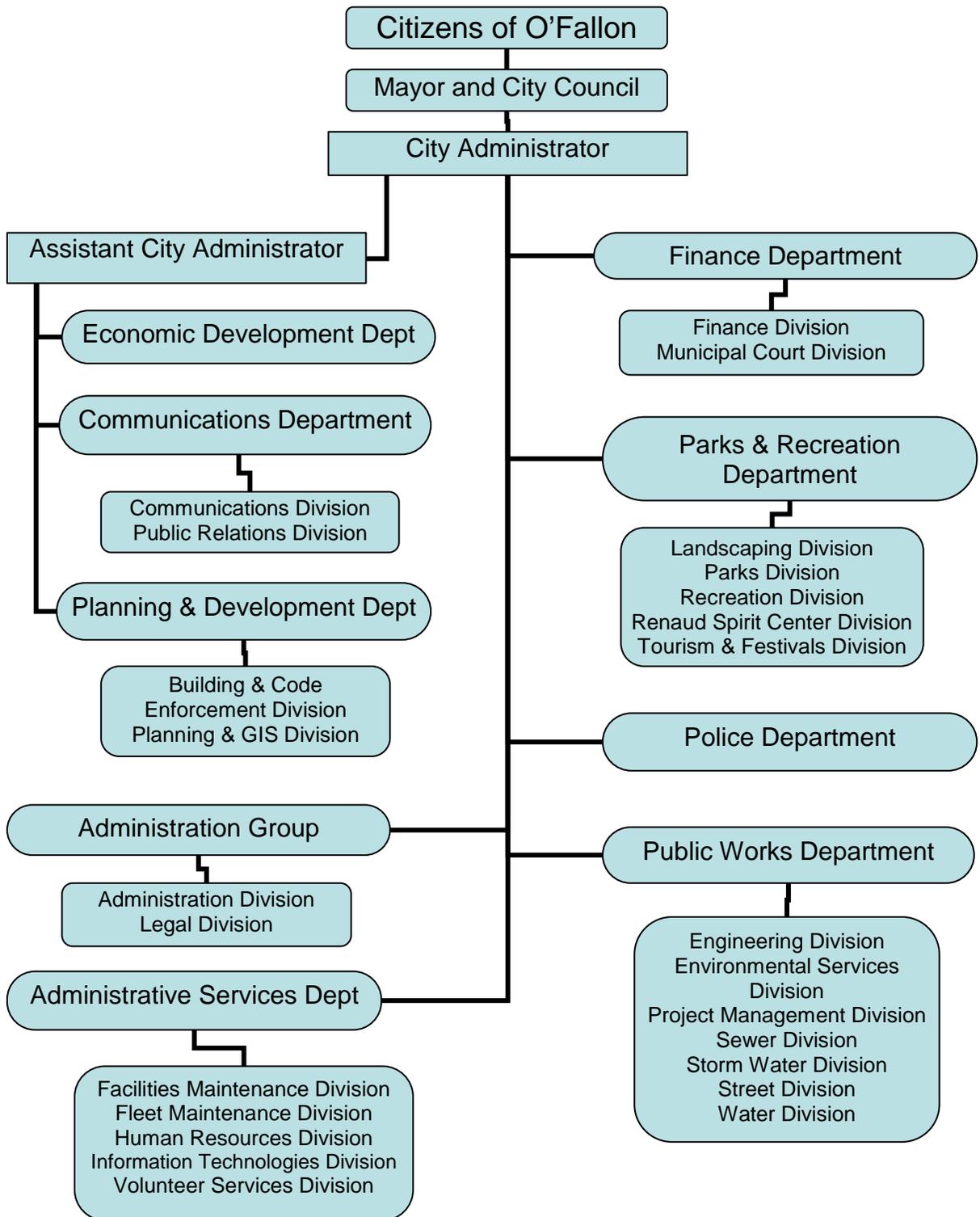
**Finance Director**

Vicki M. Boschert, CPA

Assistant City Administrator..... Lenore Toser-Aldaz  
City Clerk..... Pam Clement  
Public Works Director ..... Steve Bender  
Planning & Development Director ..... David Woods  
Chief of Police ..... Roy J. Joachimstaler  
Administrative Services Director..... John Griesenauer  
Parks and Recreation Director ..... Cindy Springer  
Economic Development Director ..... Mike Hurlbert  
Communications Director ..... Tom Drabelle  
City Auditor ..... Carl Zilch

\* Denotes term expiration, all terms expire in April.

# City of O'Fallon, Missouri Organizational Chart 2014 CAFR





Government Finance Officers Association

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

Presented to

**City of O'Fallon  
Missouri**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2013**

Executive Director/CEO



# Financials

2014 Comprehensive Annual Financial Report  
City of O'Fallon, Missouri



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

## INDEPENDENT AUDITOR'S REPORT

May 27, 2015

Honorable Mayor and Members of the City Council  
**CITY OF O'FALLON, MISSOURI**

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **CITY OF O'FALLON, MISSOURI** (the City), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

#### Management's Responsibility for the Financial Statements

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

#### Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Required Supplemental Information**

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

### **Other Information**

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

The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such 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 supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

**OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2015 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Hochschild, Bloom + Company LLP*  
CERTIFIED PUBLIC ACCOUNTANTS

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*MANAGEMENT'S DISCUSSION  
AND ANALYSIS*

# **City of O’Fallon, Missouri**

## **Management’s Discussion and Analysis**

### **Fiscal Year Ended December 31, 2014**

#### **Introduction**

As management of the City of O’Fallon, Missouri (the City), we offer readers of the City’s financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 2014. We encourage readers to use this document in conjunction with the transmittal letter in the Introductory Section of this report and with the City’s financial statements that follow this section.

Beginning in 2003, the City implemented new reporting standards established by the Governmental Accounting Standards Board. These new standards significantly changed the content and structure of the financial statements.

#### **Financial Highlights**

- On a government-wide basis, the assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$200,400,458 (net position). Of this amount, \$30,514,000 is considered unrestricted. The unrestricted net position of the City’s governmental activities is \$18,517,274 and may be used to meet the City’s ongoing obligations. The unrestricted net position of the City’s business-type activities is \$11,996,726 and may be used to meet the ongoing obligations of the City’s water, sewer, environmental services, Renaud Spirit Center, and public venue activities.
- The net position of the City (assets less liabilities) at December 31, 2014 increased \$13,966,682 from \$186,433,776 to \$200,400,458 or 7% from the prior year.
- As of the close of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$37,900,221. Approximately 47% of this total amount, \$17,822,293, is *available for spending* at the City’s discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$17,822,293, or 68% of total General Fund expenditures.
- The City’s total long-term debt decreased by a net amount of \$10,141,397, or 9%, during the current fiscal year.

#### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City’s basic financial statements. The City’s basic financial statements is comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City’s finances, in a manner similar to a private-sector business.

# **City of O'Fallon, Missouri**

## **Management's Discussion and Analysis**

### **Fiscal Year Ended December 31, 2014**

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, highways and streets, community development, parks and recreation, and municipal court. The business-type activities of the City include water and sewer services, environmental services, Renaud Spirit Center, and public venue, the City's stadium operation.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

# **City of O'Fallon, Missouri**

## **Management's Discussion and Analysis**

### **Fiscal Year Ended December 31, 2014**

The City maintains eleven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Street & Road Improvement Fund, Recreation Fund, Storm Water Fund, and Debt Service Fund, all of which are considered to be major funds. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

**Proprietary funds.** The City maintains five Enterprise Funds, a type of proprietary fund. *Enterprise Funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses Enterprise Funds to account for its water and sewer services, environmental services, Renaud Spirit Center, and public venue, the City's stadium operation.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer services, environmental services, Renaud Spirit Center, and public venue, the City's stadium operation, all of which are considered to be major funds of the City.

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

The City maintains one Agency Fund, a fiduciary fund type, to account for the Waterbury Storm CID under a custodial agreement. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

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

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary comparisons for the General, Street & Road Improvement, Recreation and Storm Water Funds.

**City of O’Fallon, Missouri**  
**Management’s Discussion and Analysis**  
**Fiscal Year Ended December 31, 2014**

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplemental information.

**Government-wide Financial Analysis**

**Net Position.** As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the City, assets exceeded liabilities by \$200,400,458 at the close of the most recent fiscal year.

The City’s net investment in capital assets (land, construction in progress, buildings, equipment, improvements, and infrastructure) totals \$144,037,089. As capital assets, these resources are not available for future spending, nor can they be readily liquidated to pay off their related liabilities. Resources needed to repay capital-related debt must be provided from other sources.

*(See next page for chart)*

**City of O'Fallon, Missouri**  
**Management's Discussion and Analysis**  
**Fiscal Year Ended December 31, 2014**

**City of O'Fallon's Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
<b>Assets</b>						
Current and other assets	\$ 44,526,897	\$ 42,910,874	\$ 19,402,113	\$ 20,866,123	\$ 63,929,010	\$ 63,776,997
Long-term receivables	6,769,554	6,784,858	-	-	6,769,554	6,784,858
Capital assets	141,445,661	136,868,295	90,140,627	90,665,528	231,586,288	227,533,823
<b>Total Assets</b>	<b>192,742,112</b>	<b>186,564,027</b>	<b>109,542,740</b>	<b>111,531,651</b>	<b>302,284,852</b>	<b>298,095,678</b>
<b>Deferred Outflow of Resources</b>						
Deferred on refunding	1,461,574	1,764,969	1,174,074	1,362,669	2,635,648	3,127,638
<b>Liabilities</b>						
Long-term liabilities outstanding	49,643,766	55,273,903	45,972,637	50,483,897	95,616,403	105,757,800
Other liabilities	5,448,067	6,169,226	2,967,575	2,343,819	8,415,642	8,513,045
<b>Total Liabilities</b>	<b>55,091,833</b>	<b>61,443,129</b>	<b>48,940,212</b>	<b>52,827,716</b>	<b>104,032,045</b>	<b>114,270,845</b>
<b>Deferred Inflow of Resources</b>						
Deferred on refunding	-	-	487,997	518,695	487,997	518,695
<b>Net Position</b>						
Net Investment in Capital Assets	95,729,079	84,854,451	48,308,010	45,273,367	144,037,089	130,127,818
Restricted	24,865,500	23,510,783	983,869	983,840	25,849,369	24,494,623
Unrestricted	18,517,274	18,520,633	11,996,726	13,290,702	30,514,000	31,811,335
<b>Total Net Position</b>	<b>\$ 139,111,853</b>	<b>\$ 126,885,867</b>	<b>\$ 61,288,605</b>	<b>\$ 59,547,909</b>	<b>\$ 200,400,458</b>	<b>\$ 186,433,776</b>

**City of O’Fallon, Missouri**  
**Management’s Discussion and Analysis**  
**Fiscal Year Ended December 31, 2014**

An additional portion of the City’s net position represent resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$30,514,000 is explained further below.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position for the City as a whole. The reporting model includes the reporting of the City’s infrastructure as a capital asset, including assets acquired retroactive to 1980.

**Changes in Position.** The City’s total net position increased by \$13,966,682. This increase in net position is a result of continued economic growth. The City’s population increased by an estimated 1,004 residents. There were 432 residential construction permits issued along with 229 commercial construction units. Key elements to the changes in net position follow:

**City of O'Fallon, Missouri**  
**Management's Discussion and Analysis**  
**Fiscal Year Ended December 31, 2014**

**City of O'Fallon's Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 4,793,158	\$ 4,200,094	\$ 19,098,479	\$ 18,840,882	\$ 23,891,637	\$ 23,040,976
Operating grants and contributions	640,953	814,921	-	-	640,953	814,921
Capital grants and contributions	11,421,480	11,646,619	1,036,424	1,310,745	12,457,904	12,957,364
General revenues:						
Property taxes	9,086,990	9,021,961	-	-	9,086,990	9,021,961
Sales taxes	25,948,421	24,586,225	-	-	25,948,421	24,586,225
Franchise and public	8,122,547	7,977,264	-	-	8,122,547	7,977,264
Other	717,312	5,908,303	61,600	168,149	778,912	6,076,452
<b>Total Revenues</b>	<b>60,730,861</b>	<b>64,155,387</b>	<b>20,196,503</b>	<b>20,319,776</b>	<b>80,927,364</b>	<b>84,475,163</b>
<b>Expenses</b>						
General government	14,484,550	12,562,564	-	-	14,484,550	12,562,564
Public safety	12,778,140	12,490,544	-	-	12,778,140	12,490,544
Highways and streets	10,262,266	11,385,901	-	-	10,262,266	11,385,901
Community development	2,491,005	2,659,234	-	-	2,491,005	2,659,234
Parks and recreation	5,485,053	5,322,799	-	-	5,485,053	5,322,799
Municipal court	434,081	411,421	-	-	434,081	411,421
Interest on long-term debt	2,104,832	2,328,519	-	-	2,104,832	2,328,519
Water	-	-	5,008,590	4,891,943	5,008,590	4,891,943
Sewer	-	-	7,131,311	7,029,113	7,131,311	7,029,113
Environmental services	-	-	3,865,124	3,984,801	3,865,124	3,984,801
Renaud Spirit Center	-	-	2,336,780	2,186,347	2,336,780	2,186,347
Public venue	-	-	578,950	647,354	578,950	647,354
<b>Total Expenses</b>	<b>48,039,927</b>	<b>47,160,982</b>	<b>18,920,755</b>	<b>18,739,558</b>	<b>66,960,682</b>	<b>65,900,540</b>
<b>Increase in Net Position</b>						
<b>Before Transfers</b>	12,690,934	16,994,405	1,275,748	1,580,218	13,966,682	18,574,623
Transfers	(464,948)	(420,219)	464,948	420,219	-	-
<b>Increase in Net Position</b>	<b>12,225,986</b>	<b>16,574,186</b>	<b>1,740,696</b>	<b>2,000,437</b>	<b>13,966,682</b>	<b>18,574,623</b>
Net Position - Beginning of Year	126,885,867	110,311,681	59,547,909	57,547,472	186,433,776	167,859,153
<b>Net Position - End of Year</b>	<b>\$139,111,853</b>	<b>\$ 126,885,867</b>	<b>\$ 61,288,605</b>	<b>\$ 59,547,909</b>	<b>\$ 200,400,458</b>	<b>\$ 186,433,776</b>

# City of O'Fallon, Missouri

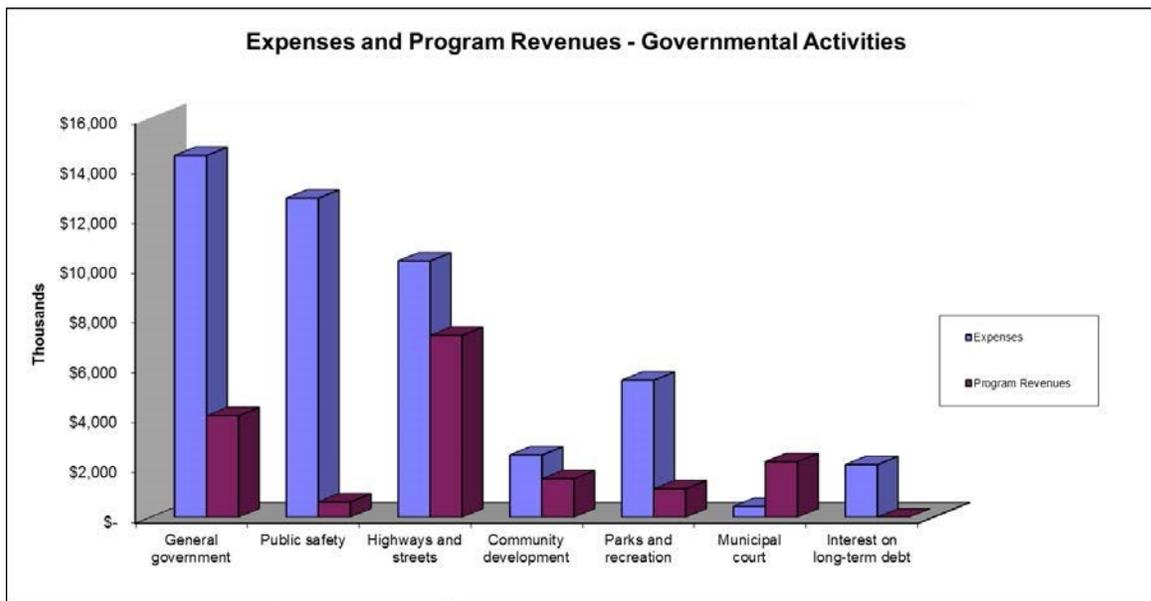
## Management's Discussion and Analysis

### Fiscal Year Ended December 31, 2014

**Governmental activities.** Governmental activities increased the City's net position by \$12,225,986, thereby accounting for 87% of the total growth in the net position of the City.

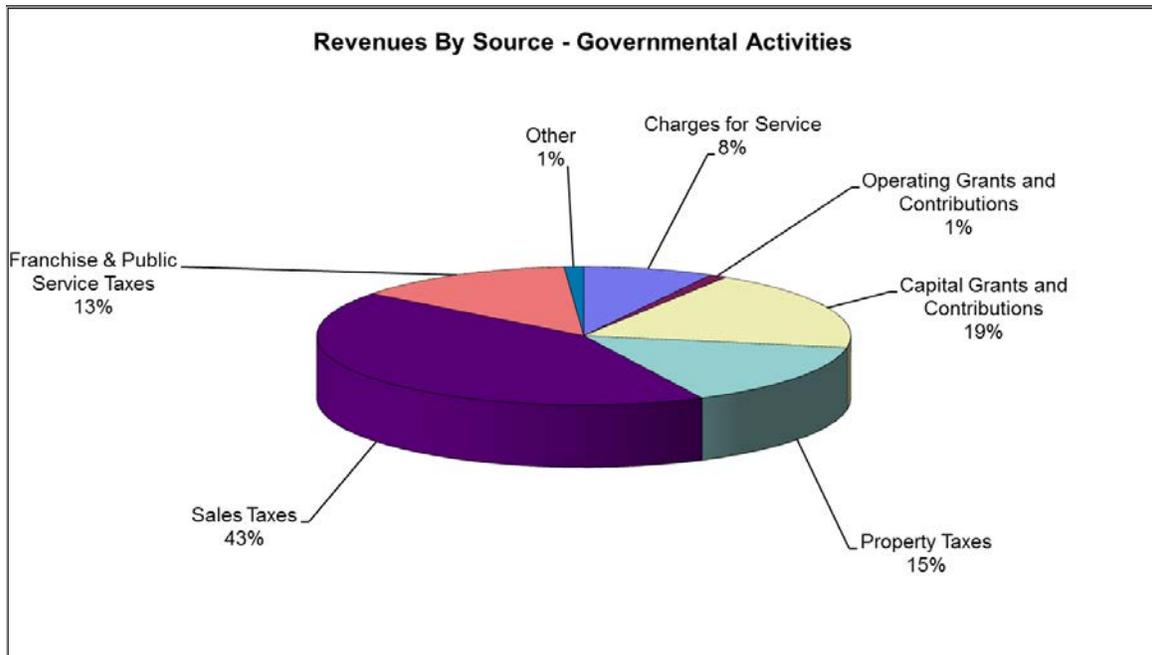
- There was an increase in sales tax revenue of \$1,362,196 due to an increase in sales in 2014.
- There was an increase in gross receipts tax of \$145,283.
- The City has received monies from the County Transportation Fund and the Missouri Highway Department of Transportation to reimburse itself for costs relating to Main St. signal upgrades, Sommers Rd at Hwy N, Waterford Crossing, Crusher Road, Elaine Dr. widening and Laura Hill improvements. During fiscal year 2014 this amounted to \$973,055 and was reported as capital grants and contributions. Other items recorded to this category are the state motor fuel tax revenues and County Road and Bridge Funds.

Following is a chart comparing program revenues and expenses for the individual governmental activities for the current year. As the chart reflects, highways and streets, community development, and municipal court relied on correlating program revenues to support the function or at least a material percent of the function. Property and sales taxes assisted in supporting general government, public safety, parks and recreation, and interest on long-term debt.



The next chart reflects the percent of the total for each source of revenue supporting governmental activities.

**City of O’Fallon, Missouri**  
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**Fiscal Year Ended December 31, 2014**



**Business-type activities.** Business-type activities increased the City’s position by \$1,740,696 accounting for 13% of the total growth in the City’s net position.

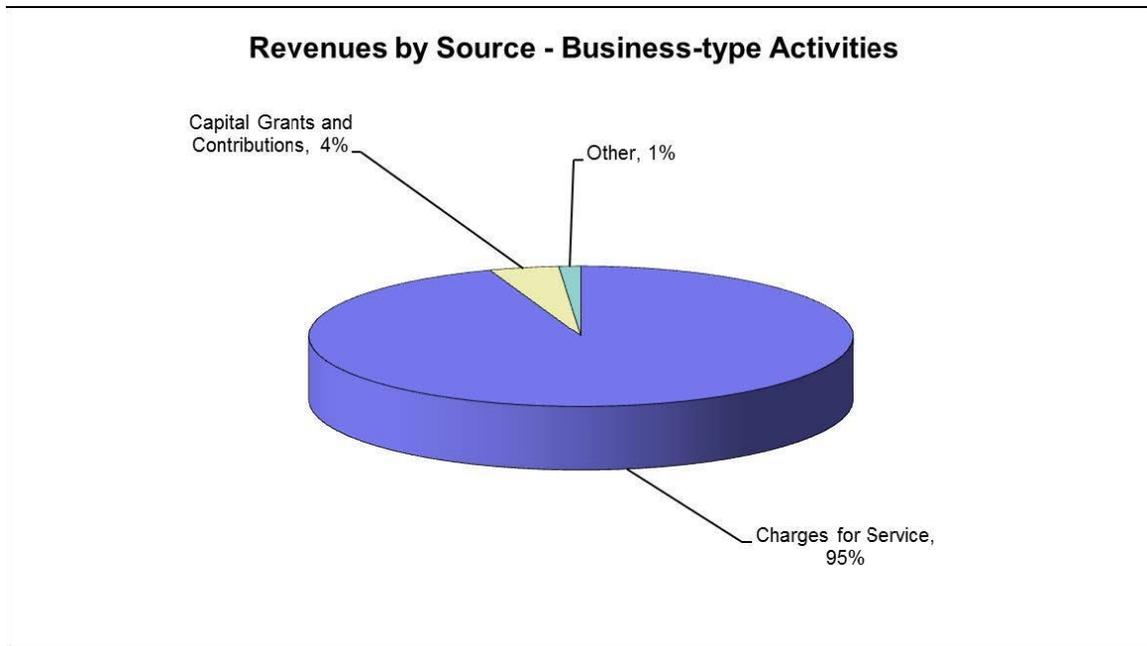
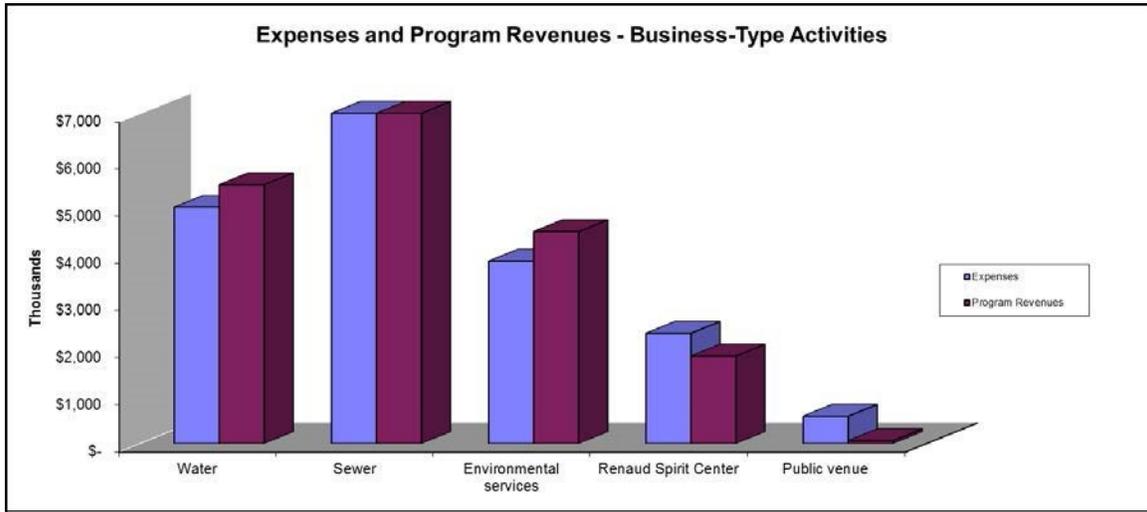
Following are charts comparing program revenues and expenses by individual business-type activity and the percent of the total for each source of revenue supporting business-type activities for the current year.

Although these business-type activities recover more costs through program revenues than governmental activities, the water, sewer and environmental services activities generated sufficient revenue to cover current expenses. In other words, the services for these activities are substantially being supported by user fees which are based upon each household’s usage.

# City of O'Fallon, Missouri

## Management's Discussion and Analysis

### Fiscal Year Ended December 31, 2014



# **City of O'Fallon, Missouri**

## **Management's Discussion and Analysis**

### **Fiscal Year Ended December 31, 2014**

#### **Financial Analysis of the City's Governmental Funds**

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

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$37,900,221, an increase of \$2,314,733 in comparison with the prior year. Approximately one-half of the ending fund balance of the governmental funds is unassigned and available for appropriation for the general purposes of the funds. The remainder of the fund balance indicates that it is not available for spending because it has already been committed for encumbrances, debt service, grants, and prepaid assets.

**General Fund.** The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$17,822,293 while total fund balance was \$20,191,415. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 68% of total General Fund expenditures, while total fund balance represents 77% of that same amount.

The fund balance of the City's General Fund increased by \$1,135,274 during the current fiscal year. Important factors to note are as follows:

- ◆ Sales Tax Revenue increased by \$618,273.
- ◆ Expenditures were \$2,253,999 less than budgeted.

**Street & Road Improvement Fund.** The Street & Road Improvement Fund has a total fund balance of \$5,027,277, all of which is restricted or nonspendable for street improvements. Restricted fund balance represents 39% of total Street & Road Improvement Fund expenditures. Street improvement projects included improvements to Crusher Road Extension, Elaine Dr. widening, Page Extension enhancements, Laura Hill Improvements, Sommers Rd at Hwy N, Woodlawn/Civic Park resurfacing and Waterford Crossing Intersection Improvements.

The fund balance of the City's Street & Road Improvement fund increased by \$685,146 during the current fiscal year. Important factors to note are as follows:

- ◆ Taxes increased by \$429,826.
- ◆ Capital outlay expenditures decreased by \$2,204,879.
- ◆ Intergovernmental revenue decreased by \$2,343,308, which corresponds to the decrease in road projects in the capital outlay expenditures.

**City of O'Fallon, Missouri**  
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**Recreation Fund.** The Recreation Fund has a total fund balance of \$4,586,747, all of which is restricted or nonspendable for the City's parks and recreation program. Restricted fund balance represents 105% of total Recreation Fund expenditures.

The fund balance of the City's Recreation fund increased by \$513,640 during the current fiscal year. Important factors to note are as follows:

- ◆ Taxes decreased by \$287,954. This sales tax is shared with the Storm Water fund.
- ◆ Parks and Recreation capital expenditures increased by \$12,843.

**Storm Water Fund.** The Storm Water Fund was created in 2009 and has a total fund balance of \$1,929,517, all of which is restricted or nonspendable for the City's storm water program. Restricted fund balance represents 119% of total Storm Water Fund expenditures.

The fund balance of the City's Storm Water Fund increased by \$287,785 during the current fiscal year. Important factors to note are as follows:

- ◆ Sales taxes increased by \$602,050. This sales tax is shared with the Recreation fund.
- ◆ Spending decreased by \$67,709.

**Debt Service Fund.** The Debt Service Fund has a total fund balance of \$4,920,104, all of which is restricted for the payment of debt service. Restricted fund balance represents 136% of total Debt Service Fund expenditures.

The fund balance of the City's Debt Service Fund decreased by \$422,886 during the current fiscal year. Important factors to note are as follows:

- ◆ Property taxes increased by \$51,773.

**Nonmajor Governmental Funds.** The fund balance of the City's nonmajor funds increased by \$115,774 during the current fiscal year. Important factors to note are as follows:

- ◆ There was an operating transfer from the Transient Guest Tax Fund to the Public Venue Fund in the amount of \$427,500.
- ◆ Community Development Block Grant revenue increased by \$25,720.

**Budgetary Highlights - General Fund.** Differences between the original budget and the final amended budget for expenditures resulted in a 3% increase.

**City of O’Fallon, Missouri**  
**Management’s Discussion and Analysis**  
**Fiscal Year Ended December 31, 2014**

During the year, actual expenditures were less than budgetary estimates, resulting in an actual increase in fund balance of \$1,010,022. The City’s fund balance on a budget basis at the end of the current year was \$19,825,681.

**Financial Analysis of the City’s Proprietary Funds**

**Water Fund.** Unrestricted net position of the Water Fund at the end of the year amounted to \$2,732,963. The change in unrestricted net position for the current year was a decrease of \$1,721,503.

**Sewer Fund.** Unrestricted net position of the Sewer Fund at the end of the year amounted to \$7,453,227. The change in unrestricted net position for the current year was an increase of \$315,923.

**Environmental Services Fund.** Unrestricted net position of the Environmental Services Fund at the end of the year amounted to \$1,601,111. The change in unrestricted net position for the current year was an increase of \$267,671.

**Renaud Spirit Center Fund.** Unrestricted net position of the Renaud Spirit Center Fund at the end of the year amounted to \$84,695. The change in unrestricted net position for the current year was a decrease of \$145,552.

**Public Venue Fund.** Unrestricted net position of the Public Venue Fund at the end of the year amounted to \$124,730. The change in unrestricted net position for the current year was a decrease of \$10,515.

**Capital Assets and Debt Administration**

**Capital assets.** The City’s investment in capital assets for its governmental and business-type activities as of December 31, 2014, amounts to \$231,586,288 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements, equipment, and infrastructure. The total increase in the City’s investment in capital assets for the current fiscal year was 1.8% (a 3.3% increase for governmental activities and a 0.6% decrease for business-type activities).

**City of O'Fallon, Missouri**  
**Management's Discussion and Analysis**  
**Fiscal Year Ended December 31, 2014**

**City of O'Fallon's Capital Assets**

(net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 14,169,267	\$ 14,101,564	\$ 1,365,654	\$ 1,365,654	\$ 15,534,921	\$ 15,467,218
Construction in progress	3,259,536	3,358,625	2,470,821	1,158,472	5,730,357	4,517,097
Buildings	9,483,155	9,954,303	34,526,101	36,369,227	44,009,256	46,323,530
Improvements	3,876,127	4,053,629	-	-	3,876,127	4,053,629
Equipment	6,758,351	6,198,264	26,304,940	26,112,669	33,063,291	32,310,933
Infrastructure	103,899,225	99,201,910	25,473,111	25,659,506	129,372,336	124,861,416
<b>Total</b>	<b>\$ 141,445,661</b>	<b>\$ 136,868,295</b>	<b>\$ 90,140,627</b>	<b>\$ 90,665,528</b>	<b>\$ 231,586,288</b>	<b>\$ 227,533,823</b>

Additional information on the City's capital assets can be found in Note 5 to the financial statements.

**Long-term debt.** At the end of the current fiscal year, the City had total debt outstanding of \$89,628,889. Of this amount \$20,835,000 comprised debt backed by the full faith and credit of the City. The remainder of the debt includes \$15,810,000 in certificates of participation, \$49,880,000 in Special Obligation bonds, \$2,495,902 in SIB Loan, and \$607,987 in capital lease obligations.

**City of O'Fallon's Outstanding Debt**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
General obligation bonds	\$ 20,835,000	\$ 23,515,000	\$ -	\$ -	\$ 20,835,000	\$ 23,515,000
Certificates of participation	6,423,200	6,423,200	9,386,800	9,786,800	15,810,000	16,210,000
Special Obligation bonds	15,665,550	18,905,850	34,214,450	37,714,150	49,880,000	56,620,000
SIB Loan	2,495,902	2,772,282	-	-	2,495,902	2,772,282
Capital lease obligations	13,895	43,507	594,092	905,889	607,987	949,396
<b>Total</b>	<b>\$ 45,433,547</b>	<b>\$ 51,659,839</b>	<b>\$ 44,195,342</b>	<b>\$ 48,406,839</b>	<b>\$ 89,628,889</b>	<b>\$ 100,066,678</b>

The City's total debt decreased by \$10,437,789 (10%) during the current fiscal year.

State Statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The current debt limitation for the City is \$153,934,842, which is significantly in excess of the City's outstanding general obligation debt of \$20,835,000.

**City of O’Fallon, Missouri**  
**Management’s Discussion and Analysis**  
**Fiscal Year Ended December 31, 2014**

During 2007, the City received a rating of “Aa3”, or Excellent, by Moody’s for its general obligation debt.

Additional information on the City’s long-term debt can be found in Note 9 to the financial statements.

**Economic Factors and Next Year’s Budgets**

During the preparation of the budget for the ensuing fiscal year, the City took into consideration the continued residential and retail growth and current economic conditions. Following are the assumptions made in preparing the City’s budget for the 2015 fiscal year:

- ◆ Property tax values will increase by 2%
- ◆ The Cost of Living Adjustment will approximate 0%
- ◆ Interest rates on investments will be less than 1%

**Requests for Information**

This financial report is designed to provide a general overview of the City’s finances for all those with an interest in the City’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, City of O’Fallon, 100 North Main Street, O’Fallon, MO 63366 or by logging on to the City’s website at [www.ofallon.mo.us](http://www.ofallon.mo.us).

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# *BASIC FINANCIAL STATEMENTS*

**City of O'Fallon, Missouri**  
**Statement of Net Position**  
**December 31, 2014**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets</b>			
Cash and investments	\$ 32,211,067	\$ 12,048,360	\$ 44,259,427
Receivables (net):			
Taxes	8,546,556	-	8,546,556
Services	-	2,853,629	2,853,629
Municipal court	1,058,439	-	1,058,439
Intergovernmental	301,861	-	301,861
Other	94,912	-	94,912
Prepaid assets	420,195	173,032	593,227
Inventories	6,041	-	6,041
Cash and investments - restricted	1,887,826	4,327,092	6,214,918
Long-term receivables	6,769,554	-	6,769,554
Capital assets:			
Nondepreciable	17,428,803	3,836,475	21,265,278
Depreciable, net	124,016,858	86,304,152	210,321,010
<b>Total Assets</b>	<b>192,742,112</b>	<b>109,542,740</b>	<b>302,284,852</b>
<b>Deferred Outflow of Resources</b>			
Deferred amounts from refunding of debt	1,461,574	1,174,074	2,635,648
<b>Liabilities</b>			
Accounts payable	4,207,701	2,066,228	6,273,929
Accrued interest	451,447	326,548	777,995
Other accrued liabilities	125,690	-	125,690
Unearned revenues	663,229	178,759	841,988
Deposits and escrow funds	-	396,040	396,040
Long-term liabilities:			
Due within one year	7,355,134	4,404,190	11,759,324
Due in more than one year	39,108,610	41,568,447	80,677,057
Due in more than one year - OPEB obligation	3,180,022	-	3,180,022
<b>Total Liabilities</b>	<b>55,091,833</b>	<b>48,940,212</b>	<b>104,032,045</b>
<b>Deferred Inflow of Resources</b>			
Deferred amounts from refunding of debt	-	487,997	487,997
<b>Net Position</b>			
Net investment in capital assets	95,729,079	48,308,010	144,037,089
Restricted for:			
Grants	392,579	-	392,579
Street & Road Improvement	10,786,619	-	10,786,619
Sewer Lateral	386,071	-	386,071
Public Safety	126,524	-	126,524
Parks and Recreation	5,313,018	-	5,313,018
Debt Service	5,746,953	983,869	6,730,822
Waterbury CID	184,219	-	184,219
Storm Water	1,929,517	-	1,929,517
Unrestricted	18,517,274	11,996,726	30,514,000
<b>Total Net Position</b>	<b>\$ 139,111,853</b>	<b>\$ 61,288,605</b>	<b>\$ 200,400,458</b>

\*See the accompanying notes to the financial statements.

**City of O'Fallon, Missouri**  
**Statement of Activities**  
**For The Year Ended December 31, 2014**

Functions	Expenses	Program Revenues			Net Revenue (Expense) And Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities</b>							
General government	\$ 14,484,550	\$ 120,800	\$ 496	\$ 3,940,977	\$ (10,422,277)	\$ -	\$ (10,422,277)
Public safety	12,778,140	27,267	300,360	284,692	(12,165,821)	-	(12,165,821)
Highways and streets	10,262,266	-	139,704	7,139,463	(2,983,099)	-	(2,983,099)
Community development	2,491,005	1,288,006	194,014	56,348	(952,637)	-	(952,637)
Parks and recreation	5,485,053	1,131,873	6,379	-	(4,346,801)	-	(4,346,801)
Municipal court	434,081	2,225,212	-	-	1,791,131	-	1,791,131
Interest on long-term debt	2,104,832	-	-	-	(2,104,832)	-	(2,104,832)
<b>Total Governmental Activities</b>	<b>48,039,927</b>	<b>4,793,158</b>	<b>640,953</b>	<b>11,421,480</b>	<b>(31,184,336)</b>	<b>-</b>	<b>(31,184,336)</b>
<b>Business-Type Activities</b>							
Water	5,008,590	5,078,020	-	407,023	-	476,453	476,453
Sewer	7,131,311	7,614,148	-	629,401	-	1,112,238	1,112,238
Environmental services	3,865,124	4,491,409	-	-	-	626,285	626,285
Renaud Spirit Center	2,336,780	1,854,757	-	-	-	(482,023)	(482,023)
Public venue	578,950	60,145	-	-	-	(518,805)	(518,805)
<b>Total Business-Type Activities</b>	<b>18,920,755</b>	<b>19,098,479</b>	<b>-</b>	<b>1,036,424</b>	<b>-</b>	<b>1,214,148</b>	<b>1,214,148</b>
<b>Total Government</b>	<b>66,960,682</b>	<b>23,891,637</b>	<b>640,953</b>	<b>12,457,904</b>	<b>(31,184,336)</b>	<b>1,214,148</b>	<b>(29,970,188)</b>
<b>General Revenues</b>							
Property taxes levied for:							
General purposes					5,801,130	-	5,801,130
Sewer Lateral					128,100	-	128,100
Debt service					3,157,760	-	3,157,760
Sales tax levied for:							
General purposes					11,683,103	-	11,683,103
Transportation purposes					8,519,159	-	8,519,159
Recreation					3,839,655	-	3,839,655
Storm Water					1,906,504	-	1,906,504
Franchise and public service taxes					8,122,547	-	8,122,547
Investment earnings					19,676	30,303	49,979
Gain on sale of capital assets					65,371	31,297	96,668
Other revenues					632,265	-	632,265
<b>Transfers</b>					<b>(464,948)</b>	<b>464,948</b>	<b>-</b>
<b>Total General Revenues and Transfers</b>					<b>43,410,322</b>	<b>526,548</b>	<b>43,936,870</b>
<b>Changes in Net Position</b>					<b>12,225,986</b>	<b>1,740,696</b>	<b>13,966,682</b>
<b>Net Position - Beginning of Year</b>					<b>126,885,867</b>	<b>59,547,909</b>	<b>186,433,776</b>
<b>Net Position - End of Year</b>					<b>\$ 139,111,853</b>	<b>\$ 61,288,605</b>	<b>\$ 200,400,458</b>

\*See the accompanying notes to the financial statements.

**City of O'Fallon, Missouri**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2014**

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Street & Road Improvement	Recreation	Storm Water	Debt Service	Other Governmental Funds		
<b>Assets</b>								
Cash and investments:								
Held by trustee	\$ -	\$ 825,993	\$ 856	\$ -	\$ -	\$ -	\$ -	\$ 826,849
Restricted	1,060,977	-	-	-	-	-	-	1,060,977
Unrestricted	17,508,267	3,688,474	4,198,230	1,835,981	3,896,149	1,083,966	-	32,211,067
Inventories	6,041	-	-	-	-	-	-	6,041
Receivables:								
Property taxes	2,269,565	-	-	-	1,229,385	-	-	3,498,950
Other taxes	2,649,968	1,375,396	573,991	304,880	-	179,636	-	5,083,871
Municipal court	1,058,439	-	-	-	-	-	-	1,058,439
Intergovernmental	32,155	269,706	-	-	-	-	-	301,861
Other	25,752	8	15,968	-	-	53,184	-	94,912
Due from other funds	28,602	-	-	-	-	-	-	28,602
Prepaid assets	315,030	56,506	41,106	7,472	-	81	-	420,195
<b>Total Assets</b>	<b>\$ 24,954,796</b>	<b>\$ 6,216,083</b>	<b>\$ 4,830,151</b>	<b>\$ 2,148,333</b>	<b>\$ 5,125,534</b>	<b>\$ 1,316,867</b>	<b>\$ -</b>	<b>\$ 44,591,764</b>
<b>Liabilities</b>								
Accounts payable	\$ 1,872,219	\$ 637,348	\$ 96,784	\$ 192,351	\$ -	\$ 37,664	\$ -	\$ 2,836,366
Accrued wages and leave payable	1,103,259	119,374	120,109	26,465	-	2,128	-	1,371,335
Municipal court appearance bonds payable	125,690	-	-	-	-	-	-	125,690
Unearned revenue	204,634	432,084	26,511	-	-	-	-	663,229
Due to Other Funds	-	-	-	-	-	28,602	-	28,602
<b>Total Liabilities</b>	<b>3,305,802</b>	<b>1,188,806</b>	<b>243,404</b>	<b>218,816</b>	<b>-</b>	<b>68,394</b>	<b>-</b>	<b>5,025,222</b>
<b>Deferred Inflows of Resources</b>								
Unavailable revenue:								
Property taxes	399,140	-	-	-	205,430	3,312	-	607,882
Municipal court	1,058,439	-	-	-	-	-	-	1,058,439
<b>Total Deferred Inflows Of Resources</b>	<b>1,457,579</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>205,430</b>	<b>3,312</b>	<b>-</b>	<b>1,666,321</b>
<b>Fund Balances</b>								
Nonspendable - supplies & prepaids								
Supplies	6,041	-	-	-	-	-	-	6,041
Prepaid assets	315,030	56,506	41,106	7,472	-	81	-	420,195
Restricted - externally imposed or law								
Debt Covenants - Bond cash accounts	-	825,993	856	-	3,896,149	-	-	4,722,998
Grant Savings Account	354,985	-	-	-	-	-	-	354,985
Police Grants	32,155	-	-	-	-	-	-	32,155
CDBG Grant	-	-	-	-	-	5,426	-	5,426
Street & Road Improvement	-	4,144,778	-	-	-	-	-	4,144,778
Sewer Lateral	-	-	-	-	-	386,003	-	386,003
Public Safety	-	-	-	-	-	126,524	-	126,524
Parks and Recreation	-	-	4,544,785	-	-	727,127	-	5,271,912
Debt Service	-	-	-	-	1,023,955	-	-	1,023,955
Storm Water	-	-	-	1,922,045	-	-	-	1,922,045
Committed - Council committed or contracts								
Purchase Orders (resolution)	70,470	-	-	-	-	-	-	70,470
Council's reserve on FB for capital	915,000	-	-	-	-	-	-	915,000
Assigned - intent for specific purpose								
Purchase orders, less contracts by resolution	528,317	-	-	-	-	-	-	528,317
Subsequent year's budget	147,124	-	-	-	-	-	-	147,124
Unassigned	17,822,293	-	-	-	-	-	-	17,822,293
<b>Total Fund Balances</b>	<b>20,191,415</b>	<b>5,027,277</b>	<b>4,586,747</b>	<b>1,929,517</b>	<b>4,920,104</b>	<b>1,245,161</b>	<b>-</b>	<b>37,900,221</b>
<b>Total Liabilities, Deferred Inflows Of Resources, And Fund Balances</b>	<b>\$ 24,954,796</b>	<b>\$ 6,216,083</b>	<b>\$ 4,830,151</b>	<b>\$ 2,148,333</b>	<b>\$ 5,125,534</b>	<b>\$ 1,316,868</b>	<b>\$ -</b>	<b>\$ 44,591,764</b>

\*See the accompanying notes to the financial statements.

**City of O'Fallon, Missouri**  
**Reconciliation of the Balance Sheet of Governmental**  
**Funds to the Statement of Net Position**  
**December 31, 2014**

Total fund balance - governmental funds \$ 37,900,221

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

Long-term receivables applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as receivables within the governmental fund financial statements. 6,769,554

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$225,984,668 and the accumulated depreciation is \$84,539,007. 141,445,661

Property taxes assessed by the City and court receivables not collected as of year-end are deferred within the governmental fund financial statements. However, revenue for this amount is recognized in the government-wide statements. 1,630,056

Net OPEB obligation liability was recorded in compliance with GASB 45. (3,180,022)

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

Balances as of December 31, 2014 are:

Accrued compensated absences and vacation	(747,162)
Accrued interest on outstanding debts	(451,447)
Debt and notes payable	(45,433,547)
Unamortized debt premium	(283,035)
Unamortized deferred refunding	1,461,574
	1,461,574

**Total Net Position Of Governmental Activities** **\$ 139,111,853**

\*See the accompanying notes to the financial statements.

**City of O'Fallon, Missouri**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For The Year Ended December 31, 2014**

	Major Funds					Nonmajor Funds	Total Governmental Funds
	General	Street & Road Improvement	Recreation	Storm Water	Debt Service	Other Governmental Funds	
<b>Revenues</b>							
Taxes	\$ 24,971,369	\$ 8,519,159	\$ 3,839,655	\$ 1,906,504	\$ 3,194,079	\$ 798,742	\$ 43,229,508
Intergovernmental	314,855	2,624,392	6,379	-	-	260,652	3,206,278
Licenses and permits	1,074,759	-	-	-	-	-	1,074,759
Charges for services	496,136	-	997,051	-	-	-	1,493,187
Fines and forfeitures	2,112,290	-	-	-	-	49,188	2,161,478
Investment earnings	(2,399)	23,642	(223)	(305)	(862)	(177)	19,676
Miscellaneous	362,543	175,449	91,709	144	-	2,420	632,265
<b>Total Revenues</b>	<b>29,329,553</b>	<b>11,342,642</b>	<b>4,934,571</b>	<b>1,906,343</b>	<b>3,193,217</b>	<b>1,110,825</b>	<b>51,817,151</b>
<b>Expenditures</b>							
Current:							
General government	8,550,330	-	-	642,096	1,490	146,740	9,340,656
Public safety	12,180,601	-	-	-	-	32,447	12,213,048
Highways and streets	-	5,761,388	-	-	-	-	5,761,388
Community development	2,239,640	-	-	-	-	194,015	2,433,655
Parks and recreation	1,096,706	-	3,733,858	-	-	114,511	4,945,075
Municipal court	430,465	-	-	-	-	-	430,465
Capital outlay	996,266	3,837,610	603,487	666,442	-	79,909	6,183,714
Debt service:							
Principal retirement	695,000	2,531,380	30,300	260,000	2,680,000	-	6,196,680
Interest	56,538	849,520	11,981	50,020	934,613	-	1,902,672
<b>Total Expenditures</b>	<b>26,245,546</b>	<b>12,979,898</b>	<b>4,379,626</b>	<b>1,618,558</b>	<b>3,616,103</b>	<b>567,622</b>	<b>49,407,353</b>
<b>Revenues Over (Under) Expenditures</b>	<b>3,084,007</b>	<b>(1,637,256)</b>	<b>554,945</b>	<b>287,785</b>	<b>(422,886)</b>	<b>543,203</b>	<b>2,409,798</b>
<b>Other Financing Sources (Uses)</b>							
Insurance recoveries	223,126	-	-	-	-	-	223,126
Transfers in	100,000	2,250,000	538	-	-	609	2,351,147
Transfers out	(2,335,609)	-	(52,448)	-	-	(428,038)	(2,816,095)
Sale of capital assets	63,750	72,402	10,605	-	-	-	146,757
<b>Total Other Financing Sources (Uses)</b>	<b>(1,948,733)</b>	<b>2,322,402</b>	<b>(41,305)</b>	<b>-</b>	<b>-</b>	<b>(427,429)</b>	<b>(95,065)</b>
<b>Net Changes in Fund Balances</b>	<b>1,135,274</b>	<b>685,146</b>	<b>513,640</b>	<b>287,785</b>	<b>(422,886)</b>	<b>115,774</b>	<b>2,314,733</b>
<b>Fund Balances</b>							
Beginning of year	19,056,141	4,342,131	4,073,107	1,641,732	5,342,990	1,129,387	35,585,488
<b>End of Year</b>	<b>\$ 20,191,415</b>	<b>\$ 5,027,277</b>	<b>\$ 4,586,747</b>	<b>\$ 1,929,517</b>	<b>\$ 4,920,104</b>	<b>\$ 1,245,161</b>	<b>\$ 37,900,221</b>

\*See the accompanying notes to the financial statements.

**City of O'Fallon, Missouri**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of**  
**Governmental Funds to the**  
**Statement of Activities**  
**For The Year Ended December 31, 2014**

Net change in fund balances - total governmental funds \$ 2,314,733

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 for general and \$25,000 for infrastructure are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. Donated assets are not recorded in the governmental funds but are recognized as revenue in the statement of activities. This is the amount by which capital outlays and donated capital assets exceeded depreciation in the current period.

Capital outlays	3,638,831	
Donated capital assets	8,648,333	
Depreciation expense	<u>(7,628,412)</u>	4,658,752

The net effect of various miscellaneous transactions involving capital assets (i.e., sales and trade-ins) is to decrease net assets. (81,386)

The governmental funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds financial statements but reduces the long-term liabilities in the statement of net assets.

Repayment of capital lease payable	29,612	
Repayment of loan payable	276,380	
Repayment of debt principal	<u>5,920,300</u>	6,226,292

Under the modified accrual basis of accounting used in the governmental funds, the effect of discounts and premiums is reported when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, interest expense is recognized as it accrues, regardless of when it is due. Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. The net effect of these differences are as follows:

Accrued interest on bonds	30,265	
Compensated absences	(14,038)	
Amortization expense	<u>(232,425)</u>	(216,198)

OPEB expense was recorded in compliance with GASB 45. (653,087)

Long-term receivable for advanced funding for the Waterbury CID project. (15,304)

Property tax revenues and court receivable received prior to the year for which they are being levied are reported as deferred revenue in the governmental funds. They are, however, recorded as revenues in the statement of activities. (7,816)

**Change in Net Position of Governmental Activities \$ 12,225,986**

\*See the accompanying notes to the financial statements.

**City of O'Fallon, Missouri**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2014**

	Major Enterprise Funds					Total
	Water	Sewer	Environmental Services	Renaud Spirit Center	Public Venue	
<b>Assets</b>						
Current assets:						
Cash and cash equivalents:						
Held by trustee	\$ 296,187	\$ 686,198	\$ -	\$ -	\$ 1,484	\$ 983,869
Restricted	3,343,223	-	-	-	-	3,343,223
Unrestricted	3,785,751	6,935,903	1,088,112	215,075	23,519	12,048,360
Receivables:						
Charges for services:						
Billed	336,210	725,720	378,014	28,637	-	1,468,581
Unbilled	251,113	530,100	377,792	-	-	1,159,005
Other	34,300	50,550	43,593	-	97,600	226,043
Prepaid assets	40,194	64,537	34,086	10,726	23,489	173,032
<b>Total Current Assets</b>	<b>8,086,978</b>	<b>8,993,008</b>	<b>1,921,597</b>	<b>254,438</b>	<b>146,092</b>	<b>19,402,113</b>
Noncurrent assets:						
Capital assets	45,205,177	82,905,883	8,426,824	11,030,482	5,991,885	153,560,251
Less: Accumulated depreciation	16,080,545	34,051,423	5,847,241	2,920,662	4,519,753	63,419,624
<b>Total Noncurrent Assets</b>	<b>29,124,632</b>	<b>48,854,460</b>	<b>2,579,583</b>	<b>8,109,820</b>	<b>1,472,132</b>	<b>90,140,627</b>
<b>Total Assets</b>	<b>37,211,610</b>	<b>57,847,468</b>	<b>4,501,180</b>	<b>8,364,258</b>	<b>1,618,224</b>	<b>109,542,740</b>
<b>Deferred Outflow of Resources</b>						
Deferred amounts from refunding of debt	36,776	900,685	76,017	-	160,596	1,174,074
<b>Liabilities</b>						
Current liabilities:						
Accounts payable	1,200,047	481,133	276,276	99,206	9,566	2,066,228
Accrued Interest	145,066	167,640	3,530	-	10,312	326,548
Deposits payable	303,605	92,435	-	-	-	396,040
Accrued compensated absences	31,587	29,825	40,680	8,628	-	110,720
Unearned revenue: connection charges	34,300	82,550	-	-	-	116,850
Unearned revenue: program revenue	-	-	-	61,909	-	61,909
Current portion of certificates of participation payable	640,000	610,000	-	-	17,000	1,267,000
Current portion of special obligation payable	1,041,961	1,293,039	60,000	-	355,000	2,750,000
Current portion of capital leases payable	2,726	954	226,643	46,147	-	276,470
<b>Total Current Liabilities</b>	<b>3,399,292</b>	<b>2,757,576</b>	<b>607,129</b>	<b>215,890</b>	<b>391,878</b>	<b>7,371,765</b>
Noncurrent liabilities:						
Certificates of participation payable, less current maturities and bond discount	2,942,660	5,067,207	-	-	74,800	8,084,667
Special Obligation payable, less current maturities and bond discount	17,269,551	14,585,430	407,664	-	903,513	33,166,158
Capital leases payable, less current portion	3,809	557	253,615	59,641	-	317,622
<b>Total Noncurrent Liabilities</b>	<b>20,216,020</b>	<b>19,653,194</b>	<b>661,279</b>	<b>59,641</b>	<b>978,313</b>	<b>41,568,447</b>
<b>Total Liabilities</b>	<b>23,615,312</b>	<b>22,410,770</b>	<b>1,268,408</b>	<b>275,531</b>	<b>1,370,191</b>	<b>48,940,212</b>
<b>Deferred Inflow of Resources</b>						
Deferred amounts from refunding of debt	321,466	161,132	-	-	5,399	487,997
<b>Net Position</b>						
Net investment in capital assets	10,282,458	28,036,826	1,707,678	8,004,032	277,016	48,308,010
Restricted for:						
Debt service	296,187	686,198	-	-	1,484	983,869
Unrestricted	2,732,963	7,453,227	1,601,111	84,695	124,730	11,996,726
<b>Total Net Position</b>	<b>\$ 13,311,608</b>	<b>\$ 36,176,251</b>	<b>\$ 3,308,789</b>	<b>\$ 8,088,727</b>	<b>\$ 403,230</b>	<b>\$ 61,288,605</b>

\*See the accompanying notes to the financial statements.

**City of O'Fallon, Missouri**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For The Year Ended December 31, 2014**

	<b>Major Enterprise Funds</b>					<b>Total</b>
	<b>Water</b>	<b>Sewer</b>	<b>Environmental Services</b>	<b>Renaud Spirit Center</b>	<b>Public Venue</b>	
<b>Operating Revenues</b>						
Refuse and recycling service charges	\$ -	\$ -	\$ 4,483,365	\$ -	\$ -	\$ 4,483,365
Recreation program sales	-	-	-	1,841,674	-	1,841,674
Water sales	4,473,479	-	-	-	-	4,473,479
Connection charges	508,329	265,000	-	-	-	773,329
Sewer service charges	-	7,251,975	-	-	-	7,251,975
Lease payments	91,848	90,486	-	500	50,000	232,834
Miscellaneous	4,364	6,687	8,044	12,583	10,145	41,823
<b>Total Operating Revenues</b>	<b>5,078,020</b>	<b>7,614,148</b>	<b>4,491,409</b>	<b>1,854,757</b>	<b>60,145</b>	<b>19,098,479</b>
<b>Operating Expenses</b>						
Contractual services	263,421	495,629	27,870	10,626	30,109	827,655
General government	1,204,428	1,625,904	1,989,167	1,673,739	25,221	6,518,459
Utilities	623,236	777,783	952,768	198,874	27,871	2,580,532
Repairs and maintenance	243,997	521,716	191,338	122,689	85,201	1,164,941
Small equipment	128,140	21,475	50,376	8,203	-	208,194
Depreciation and amortization	1,573,436	2,603,449	637,827	322,649	322,048	5,459,409
Miscellaneous	1,831	3,391	130	-	722	6,074
<b>Total Operating Expenses</b>	<b>4,038,489</b>	<b>6,049,347</b>	<b>3,849,476</b>	<b>2,336,780</b>	<b>491,172</b>	<b>16,765,264</b>
<b>Operating Income (Loss)</b>	<b>1,039,531</b>	<b>1,564,801</b>	<b>641,933</b>	<b>(482,023)</b>	<b>(431,027)</b>	<b>2,333,215</b>
<b>Nonoperating Revenues (Expenses)</b>						
Investment earnings	19,886	10,378	(246)	(14)	299	30,303
Interest expense	(970,101)	(975,765)	(15,648)	-	(87,778)	(2,049,292)
Gain (loss) on capital asset disposal	21,506	(106,199)	-	6,250	3,541	(74,902)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(928,709)</b>	<b>(1,071,586)</b>	<b>(15,894)</b>	<b>6,236</b>	<b>(83,938)</b>	<b>(2,093,891)</b>
<b>Income (Loss) Before Transfers and Contributions</b>	<b>110,822</b>	<b>493,215</b>	<b>626,039</b>	<b>(475,787)</b>	<b>(514,965)</b>	<b>239,324</b>
Transfers in	-	3,398	-	52,448	512,500	568,346
Transfers out	(3,398)	-	(100,000)	-	-	(103,398)
Capital contributions	407,023	629,401	-	-	-	1,036,424
<b>Change in Position</b>	<b>514,447</b>	<b>1,126,014</b>	<b>526,039</b>	<b>(423,339)</b>	<b>(2,465)</b>	<b>1,740,696</b>
<b>Net Position - Beginning of Year</b>	<b>12,797,161</b>	<b>35,050,237</b>	<b>2,782,750</b>	<b>8,512,066</b>	<b>405,695</b>	<b>59,547,909</b>
<b>Net Position - End of Year</b>	<b>\$ 13,311,608</b>	<b>\$ 36,176,251</b>	<b>\$ 3,308,789</b>	<b>\$ 8,088,727</b>	<b>\$ 403,230</b>	<b>\$ 61,288,605</b>

\*See the accompanying notes to the financial statements.

**City of O'Fallon, Missouri**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For The Year Ended December 31, 2014**

	Major Enterprise Funds					Total
	Water	Sewer	Environmental Services	Renaud Spirit Center	Public Venue	
<b>Cash Flows From Operating Activities:</b>						
Receipts from customers	\$ 5,172,715	\$ 7,601,570	\$ 4,352,317	\$ 1,813,537	\$ 62,200	\$ 19,002,339
Payment to suppliers	(443,719)	(2,140,552)	(1,394,337)	(565,711)	(170,848)	(4,715,167)
Payment to employees	(1,079,488)	(1,421,505)	(1,861,945)	(1,444,906)	(10,358)	(5,818,202)
Other receipts	4,364	6,687	8,044	12,583	10,145	41,823
<b>Net Cash Provided By (Used In) Operating Activities</b>	<b>3,653,872</b>	<b>4,046,200</b>	<b>1,104,079</b>	<b>(184,497)</b>	<b>(108,861)</b>	<b>8,510,793</b>
<b>Cash Flows From Noncapital Financing Activities:</b>						
Transfers out	-	-	(100,000)	-	-	(100,000)
Transfers in	-	-	-	52,448	512,500	564,948
<b>Net Cash Provided By (Used In) Noncapital Financing Activities</b>	<b>-</b>	<b>-</b>	<b>(100,000)</b>	<b>52,448</b>	<b>512,500</b>	<b>464,948</b>
<b>Cash Flows From Capital And Related Financing Activities:</b>						
Principal paid on debt	(1,765,565)	(1,747,716)	(397,279)	(32,036)	(330,100)	(4,272,696)
Interest paid on debt	(1,027,902)	(1,041,237)	(16,157)	-	(98,280)	(2,183,576)
Unearned revenue	-	(20,000)	-	14,169	-	(5,831)
Proceeds from sale of capital assets	21,506	17,573	-	6,250	3,541	48,870
Acquisition and construction of capital assets	(2,443,603)	(1,156,680)	(498,916)	(12,826)	-	(4,112,025)
<b>Net Cash Provided By (Used In) Capital and Related Financing Activities</b>	<b>(5,215,564)</b>	<b>(3,948,060)</b>	<b>(912,352)</b>	<b>(24,443)</b>	<b>(424,839)</b>	<b>(10,525,258)</b>
<b>Cash Flows Provided By Investing Activities:</b>						
Investment earnings	19,886	10,378	(246)	(14)	299	30,303
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(1,541,806)</b>	<b>108,518</b>	<b>91,481</b>	<b>(156,506)</b>	<b>(20,901)</b>	<b>(1,519,214)</b>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<b>8,966,967</b>	<b>7,513,583</b>	<b>996,631</b>	<b>371,581</b>	<b>45,904</b>	<b>17,894,666</b>
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 7,425,161</b>	<b>\$ 7,622,101</b>	<b>\$ 1,088,112</b>	<b>\$ 215,075</b>	<b>\$ 25,003</b>	<b>\$ 16,375,452</b>
<b>Reconciliation of Operating Income (Loss) To Net Cash Provided By (Used In) Operating Activities</b>						
Operating income (loss)	\$ 1,039,531	\$ 1,564,801	\$ 641,933	\$ (482,023)	\$ (431,027)	\$ 2,333,215
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation and amortization expense	1,573,436	2,603,449	637,827	322,649	322,048	5,459,409
Change in assets and liabilities:						
(Increase) decrease in services receivable	25,312	(49,490)	(122,008)	(28,637)	-	(174,823)
(Increase) decrease in miscellaneous receivables	46,246	44,739	(8,665)	-	12,200	94,520
(Increase) decrease in prepaid assets	(277)	5,752	33,359	3,835	(17,570)	25,099
Increase (decrease) in accounts payable	928,711	(136,368)	(82,099)	2,878	5,488	718,610
Increase (decrease) in customer deposits	35,930	9,330	-	-	-	45,260
Increase (decrease) in accrued compensated absences	4,983	3,987	3,732	(3,199)	-	9,503
<b>Total Adjustments</b>	<b>2,614,341</b>	<b>2,481,399</b>	<b>462,146</b>	<b>297,526</b>	<b>322,166</b>	<b>6,177,578</b>
<b>Net Cash Provided By (Used In) Operating Activities</b>	<b>\$ 3,653,872</b>	<b>\$ 4,046,200</b>	<b>\$ 1,104,079</b>	<b>\$ (184,497)</b>	<b>\$ (108,861)</b>	<b>\$ 8,510,793</b>

**Noncash Investing, Capital, and Financing Activities:**

The Water and Sewer Funds received \$407,023 and \$629,401, respectively, in contributed water lines and sewer lines from developers.  
The Sewer Fund transferred equipment and the related capital lease to the Water Fund, which netted to \$3,398.  
The Renaud Spirit Center Fund issued 1 lease for cardio equipment totaling \$61,199.  
The Environmental Services Fund traded in equipment of \$120,000.

\*See the accompanying notes to the financial statements.

**City of O'Fallon, Missouri**  
**Statement of Assets and Liabilities**  
**Fiduciary Funds**  
**December 31, 2014**

	<u>Agency Funds</u>
<b>Assets</b>	
Cash	\$ 1,010
<hr/>	
<b>Total Assets</b>	<b>\$ 1,010</b>
<hr/>	
<b>Liabilities</b>	
Due to Waterbury Storm CID	\$ 1,010
<hr/>	
<b>Total Liabilities</b>	<b>\$ 1,010</b>
<hr/>	

\*See the accompanying notes to the financial statements.

**City of O'Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

**1. Summary of Significant Accounting Policies**

The City of O'Fallon, Missouri (the City) was incorporated September 12, 1912. The City operates under a Mayor/City Council/City Administrator form of government and provides the following services as authorized by its bylaws: public safety (police), highways and streets, culture and recreation, public improvements, water and sanitary sewer, community development, and general administrative services.

The basic financial statements of the City have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below:

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. The effect of interfund transfers is eliminated except for transfers between governmental and proprietary funds. However, interfund services provided and used are not eliminated in the process of consolidation. 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 segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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. Taxes, unrestricted interest earnings, and other items not properly included among program revenues are reported instead as general revenues.

Following the government-wide financial statements are separate financial statements for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are reported in one column labeled "Other Governmental Funds." The total fund balances for all governmental funds is reconciled to total net position for governmental activities as shown on the statement of net position.

**City of O'Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

The net change in fund balance for all governmental funds is reconciled to the total change in net position as shown on the statement of activities in the government-wide financial statements.

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

**General**

The General Fund is used to account for resources traditionally associated with government activities which are not required legally or by sound financial management to be accounted for in another fund.

**Street & Road Improvement**

The Street & Road Improvement Fund is used to account for transportation sales tax revenues and other financing sources restricted and or intended for the maintenance and construction of streets, roads, and bridges. This fund was formerly known as the Transportation Sales Tax Fund.

**Recreation**

The Recreation Fund is used to account for the parks portion of the parks/storm water sales tax and charges for services offered by the City. This fund was created in October 2008 when the new Parks Storm Water sales tax began.

**Storm Water**

The Storm Water Fund is used to account for the storm water portion of the parks/storm water sales tax restricted for the use of storm water projects managed by the City. This fund was created in October 2008 when the new Parks Storm Water sales tax began.

**Debt Service**

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

The other governmental funds of the City are considered nonmajor. They are Special Revenue Funds which account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

**City of O’Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

Proprietary funds are used to account for activities that are similar to those found in the private sector. The measurement focus is on the determination of net income and capital maintenance. Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City has five Enterprise Funds which are all considered major funds as follows:

**Water**

The Water Fund is used to account for the activity of the City’s water operations.

**Sewer**

The Sewer Fund is used to account for the activity of the City’s sewer operations.

**Environmental Services**

The Environmental Services Fund is used to account for the activity of the City’s waste management operations.

**Renaud Spirit Center**

The Renaud Spirit Center Fund is used to account for the activity of the Renaud Spirit Center Recreation Center.

**Public Venue**

The Public Venue Fund is used to account for the activity of the City’s stadium operations.

Additionally, the City reports the following fund type:

**Agency Fund**

The Agency Fund is used to account for the Waterbury Storm CID under a custodial agreement. This is a fiduciary fund type which is used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

**Measurement Focus and Basis of Accounting**

The government-wide financial statements and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of

**City of O'Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

All trust fiduciary funds have the same economic resources measurement focus and accrual basis of accounting as do propriety funds. Agency fiduciary funds, however, are unlike all other types of funds, reporting only assets and liabilities. Therefore, agency funds do not have a measurement focus. They do, however, use the accrual basis of accounting to recognize receivables and payables.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available. The term "available" is defined as collectible within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. For the City, available means expected to be received within 60 days of fiscal year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Expenditures for principal and interest on long-term debt are not recognized until due.

Nonexchange transactions are grouped into the following four classes, based upon their principal characteristics: derived tax revenues, imposed non-exchange revenues, government mandated nonexchange transactions, and voluntary nonexchange transactions.

The City recognizes assets from derived tax revenue transactions (such as sales and utilities gross receipts taxes) in the period when the underlying exchange transaction on which the tax is imposed occurs or when the assets are received, whichever occurs first. Revenues are recognized, net of estimated refunds and estimated uncollectible amounts, in the same period that the assets are recognized, provided that the underlying exchange transaction has occurred. Resources received in advance are reported as unavailable revenues until the period of the exchange.

**City of O'Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

The City recognizes assets from imposed nonexchange revenue transactions (such as real estate and personal property transactions) in the period when an enforceable legal claim to the assets arises or when the resources are received, whichever occurs first. Revenues are recognized in the period when the resources are required to be used or the first period that use is permitted. The City recognizes revenues from property taxes, net of estimated refunds and estimated uncollectible amounts, in the period for which the taxes are levied. Imposed nonexchange revenues also include permits, court fines, and forfeitures.

Intergovernmental revenues, representing grants and assistance received from other governmental units, are generally recognized as revenues in the period when all eligibility requirements have been met. Any resources received before eligibility requirements are met are reported as deferred revenues.

Charges for services in the governmental funds, which are exchange transactions, are recognized as revenues when received in cash because they are generally not measurable until actually received.

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

**Receivables & Allowances**

Receivables are shown net of an allowance for uncollectible for property taxes \$36,266 and court fines \$79,667.

**City of O'Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

	Receivables	Unapplied Credits	Allow. for Uncollectible	Total
General Fund	\$ 6,115,547	\$ -	\$ (102,362)	\$ 6,013,185
Street & Road Improv	1,645,110	-	-	1,645,110
Recreation	601,097	(11,138)	-	589,959
Storm Water	304,880	-	-	304,880
Sewer Lateral	127,674	-	(1,277)	126,397
Transient Guest Tax	51,962	-	-	51,962
CDBG	53,184	-	-	53,184
Debt Service	1,229,385	-	(12,294)	1,217,091
Water	635,526	(13,903)	-	621,623
Sewer	1,336,381	(30,011)	-	1,306,370
Environmental Services	815,031	(15,632)	-	799,399
Renaud Spirit Center	48,726	(20,089)	-	28,637
Public Venue	97,600	-	-	97,600
Totals	<u>\$ 13,062,103</u>	<u>\$ (90,773)</u>	<u>\$ (115,933)</u>	<u>\$ 12,855,397</u>

### Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items. The cost of governmental fund-type prepaids is recorded as an expenditure when consumed rather than when purchased.

### Inventories

Inventories are valued at cost, which approximate market, using the first-in, first-out (FIFO) method. The cost of governmental fund-type inventories is recorded as an expenditure when consumed rather than when purchased.

### Capital Assets

Capital assets, which include property, plant, equipment, and certain infrastructure assets (e.g., roads, bridges, storm sewers, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of \$5,000 or more for general capital assets and \$25,000 or more for infrastructure, and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed.

Donated capital assets are recorded at estimated fair value at the date of donation.

**City of O’Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

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

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

Buildings	30 – 45 years
Structures and improvements	30 – 45 years
Water and sewer lines	30 – 50 years
Streets, bridges, and sidewalks	30 – 50 years
Furniture and other equipment	5 years
Vehicles	5 years
Computer equipment	3 – 5 years
Software	3 – 5 years
Land improvement	30 – 45 years

**Long-Term Liabilities**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported adjusted by the applicable bond premium or discount.

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

**Debt Refunding**

For current and advance refundings resulting in defeasance of debt reported by government-wide and business-type activities, the difference between the re-acquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense over the remaining life of the old debt or new debt, whichever is shorter, using the straight-line method since the results of the straight-line method are not materially different from the use of the effective interest method.

**City of O'Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

**Compensated Absences**

City employees earn vacation during the current year which must be taken in the subsequent year. Accrued vacation time is recognized as a liability when earned and any unused accumulated vacation is payable to employees upon termination. Accrued vacation is recorded in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured. Sick leave benefits do not vest and are recorded as expenditures when paid.

**Capital Contributions**

Capital contributions in the Enterprise Funds represent government grants, contributions, and other aid to fund capital projects. Capital contributions are recognized as revenue when the expenditure is made and amounts become subject to claim for reimbursement.

**Interfund Activity**

Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expensed are recorded as other financing sources (uses) in the governmental funds financial statements.

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

**Deferred Outflows/Inflows of Resources**

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

# **City of O'Fallon, Missouri**

## **Notes to Basic Financial Statements**

### **December 31, 2014**

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

### **Net Position**

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

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

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

**Unrestricted** – This consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

### **Governmental Fund Balance**

The City has enacted the following policy in an effort to ensure financial security through the maintenance of a healthy reserve fund that guides the creation, maintenance, and use of resources for financial stabilization purposes. The City's primary objective is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees due to temporary revenue shortfalls or unpredicted one-time expenditures. The City also seeks to maintain the highest possible credit ratings which are dependent, in part, on the City's maintenance of a healthy fund balance.

**City of O'Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

**DEFINITIONS**

**Fund balance** -- The excess of assets over liabilities in a governmental fund.

1. **Nonspendable fund balance** -- Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).
2. **Restricted fund balance** -- Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation.
3. **Committed fund balance** -- Amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint. The City Council passes a resolution to commit amounts and to remove or change the constraint.
4. **Assigned fund balance** -- Amounts a government intends to use for a specific purpose; intent can be expressed by an official or body to which the governing body delegates the authority. The Finance Director authorizes purchase orders that encumber funds.
5. **Unassigned fund balance** -- Amounts that are available for any purpose; these positive amounts are reported only in the General Fund.

The fund balance of the City's General Fund has been accumulated to meet this purpose, to provide stability and flexibility to respond to unexpected adversity and/or opportunities.

The target is to maintain an unrestricted fund balance of not less than 40% of annual operating expenditures for the fiscal year.

The City's basic goal is to maintain annual expenditure increases at a growth rate, and to limit expenditures to anticipated revenue in order to maintain a balanced budget. The decision to retain an unrestricted fund balance of not less than 40% of operating expenditures stems from the following:

- This amount provides adequate funding to cover approximately four (4) to five (5) months of operating expenses.
- This amount provides the liquidity necessary to accommodate the City's uneven cash flow, which is inherent in its periodic tax collection schedule.
- This amount provides the liquidity to respond to contingent liabilities.

# **City of O'Fallon, Missouri**

## **Notes to Basic Financial Statements**

### **December 31, 2014**

- This amount provides for continued creditworthiness which is important for maintaining the City's credit rating.
- This amount provides for protection against exposure risks of significant one-time capital outlay such as a disaster or immediate capital needs.

Unassigned fund balance shall be any remaining amounts.

The City will spend the most restricted dollars before less restricted in the following order:

- a. Nonspendable (if funds become spendable)
- b. Restricted
- c. Committed
- d. Assigned
- e. Unassigned

### **Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental types. Encumbrances outstanding at year-end amounted to \$365,734, \$2,331,596, \$220,288, \$562,366, and \$38,432 for the general, street and road improvement, recreation, storm water, and transient guest tax funds, respectively.

### **Statement of Cash Flows**

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

### **Estimates and Assumptions**

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires the City to make estimates and assumptions that affect the reported amounts of assets and liabilities at year-end and revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

## **2. Cash and Investments**

Investments primarily consist of short-term U.S. Government Treasury and Agency securities that are carried at cost because they have a remaining maturity

**City of O’Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

at the time of purchase of one year or less. Certain investments of the bond reserve funds in the Enterprise Funds are carried at cost, which approximates fair value, in accordance with GASB 31, *Accounting for Certain Investments and for External Investment Pools*. Fair value is based on quoted market prices.

State of Missouri statutes authorize the City to invest in repurchase agreements, obligations of the U.S. Treasury and U.S. Government Agencies, the State of Missouri, guaranteed investment contracts, and certain local governments within Missouri.

Deposits in financial institutions must be collateralized by securities pledged to the City by these same financial institutions.

Custodial Credit Risk for deposits is the risk that in the event of a bank failure, the City’s deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City’s bank deposits are required by state law to be secured by the deposit of certain securities specified at RSMo 30.270 with the City or trustee institution. The City maintains a cash and investment pool available to all City funds. For financial reporting purposes, investments are allocated in proportion to each fund’s cash balance to the total cash balance. The bank balance was entirely insured or collateralized by securities held by the City’s agent in the City’s name.

As of December 31, 2014, the City had the following investments:

Investments	Market Value	No Maturity	Less Than One Year	1 - 5 Years	6 - 10 Years	More Than Ten Years	Credit Risk
Guaranteed investment contracts	\$ 1,117,500	\$ -	\$ -	\$ -	\$ -	\$ 1,117,500	AAA
Certificates of deposit	494,491	-	494,491	-	-	-	Not rated
Money market	13,338,645	13,338,645	-	-	-	-	Not rated
Repurchase agreement	35,064,338	-	35,064,338	-	-	-	AAA
<b>Total Investments</b>	<b>\$ 50,014,974</b>	<b>\$ 13,338,645</b>	<b>\$ 35,558,829</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,117,500</b>	

**Credit Risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City minimized credit risk by diversifying the portfolio to reduce potential losses on individual securities. The City’s investment policy, excluding certain retirement and debt funds, restricts the maximum percentage of the total portfolio and maximum length of maturity to minimize risk. Authority to manage the investment program is granted to the Director of Finance. At the discretion of the Director, designated members of the Finance Department staff may assist with various investment activities.

**City of O’Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

As of December 31, 2014, the City’s credit ratings associated with its investments was AAA.

	<i>Maximum % of Total Portfolio</i>	<i>Maximum Length of Maturity</i>
U.S. Treasury Bill, Notes, and Bonds	90%	5 years
Repurchase Agreements (overnight)	90%	1 day
U.S. Government Instrumentalities	75%	5 years
U.S. Government Agencies	75%	5 years
Certificates of Deposits	90%	5 years

**Interest Rate Risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing primarily in shorter term securities. Furthermore, the City cannot make investments for the purpose of trading or speculation, such as anticipating an appreciation of capital value through changes in market interest rates, per the City’s investment policy.

**Concentration of Credit Risk** is the risk of loss attributed to the magnitude of the City’s investment in a single issuer. The City minimizes concentration of credit risk by diversifying the investment portfolio, per the City’s investment policy.

**3. Property Tax**

The City’s property tax is levied annually in August based on the assessed valuation of property located in the City as of the previous January 1. Assessed valuations are established by the St. Charles County Assessor. The City tax rate was levied at \$.5512 per \$100 of assessed valuation of which \$.3562 was for general revenue purposes and \$.1950 for the payment of principal and interest on general obligation bonds. Taxes are billed November 1, are due and collectible on or before December 31, and are delinquent and represent a lien on said property on January 1 of the following year. Taxes are billed, collected, and remitted to the City by the St. Charles County Collector.

**4. Long-Term Receivable**

The City entered into a Cost Participation Agreement on November 7, 2001 with the Missouri Department of Transportation (MODOT) to reimburse the City for right-of-way costs associated with the Route N Outer Road (Page Avenue Outer Road) and the “First Supplemental Agreement” dated July 3, 2003. The City desires to accelerate the funding for the right-of-way necessary to construct this

**City of O'Fallon, Missouri**  
**Notes to Basic Financial Statements**  
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project for reimbursement to occur at July 1, 2015 or MODOT's award of the Phase III Page Avenue project. The City was responsible for \$9,625,335 of the \$10,684,055 estimated for this project and will be reimbursed 100% of the amount deposited by the City for the right-of-way purchase and expended by the Commission.

In January 2013, the City entered into an agreement with the MODOT as the "Second Supplemental Agreement" dated January 24, 2013 to contribute \$2,250,000 to the Route 364 Phase 3 Design Build Project for the construction of interchanges at Route K and Bryan Road. The Commission will reduce the amount to reimburse the City by the \$2,250,000 for the project.

The City entered into an agreement with the Waterbury Storm Water CID in 2010 to forward fund a storm water project for the District. The City will be reimbursed the project costs plus interest through a 1% sales tax added to retail sales located within the District. It is expected that the monies will be repaid within 10 years. As of 12/31/2010, the City had funded \$219,225 in expenses for the project.

Long-term receivables at December 31, 2014 consisted of MODOT and Waterbury CID in the amount of \$6,769,554.

**City of O'Fallon, Missouri**  
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**5. Capital Assets**

Capital asset activity for the year ended December 31, 2014:

	Balance January 1, 2014	Additions	Retirements	Balance December 31, 2014
<b>Governmental Activities</b>				
Capital assets not depreciated:				
Land	\$ 14,101,564	\$ 67,703	\$ -	\$ 14,169,267
Construction in progress	3,358,625	1,765,950	1,865,039	3,259,536
<b>Total Capital Assets Not Being Depreciated</b>	<b>17,460,189</b>	<b>1,833,653</b>	<b>1,865,039</b>	<b>17,428,803</b>
Capital assets being depreciated:				
Buildings	17,145,063	-	10,500	17,134,563
Improvements	7,790,000	327,178	65,725	8,051,453
Equipment	12,307,311	1,987,074	745,917	13,548,468
Infrastructure	159,876,806	9,944,575	-	169,821,381
<b>Total Capital Assets Being Depreciated</b>	<b>197,119,180</b>	<b>12,258,827</b>	<b>822,142</b>	<b>208,555,865</b>
Accumulated depreciation:				
Buildings	7,190,760	469,989	9,341	7,651,408
Improvements	3,736,371	504,680	65,725	4,175,326
Equipment	6,109,047	1,406,483	725,413	6,790,117
Infrastructure	60,674,896	5,247,260	-	65,922,156
<b>Total Accumulated Depreciation</b>	<b>77,711,074</b>	<b>7,628,412</b>	<b>800,479</b>	<b>84,539,007</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>119,408,106</b>	<b>4,630,415</b>	<b>21,663</b>	<b>124,016,858</b>
<b>Governmental Activi- ties Capital Assets, Net</b>	<b>\$ 136,868,295</b>	<b>\$ 6,464,068</b>	<b>\$ 1,886,702</b>	<b>\$ 141,445,661</b>

# City of O'Fallon, Missouri

## Notes to Basic Financial Statements

### December 31, 2014

	Balance January 1, 2014	Additions	Retirements	Balance December 31, 2014
<b>Business-Type Activities</b>				
Capital assets, not being depreciated:				
Land:				
Water	\$ 863,407	\$ -	\$ -	\$ 863,407
Sewer	502,247	-	-	502,247
<b>Total Land</b>	<b>1,365,654</b>	<b>-</b>	<b>-</b>	<b>1,365,654</b>
Construction in progress:				
Water	371,366	2,198,671	259,970	2,310,067
Sewer	770,376	-	626,352	144,024
Renaud Spirit Center	16,730	-	-	16,730
<b>Total Construction in Progress</b>	<b>1,158,472</b>	<b>2,198,671</b>	<b>886,322</b>	<b>2,470,821</b>
<b>Total Capital Assets Not Being Depreciated</b>	<b>2,524,126</b>	<b>2,198,671</b>	<b>886,322</b>	<b>3,836,475</b>
Capital assets being depreciated:				
Buildings:				
Water	13,939,281	-	-	13,939,281
Sewer	30,071,940	-	-	30,071,940
Environmental services	1,222,112	-	-	1,222,112
Renaud Spirit Center	10,480,147	-	-	10,480,147
Public venue	5,528,886	-	-	5,528,886
<b>Total Buildings</b>	<b>61,242,366</b>	<b>-</b>	<b>-</b>	<b>61,242,366</b>
Equipment:				
Water	16,113,118	504,902	6,500	16,611,520
Sewer	19,130,000	1,617,883	61,755	20,686,128
Environmental services	7,085,790	498,916	379,994	7,204,712
Renaud Spirit Center	494,350	74,025	34,770	533,605
Public venue	489,729	-	26,730	462,999
<b>Total Equipment</b>	<b>43,312,987</b>	<b>2,695,726</b>	<b>509,749</b>	<b>45,498,964</b>
Infrastructure:				
Water	11,073,879	407,023	-	11,480,902
Sewer	30,830,516	671,028	-	31,501,544
<b>Total Infrastructure</b>	<b>41,904,395</b>	<b>1,078,051</b>	<b>-</b>	<b>42,982,446</b>
<b>Total Capital Assets Being Depreciated</b>	<b>146,459,748</b>	<b>3,773,777</b>	<b>509,749</b>	<b>149,723,776</b>
Less: Accumulated depreciation for:				
Buildings:				
Water	4,637,036	449,940	-	5,086,976
Sewer	13,625,576	829,662	-	14,455,238
Environmental services	303,060	33,475	-	336,535
Renaud Spirit Center	2,414,014	262,004	-	2,676,018
Public venue	3,893,453	268,045	-	4,161,498
<b>Total Buildings</b>	<b>24,873,139</b>	<b>1,843,126</b>	<b>-</b>	<b>26,716,265</b>
Equipment:				
Water	6,114,526	919,559	6,500	7,027,585
Sewer	5,216,208	898,131	61,505	6,052,834
Environmental services	5,296,112	594,588	379,994	5,510,706
Renaud Spirit Center	218,769	60,645	34,770	244,644
Public Venue	354,703	30,282	26,730	358,255
<b>Total Equipment</b>	<b>17,200,318</b>	<b>2,503,205</b>	<b>509,499</b>	<b>19,194,024</b>
Infrastructure:				
Water	3,615,730	350,254	-	3,965,984
Sewer	12,629,159	914,192	-	13,543,351
<b>Total Infrastructure</b>	<b>16,244,889</b>	<b>1,264,446</b>	<b>-</b>	<b>17,509,335</b>
Total Accumulated Depreciation	58,318,346	5,610,777	509,499	63,419,624
Total Capital Assets Being Depreciated, Net	88,141,402	(1,837,000)	250	86,304,152
<b>Business-Type Activities Capital Assets, Net</b>	<b>\$ 90,665,528</b>	<b>\$ 361,671</b>	<b>\$ 886,572</b>	<b>\$ 90,140,627</b>

**City of O’Fallon, Missouri**  
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Depreciation expense was charged to functions/programs of the primary government as follows:

<b>Governmental Activities</b>	
General government	\$ 1,967,832
Public safety	566,186
Highways and streets	4,497,294
Community development	59,269
Parks and recreation	536,270
Municipal court	1,561
Total Depreciation Expense – Governmental Activities	\$ 7,628,412
<b>Business-Type Activities</b>	
Water	\$ 1,719,753
Sewer	2,641,985
Environmental services	628,063
Renaud Spirit Center	322,649
Public venue	298,327
Total Depreciation Expense – Business-Type Activities	\$ 5,610,777

**6. Employees’ Retirement System**

The City participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri.

**Plan Description**

LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by state statute, section RSMo 70.600-70.755. As such, it is LAGERS’ responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. All full-time employees of the City are required to participate in LAGERS.

LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, Missouri 65102 or by calling 1-800-447-4334.

**City of O'Fallon, Missouri**  
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**Funding Policy**

The City's full-time employees do not contribute to the pension plan. The City is required to contribute at an actuarially determined rate; the current rate is 9.2% of annual covered payroll for general employees and 12.7% of annual covered payroll for police employees. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

**Annual Pension Cost**

The subdivision's annual pension cost and net pension obligation for the current year were as follows:

Annual required contribution	\$ 2,242,356
Interest on net pension obligation	-
Adjustment to annual required contribution	-
Annual Pension cost	2,242,356
Actual contributions	2,242,356
NPO, beginning of year	-
Increase (decrease) in NPO	-
NPO, End of Year	\$ -

The annual required contribution (ARC) was determined as a part of the February 29, 2012 and February 28, 2013 annual actuarial valuations using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2014 included: (a) a rate of return on the investment of present and future assets of 7.25% per year, compounded annually; (b) projected salary increases of 3.5% per year, compounded annually, attributable to inflation; (c) additional projected salary increases ranging from 0% to 6% per year, depending on age and division, attributable to seniority/merit; (d) pre-retirement mortality based on 75% of the RP-2000 Combined Healthy Table set back 0 years for men and 0 years for women; and (e) post-retirement mortality based on 105% of the 1994 Group Annuity Mortality table set back 0 year for men and 0 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period as of February 29, 2012 was 15 years for the General division and 15 years for the Police division. The amortization period for February 28, 2013 was 15 years for the General division and 15 years for the Police division.

**City of O'Fallon, Missouri**  
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**Historical Trend Information**

Historical trend information about the City's participation in LAGERS is presented below to help readers assess the plan's funding status on a going-concern basis and assess progress being made in accumulating assets to pay benefits when due.

Plan Fiscal Year	Annual Pension Cost (APC)	Percentage Of APC Contributed	Net Pension Obligation
June 30, 2014	\$2,242,356	100%	\$ -
June 30, 2013	2,287,923	100	-
June 30, 2012	2,325,431	100	-

Required Supplementary Information/Schedule of Funding Progress (unaudited)

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Entry Age Actuarial Accrued Liability	(2-1) Unfunded Accrued Liability	(1/2) Funded Ratio	(3) Annual Covered Payroll	((2-1)/3) Unfunded Accrued Liability as a Percentage of Covered Payroll
Feb. 28, 2014	\$34,698,145	\$37,203,626	\$2,505,481	93%	\$22,056,509	11%
Feb. 28, 2013	29,915,914	33,712,597	3,796,683	89	20,351,835	19
Feb. 29, 2012	27,013,008	31,744,338	4,731,330	85	20,104,521	24

Note: The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2011 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS' office in Jefferson City, Missouri.

**7. Postemployment Healthcare Plan**

*Plan Description.* The City's defined benefit postemployment healthcare plan provides medical and dental benefits to eligible retired City employees and their beneficiaries.

**City of O'Fallon, Missouri**  
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Membership of each plan consisted of the following at December 31, 2014, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	22
Active plan members	397
Total	419

*Funding Policy.* The contribution requirements of plan members and the City are established and may be amended by the City Council.

*Annual OPEB Cost and Net OPEB Obligation.* The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation.

Annual required contribution	\$	521,102
Interest on net OPEB obligation		104,642
Adjustment to annual required contribution		(156,510)
Annual OPEB cost (expense)		469,234
Contributions made		79,663
Increase in net OPEB obligation		389,571
Net OPEB obligation - beginning of year		2,790,451
Net OPEB obligation - end of year	\$	3,180,022

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014:

Actuarial Valuation Date	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2014	\$ 469,234	17 %	\$ 3,180,022
December 31, 2013	349,554	25	2,790,451
December 31, 2012	354,205	29	2,526,935

**City of O'Fallon, Missouri**  
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*Funding Status and Funding Progress.* The funded status of each plan as of the most recent actuarial valuation date is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL) - Pro- jected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
December 31, 2014	\$ -	\$ 5,237,731	\$ 5,237,731	- %	\$ 21,140,746	24.8 %
December 31, 2012	-	3,057,643	3,057,643	-	19,624,962	15.6
December 31, 2010	-	2,738,645	2,738,645	-	19,778,833	13.8

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

*Actuarial Methods and Assumptions.* Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2014 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 3.75% investment rate of return, which is a blended rate of the expected long-term investment returns on the employer's own investments calculated at the valuation date. The initial inflation rate for 2014 was 7.50% for medical and will reduce to an ultimate inflation rate of 5.00% over a 10 year period. The general inflation rate used is 3.0% per year. The UAAL is being amortized as a level dollar amount on an open basis over a period of 30 years.

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**8. Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is self-insured for medical, property and casualty, general liability and workers' compensation benefits.

On January 1, 2001, the City became self-insured with respect to medical insurance. A third-party administers the plan and provides information to the City regarding the claims incurred, reported and nonreported, but unpaid at year-end. The City's estimated liability on December 31, 2014 was \$197,747. The City maintains a stop-loss provision for excess liability claims. All expenditures relating to medical insurance are reported in the respective funds.

Employees retiring from the City after five continuous years of employment are eligible for post-employment medical benefits until they become eligible for federal medical coverage (Medicare). The City currently has sixteen retirees utilizing this benefit. Each retiree is required to pay the third-party administrator cost and the City covers all other eligible medical expenses.

On July 1, 2014 the City became self-insured with respect to property and casualty and general liability. A third-party administers the plan and provides information to the City regarding the claims incurred. The City retains the risk for the first \$100,000 of an individual claim. Excess insurance coverage is purchased to cover individual claims in excess of \$100,000 for property, automobile, general liability and public officials liability. Unpaid claims as of December 31, 2014 were immaterial for property and casualty and general liability.

On September 1, 2014 the City became self-insured with respect to workers' compensation benefits. A third-party administers the plan and provides information to the City regarding the claims incurred. The City retains the risk for the first \$575,000 of an individual claim. Excess insurance coverage is purchased to cover individual claims in excess of \$575,000 for workers' compensation benefits. Unpaid claims as of December 31, 2014 were immaterial for workers' compensation benefits.

There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

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	Medical	Property & Casualty	General Liability	Workers' Compensation
Balance on January 1, 2012	\$ 168,350	\$ -	\$ -	\$ -
Add: Prior year claims and changes in estimate	2,753,865	-	-	-
Less: Prior year claims payments	(2,750,369)	-	-	-
<b>Balance on December 31, 2012</b>	<b>171,846</b>	<b>-</b>	<b>-</b>	<b>-</b>
Add: Prior year claims and changes in estimate	2,815,109	-	-	-
Less: Prior year claims payments	(2,801,018)	-	-	-
<b>Balance on December 31, 2013</b>	<b>185,937</b>	<b>-</b>	<b>-</b>	<b>-</b>
Add: Prior year claims and changes in estimate	3,332,215	-	-	-
Less: Prior year claims payments	(3,320,405)	-	-	-
<b>Balance on December 31, 2014</b>	<b>\$ 197,747</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## 9. Long-Term Liabilities

The following is a summary of changes in the City's long-term liabilities for the year ended December 31, 2014:

	Original Amount	Balance January 1, 2014	Additions	Retirements	Balance December 31, 2014	Current Portion
<b>Governmental Activities</b>						
2001 Certificates of Participation	\$ 24,715,000	\$ 6,423,200	\$ -	\$ -	\$ 6,423,200	\$ 1,158,000
2005 GO Refunding Bonds	16,755,000	11,045,000	-	2,015,000	9,030,000	2,100,000
2007 GO Refunding Bonds	13,860,000	12,470,000	-	665,000	11,805,000	785,000
2009 Special Obligation Bonds	15,255,000	10,745,000	-	1,285,000	9,460,000	1,325,000
2011 Special Obligation Bonds	6,160,000	4,365,000	-	915,000	3,450,000	945,000
2012 Special Obligation Bonds	5,925,375	3,795,850	-	1,040,300	2,755,550	-
2012 MODOT SIBS	3,075,000	2,772,282	-	276,380	2,495,902	283,814
Capital lease - 2011 copiers	110,719	36,906	-	27,680	9,226	9,226
Capital lease - 2013 copiers	7,728	6,601	-	1,932	4,669	1,932
Accrued compensated absences*	-	733,124	1,208,476	1,194,438	747,162	747,162
OPEB liability*	-	2,526,935	653,087	-	3,180,022	-
		<b>\$ 54,919,898</b>	<b>\$ 1,861,563</b>	<b>\$ 7,420,730</b>	<b>49,360,731</b>	<b>\$ 7,355,134</b>
Plus: Unamortized premium, net					283,035	
<b>Total Governmental Activities</b>					<b>\$ 49,643,766</b>	

\*General Fund typically used to liquidate liability

**City of O'Fallon, Missouri**  
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	Original Amount	Balance January 1, 2014	Additions	Retirements	Balance December 31, 2014	Current Portion
<b>Business-Type Activities</b>						
2001 Certificates of Participation	\$ 31,045,000	\$ 4,751,800	\$ -	\$ -	\$ 4,751,800	\$ 857,000
2009A Certificates of Participation	5,525,000	4,370,000	-	235,000	4,135,000	240,000
2009B Certificates of Participation	1,405,000	665,000	-	165,000	500,000	170,000
2009 Special Obligation Bonds	1,290,000	520,000	-	60,000	460,000	60,000
2011 Special Obligation Bonds	1,765,000	1,090,000	-	110,000	980,000	105,000
2012 Special Obligation Bonds	17,304,625	15,299,150	-	979,700	14,319,450	-
2013 Special Obligation Bonds	20,805,000	20,805,000	-	2,350,000	18,455,000	2,585,000
Capital lease - 2009 trash trucks	586,485	53,082	-	53,082	-	-
Capital lease - 2010 trash trucks	579,012	184,321	-	121,817	62,504	62,504
Capital lease - 2011 trash trucks	253,757	147,257	-	50,915	96,342	52,062
Capital lease - 2012 trash trucks	555,740	430,306	-	109,535	320,771	111,434
Capital lease - 2011 copiers	16,526	5,508	-	4,132	1,376	1,376
Capital lease - 2012 copiers	7,632	4,929	-	1,908	3,021	1,908
Capital lease - 2013 copiers	20,436	18,194	-	5,109	13,085	5,109
Capital lease - 2013 cardio equip	65,840	62,292	-	21,554	40,738	22,022
Capital lease - 2014 cardio equip	61,199	-	61,199	4,944	56,255	20,055
Accrued compensated absences	-	101,218	207,105	197,603	110,720	110,720
		<u>\$ 48,508,057</u>	<u>\$ 268,304</u>	<u>\$ 4,470,299</u>	44,306,062	<u>\$ 4,404,190</u>
Plus: Unamortized premium, net					1,666,575	
<b>Total Business-Type Activities</b>					<u>\$ 45,972,637</u>	

**City of O'Fallon, Missouri**  
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**Debt Service Requirements to Maturity**

The annual principal requirements to maturity of bonded debt outstanding as of December 31, 2014 are as follows:

Year Ending 12/31	Governmental Activities	
	General Obligation and Other Governmental Debt	
	Principal	Interest
2015	\$ 6,596,814	\$ 1,685,839
2016	6,944,286	1,431,003
2017	6,525,584	1,158,272
2018	6,878,635	886,585
2019	7,340,203	601,414
2020-2022	11,134,130	445,606
<b>Total</b>	<b>\$ 45,419,652</b>	<b>\$ 6,208,719</b>

Year Ending 12/31	Business-Type Activities	
	Revenue Bonds and Other Business-Type Debt	
	Principal	Interest
2015	\$ 4,017,000	\$ 1,734,541
2016	4,217,000	1,541,099
2017	4,413,700	1,337,113
2018	3,138,700	1,122,638
2019	3,185,400	986,453
2020-2024	12,344,450	3,320,136
2025-2029	10,805,000	1,353,726
2030	1,480,000	51,800
<b>Total</b>	<b>\$ 43,601,250</b>	<b>\$ 11,447,506</b>

**General Obligation Bonds**

General obligation bonds are supported by a pledge of the City's full faith and credit. These bonds, which are reported in the government-wide statement of net position, were issued to finance various capital projects. \$4,920,104 is available in the City's Debt Service Funds to repay general obligation bonds. The remainder of the general obligation bonds is to be repaid from future property tax levies. The bonds bear interest at rates ranging from 4.0% to 5.0% and mature through 2020.

**City of O'Fallon, Missouri**  
**Notes to Basic Financial Statements**  
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**Special Obligation Bonds**

The City issued special obligation bonds to finance the storm water project and refund certain certificates of participation. Principal and interest are payable from the parks and storm water sales tax, general sales tax and transportation sales tax for the governmental activities portion and from net revenues derived from the operations of water, sewer, environmental services and public venue for the business-type activities portion. The bonds bear interest at rates ranging from 1.5% to 5.0% and mature through 2030.

**Legal Debt Margin**

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

Assessed valuation - 2014 tax year	\$ 1,539,348,422
Debt limit - 10% of assessed valuation	\$ 153,934,842
Amount of debt applicable to debt limit:	
Total general obligation bonded debt	20,835,000
Less: Amount available in Debt Service Fund	4,920,104
Bond indebtedness applicable to debt limit	15,914,896
<b>Legal Debt Margin</b>	<b>\$ 138,019,946</b>

**Certificates of Participation**

The City has issued Certificates of Participation as a means of financing certain improvements. Principal and interest are payable from Transportation Sales Tax revenue for the governmental activities portion and from net revenues derived from the operations of the sewer, water, environmental services, and public venue systems for the business-type activities portion. The Certificates evidence proportionate ownership interest in the right to receive rental payments to be paid by the City under various lease/purchase agreements between various financial institutions, as lessor, and the City, as lessee. The related indentures require the establishment of certain cash reserve accounts, which are described in Note 12. These Certificates bear interest at rates ranging from 2.5% to 5.25% and mature through 2028.

**City of O'Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

**Capital Leases**

Under the 2010 lease for trash trucks, the aggregate cost of the equipment is \$612,012 less accumulated depreciation of \$520,210 results in a carrying value of \$91,802. The interest rate on the lease is 3.46%. The following is a schedule of the future minimum lease payments, together with the net present value of the minimum lease payments as of December 31, 2014:

<b>For The Years Ended December 31</b>	<b>Amount</b>
2015	\$ 63,137
Less: Amount representing interest	633
<b>Present Value of Net Minimum Lease Payments</b>	<b>\$ 62,504</b>

Under the 2011 lease for trash trucks, the aggregate cost of the equipment is \$253,757 less accumulated depreciation of \$152,254 results in a carrying value of \$101,503. The interest rate on the lease is 2.23%. The following is a schedule of the future minimum lease payments, together with the net present value of the minimum lease payments as of December 31, 2014:

<b>For The Years Ended December 31</b>	<b>Amount</b>
2015	\$ 53,680
2016	44,735
Total minimum lease payments	98,415
Less: Amount representing interest	2,073
<b>Present Value of Net Minimum Lease Payments</b>	<b>\$ 96,342</b>

Under the 2011 lease for copiers, the aggregate cost of the equipment is \$127,246 less accumulated depreciation of \$97,555 results in a carrying value of \$29,691. The interest rate on the lease is 0%. The following is a schedule of the future minimum lease payments, together with the net present value of the minimum lease payments as of December 31, 2014:

<b>For The Years Ended December 31</b>	<b>Amount</b>
2015	\$ 10,602
Less: Amount representing interest	-
<b>Present Value of Net Minimum Lease Payments</b>	<b>\$ 10,602</b>

**City of O'Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

Under the 2012 lease for a copier, the aggregate cost of the equipment is \$7,632 less accumulated depreciation of \$3,689 results in a carrying value of \$3,943. The interest rate on the lease is 0%. The following is a schedule of the future minimum lease payments, together with the net present value of the minimum lease payments as of December 31, 2014:

<b>For The Years Ended December 31</b>	<b>Amount</b>
2015	\$ 1,908
2016	1,113
Total minimum lease payments	3,021
Less: Amount representing interest	-
<b>Present Value of Net Minimum Lease Payments</b>	<b>\$ 3,021</b>

Under the 2012 lease for trash trucks, the aggregate cost of the equipment is \$732,806 less accumulated depreciation of \$259,333 results in a carrying value of \$473,473. The trash trucks were received in 2013. The interest rate on the lease is 4.43%. The following is a schedule of future minimum lease payments, together with the net present value of the minimum lease payments as of December 31, 2014:

<b>For The Years Ended December 31</b>	<b>Amount</b>
2015	\$ 116,075
2016	116,075
2017	96,731
Total minimum lease payments	328,881
Less: Amount representing interest	8,110
<b>Present Value of Net Minimum Lease Payments</b>	<b>\$ 320,771</b>

Under the 2013 lease for cardio equipment, the aggregate cost of the equipment is \$65,840 less accumulated depreciation of \$21,947 results in a carrying value of \$43,893. The interest rate on the lease is 2.15%. The following is a schedule of future minimum lease payments, together with the net present value of the minimum lease payments as of December 31, 2014:

<b>For The Years Ended December 31</b>	<b>Amount</b>
2015	\$ 22,682
2016	18,901
Total minimum lease payments	41,583
Less: Amount representing interest	845
<b>Present Value of Net Minimum Lease Payments</b>	<b>\$ 40,738</b>

**City of O'Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

Under the 2013 leases for copiers, the aggregate cost of the equipment is \$28,164 less accumulated depreciation of \$10,848 results in a carrying value of \$17,316. The interest rate on the lease is 0%. The following is a schedule of the future minimum lease payments, together with the net present value of the minimum lease payments as of December 31, 2014:

<b>For The Years Ended December 31</b>	<b>Amount</b>
2015	\$ 7,041
2016	7,041
2017	3,672
Total minimum lease payments	17,754
Less: Amount representing interest	-
<b>Present Value of Net Minimum Lease Payments</b>	<b>\$ 17,754</b>

Under the 2014 lease for cardio equipment, the aggregate cost of the equipment is \$61,199 less accumulated depreciation of \$5,100 results in a carrying value of \$56,099. The interest rate on the lease is 3.5%. The following is a schedule of future minimum lease payments, together with the net present value of the minimum lease payments as of December 31, 2014:

<b>For The Years Ended December 31</b>	<b>Amount</b>
2015	\$ 21,115
2016	21,115
2017	15,836
Total minimum lease payments	58,066
Less: Amount representing interest	1,811
<b>Present Value of Net Minimum Lease Payments</b>	<b>\$ 56,255</b>

**MODOT State Infrastructure Bank (SIB) Loan**

The City entered into an agreement with the Missouri Transportation Finance Corporation (MTFC) for a direct loan for the purpose of funding construction of Crusher street extension and improvements to Elaine Drive. The MTFC will provide the City with a direct loan in the amount of \$3,075,000 that will be disbursed in three lump sums to the City. \$1,500,000 was received on 11/1/2012, the second deposit of \$500,000 was received on 4/1/2013 and the third deposit of \$1,075,000 was received on 11/1/2013. Principal and interest payments begin in 2013. The interest rate equals 2.69%.

**City of O'Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

**10. Conduit Debt Activity**

The City issued Industrial Revenue Bonds during 2002 to provide financial assistance to the private sector entity, CitiMortgage, Inc. Project, for the purpose of acquiring, constructing, and equipping an industrial development project deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements. The 2002 Series is structured to pay the principal balance at maturity, December 1, 2033. At December 31, 2014, the principal amount payable for CitiMortgage, Inc. Project was approximately \$78,612,000.

The City issued Industrial Revenue Bonds during 2009 to provide financial assistance to the private sector entity, Firemen's Fund Insurance Project, for the purpose of acquiring, constructing, and equipping an industrial development project deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements. The 2009 Series is structured to pay the principal balance at maturity, December 1, 2019. At December 31, 2014, the principal amount payable for Firemen's Fund Insurance Project was approximately \$20,520,000.

The City issued Industrial Revenue Bonds during 2010 to provide financial assistance to the private sector entity, SAK Construction Project, for the purpose of acquiring, constructing, and equipping an industrial development project deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements. The 2010A Series is structured to pay the principal balance at maturity, December 1, 2016 and the 2010B Series is structured to pay the principal balance at maturity, December 1, 2025. At December 31, 2014, the principal amount payable for SAK Construction Project was approximately \$0.

**City of O’Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

The City issued Industrial Revenue Bonds during 2010 to provide financial assistance to the private sector entity, Centene Construction Project, for the purpose of acquiring, constructing, and equipping an industrial development project deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements. The 2010 Series is structured to pay the principal balance at maturity, December 1, 2021. At December 31, 2014, the principal amount payable for Centene Construction Project was approximately \$6,380,000.

**11. Debt Defeasance**

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds were used to purchase U.S. government securities that were placed in trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is considered defeased and, therefore, removed as a liability from the City’s financial statements.

**12. Debt Requirements**

Cash and cash equivalents and investments restricted at December 31, 2014 are as follows:

	December 31, 2014
Series 2001 Certificates of Participation Reserve	\$ 1,145,256
Series 2009A Certificates of Participation Reserve	524,438
Series 2009B Certificates of Participation Reserve	141,020
	\$ 1,810,714

**Series 2001 Certificates of Participation**

The Series 2001 Certificates of Participation issued require that a separate bond reserve fund be maintained for the payment of principal and interest on the Certificates to the extent of any deficiency in the bond fund for such purpose. At December 31, 2014, the City had met all significant requirements.

**Series 2009 A & B Certificates of Participation**

The Series 2009 A & B Certificates of Participation issued require that a separate bond reserve fund be maintained for the payment of principal and interest on the Certificates to the extent of any deficiency in the bond fund for such purpose. At December 31, 2014, the City had met all significant requirements.

**City of O'Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

**13. Interfund Balances and Transfers**

Interfund transfers for the year ended December 31, 2014 are as follows:

	<u>Transfers From</u>	<u>Transfers To</u>	<u>Net Transfers</u>
<b>Major Governmental Funds</b>			
General Fund	\$ 2,335,609	\$ 100,000	\$ (2,235,609)
Street & Road Improvement Fund	-	2,250,000	2,250,000
Recreation Fund	52,448	538	(51,910)
<b>Nonmajor Governmental Funds</b>			
Police Training Fund	-	609	609
Transient Guest Tax Fund	427,500	-	(427,500)
Parks and Recreation Fund	538	-	(538)
<b>Major Enterprise Funds</b>			
Water	3,398	-	(3,398)
Sewer	-	3,398	3,398
Environmental Services	100,000	-	(100,000)
Renaud Spirit Center	-	52,448	52,448
Public Venue Fund	-	512,500	512,500
	<u>\$ 2,919,493</u>	<u>\$ 2,919,493</u>	<u>\$ -</u>

Interfund transfers for \$100,000 were to cover the construction of the City monument and landscaping to the entrance of the City from I-64.

Interfund transfers for \$52,488 were for capital improvements at the Renaud Spirit Center.

Interfund transfers for \$427,500 were to cover bond payments and operations for the Public Venue Fund.

Interfund transfers for \$2,250,000 were to cover costs of the Route 364 extension.

**City of O'Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

**14. Other Required Fund Disclosures**

U.S. generally accepted accounting principles require disclosure, as part of the combined financial statements, of certain information concerning individual funds.

No funds reported deficit fund balance at December 31, 2014.

**15. Commitments and Contingencies**

**Litigation**

The City is a defendant in several lawsuits pertaining to matters that are incidental to performing routine governmental and other functions. It is the opinion of management that there are no legal proceedings that will have a material effect on the City's financial position.

**Commitment**

On December 16, 2014, the City Council informally approved a 3-year commitment with Microsoft Exchange and License Software for \$233,053 for payments of \$80,680 for years one and two and \$71,693 for year three. The 3-year commitment begins in January 2015.

**Federal Grants**

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

**Stadium Lease**

The City entered into an agreement in February 2007 with PS&J Professional Baseball Club, LLC, which was amended in 2009 and 2013. The lease, as amended, provides for rental payments to the City in varying amounts through 2022. The City has an agreement to repay past due amounts owed prior to the 2013 lease amendment over the next 10 years totaling \$122,000. The 2014 rental and debt payment were paid in full.

**City of O’Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

Future minimum lease payments to be received under the noncancelable lease at December 31, 2014 are as follows:

<u>Year Ending 12/31</u>	<u>Lease Payments</u>	<u>Debt Payment</u>
2015	50,000	12,200
2016	75,000	12,200
2017	75,000	12,200
2018	100,000	12,200
2019	100,000	12,200
2020	150,000	12,200
2021	150,000	12,200
2022	150,000	12,200
Total	\$ 850,000	\$ 97,600

**16. Future Accounting Pronouncement**

GASB 68, *Accounting and Financial Reporting for Pensions*, will require the City to record UAAL on the government-wide statement of net position. UAAL equals the difference between the total pension liability and the value of assets set aside in a pension plan to pay benefits. GASB 68 may also require changes to the projection of benefit payments and the rate used to discount the projected benefit payments. GASB 68 will be effective for the City for the year ending December 31, 2015.

**17. Municipal Court Revenue**

House Bill 103 amending Section 302.341.2 RSMo 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 court costs for traffic violations. Total court fines and court cost revenues, relating to traffic violations, for the fiscal year approximated \$994,391. The City’s general sales tax, property tax, gross receipts tax, charges for service, fines & forfeitures, interest and miscellaneous revenue totaled \$29,237,825. The City’s total traffic violation fines are only 3% of the annual general operating revenue, which is substantially below the 30% threshold required of the amended statute.

**City of O'Fallon, Missouri**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

**18. Subsequent Events**

On March 18, 2015 the City acquired a parcel of land, which is approximately 15 acres, as a future site for a police station and municipal courtroom. The purchase price of \$1,961,927, which includes the \$25,000 earnest deposit paid in 2014, was paid from general fund reserves.

In April 2015, the City voters approved a \$28.6 million bond issue for construction, furnishing and equipping the new police station and municipal court building.

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*REQUIRED SUPPLEMENTARY  
INFORMATION*

**City of O'Fallon, Missouri**  
**Required Supplementary Information**  
**Budgetary Comparison Information**  
**Budget Basis - General Fund**  
**For The Year Ended December 31, 2014**

	<b>Budget</b>		<b>Actual</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes	\$ 24,577,372	\$ 24,577,372	\$ 24,971,369	\$ 393,997
Intergovernmental	222,746	222,746	314,855	92,109
Licenses and permits	934,304	934,304	1,074,759	140,455
Charges for services	356,705	441,705	496,136	54,431
Fines and forfeitures	1,637,858	1,727,310	2,112,290	384,980
Investment earnings	7,000	7,000	(2,399)	(9,399)
Miscellaneous	287,116	293,990	362,543	68,553
<b>Total Revenues</b>	<b>28,023,101</b>	<b>28,204,427</b>	<b>29,329,553</b>	<b>1,125,126</b>
<b>Expenditures</b>				
Current:				
General government:				
Administration	1,226,966	1,195,966	1,177,150	18,816
Economic development	376,311	376,311	357,589	18,722
Public relations	334,967	327,967	297,940	30,027
Information systems	653,734	769,928	669,905	100,023
Communications	468,115	475,115	477,875	(2,760)
Legal	399,000	399,000	312,887	86,113
Volunteer services	193,638	193,638	187,885	5,753
Finance	1,746,614	1,774,614	1,728,750	45,864
Human resources	2,709,220	2,709,220	2,650,678	58,542
Fleet maintenance	1,194,048	1,194,048	1,013,258	180,790
Facilities maintenance	877,173	1,138,773	810,379	328,394
Public safety	13,362,534	13,400,794	12,704,344	696,450
Community development:				
Project Management	66,269	66,269	65,278	991
Engineering	773,568	773,568	767,323	6,245
Planning & GIS	609,482	609,482	587,093	22,389
Building	961,709	961,709	819,947	141,762
Parks and recreation:				
Landscaping	976,353	1,115,311	701,703	413,608
Tourism and festivals	655,636	672,036	610,349	61,687
Municipal court	472,112	471,048	430,465	40,583
<b>Total Expenditures</b>	<b>28,057,449</b>	<b>28,624,797</b>	<b>26,370,798</b>	<b>2,253,999</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(34,348)</b>	<b>(420,370)</b>	<b>2,958,755</b>	<b>3,379,125</b>
<b>Other Financing Sources (Uses)</b>				
Insurance recoveries	-	223,126	223,126	-
Transfers In	100,000	100,000	100,000	-
Transfers Out	(95,000)	(2,380,000)	(2,335,609)	44,391
Sale of capital assets	40,000	55,000	63,750	8,750
<b>Total Other Financing Sources (Uses)</b>	<b>45,000</b>	<b>(2,001,874)</b>	<b>(1,948,733)</b>	<b>53,141</b>
<b>Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>10,652</b>	<b>(2,422,244)</b>	<b>1,010,022</b>	<b>3,432,266</b>
<b>Fund Balances</b>				
Budget basis:				
Unreserved:				
Beginning of year	18,815,659	18,815,659	18,815,659	-
<b>Budget Basis, End of Year</b>	<b>\$ 18,826,311</b>	<b>\$ 16,393,415</b>	<b>19,825,681</b>	<b>\$ 3,432,266</b>
<b>Encumbrances, End of Year</b>			<b>365,734</b>	
<b>GAAP Basis, End of Year</b>			<b>\$ 20,191,415</b>	

**City of O'Fallon, Missouri**  
**Required Supplementary Information**  
**Budgetary Comparison Information**  
**Budget Basis - Street & Road Improvement Fund**  
**For The Year Ended December 31, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 8,140,769	\$ 8,140,769	\$ 8,519,159	\$ 378,390
Intergovernmental	4,062,911	4,710,927	2,624,392	(2,086,535)
Investment earnings	25,000	25,000	23,642	(1,358)
Miscellaneous	178,343	241,499	175,449	(66,050)
<b>Total Revenues</b>	<b>12,407,023</b>	<b>13,118,195</b>	<b>11,342,642</b>	<b>(1,775,553)</b>
<b>Expenditures</b>				
Current:				
Highways and streets	4,661,251	5,156,291	5,118,506	37,785
Project Management	558,640	558,640	572,284	(13,644)
Fleet Maintenance	76,888	76,888	94,859	(17,971)
Landscaping	53,674	53,674	49,148	4,526
Capital outlay	4,899,263	6,153,957	4,732,891	1,421,066
Debt service:				
Principal retirement	2,531,380	2,531,380	2,531,380	-
Interest	849,520	849,520	849,520	-
<b>Total Expenditures</b>	<b>13,630,616</b>	<b>15,380,350</b>	<b>13,948,588</b>	<b>1,431,762</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(1,223,593)</b>	<b>(2,262,155)</b>	<b>(2,605,946)</b>	<b>(343,791)</b>
<b>Other Financing Sources (Uses)</b>				
Transfer in	45,000	2,295,000	2,250,000	(45,000)
Transfer out	-	(1,500)	-	1,500
Sale of capital assets	20,000	76,000	72,402	(3,598)
<b>Total Other Financing Sources (Uses)</b>	<b>65,000</b>	<b>2,369,500</b>	<b>2,322,402</b>	<b>(47,098)</b>
<b>Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>(1,158,593)</b>	<b>107,345</b>	<b>(283,544)</b>	<b>(390,889)</b>
<b>Fund Balances</b>				
Budget basis:				
Reserved:				
Beginning of year	2,979,225	2,979,225	2,979,225	-
<b>Budget Basis, End of Year</b>	<b>\$ 1,820,632</b>	<b>\$ 3,086,570</b>	<b>2,695,681</b>	<b>\$ (390,889)</b>
<b>Encumbrances, End of Year</b>			<b>2,331,596</b>	
<b>GAAP Basis, End of Year</b>			<b>\$ 5,027,277</b>	

**City of O'Fallon, Missouri**  
**Required Supplementary Information**  
**Budgetary Comparison Information**  
**Budget Basis - Recreation Fund**  
**For The Year Ended December 31, 2014**

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 3,649,924	\$ 3,649,924	\$ 3,839,655	\$ 189,731
Intergovernmental	-	-	6,379	6,379
Charges for Services	1,046,791	1,046,791	997,051	(49,740)
Investment earnings	1,000	1,000	(223)	(1,223)
Miscellaneous	100,000	100,000	91,709	(8,291)
<b>Total Revenues</b>	<b>4,797,715</b>	<b>4,797,715</b>	<b>4,934,571</b>	<b>136,856</b>
<b>Expenditures</b>				
Current:				
Project Management	42,534	42,534	45,383	(2,849)
Facilities	242,958	242,958	228,554	14,404
Recreation	1,775,069	1,775,069	1,603,690	171,379
Parks	1,908,328	1,908,328	1,910,701	(2,373)
Capital outlay	733,650	368,463	356,239	12,224
Debt service:				
Principal retirement	30,300	30,300	30,300	-
Interest	11,981	11,981	11,981	-
<b>Total Expenditures</b>	<b>4,744,820</b>	<b>4,379,633</b>	<b>4,186,848</b>	<b>192,785</b>
<b>Revenues Over (Under) Expenditures</b>	<b>52,895</b>	<b>418,082</b>	<b>747,723</b>	<b>329,641</b>
<b>Other Financing Sources (Uses)</b>				
Transfer in	538	538	538	-
Transfer out	(52,448)	(52,448)	(52,448)	-
Sale of capital assets	11,881	11,881	10,605	(1,276)
<b>Total Other Financing Sources (Uses)</b>	<b>(40,029)</b>	<b>(40,029)</b>	<b>(41,305)</b>	<b>(1,276)</b>
<b>Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>12,866</b>	<b>378,053</b>	<b>706,418</b>	<b>328,365</b>
<b>Fund Balances</b>				
Budget basis:				
Reserved:				
Beginning of year	3,660,041	3,660,041	3,660,041	-
<b>Budget Basis, End of Year</b>	<b>\$ 3,672,907</b>	<b>\$ 4,038,094</b>	<b>4,366,459</b>	<b>\$ 328,365</b>
<b>Encumbrances, End of Year</b>			<b>220,288</b>	
<b>GAAP Basis, End of Year</b>			<b>\$ 4,586,747</b>	

**City of O'Fallon, Missouri**  
**Required Supplementary Information**  
**Budgetary Comparison Information**  
**Budget Basis - Storm Water Fund**  
**For The Year Ended December 31, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 1,819,432	\$ 1,819,432	\$ 1,906,504	\$ 87,072
Investment earnings	-	-	(305)	(305)
Miscellaneous	300	300	144	(156)
<b>Total Revenues</b>	<b>1,819,732</b>	<b>1,819,732</b>	<b>1,906,343</b>	<b>86,611</b>
<b>Expenditures</b>				
Current:				
General Government	698,083	698,083	635,779	62,304
Capital Outlay:	930,000	1,055,000	905,258	149,742
Debt service:				
Principal retirement	260,000	260,000	260,000	-
Interest	50,020	50,020	50,020	-
<b>Total Expenditures</b>	<b>1,938,103</b>	<b>2,063,103</b>	<b>1,851,057</b>	<b>212,046</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(118,371)</b>	<b>(243,371)</b>	<b>55,286</b>	<b>298,657</b>
<b>Fund Balances</b>				
Budget basis:				
Reserved:				
Beginning of year	1,311,865	1,311,865	1,311,865	-
<b>Budget Basis, End of Year</b>	<b>\$ 1,193,494</b>	<b>\$ 1,068,494</b>	<b>1,367,151</b>	<b>\$ 298,657</b>
<b>Encumbrances, End of Year</b>			<b>562,366</b>	
<b>GAAP Basis, End of Year</b>			<b>\$ 1,929,517</b>	

**City of O'Fallon, Missouri**  
**Notes to Budgetary Comparison Information**  
**December 31, 2014**

**Budgetary Process**

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

1. Prior to December 31, the City Council appropriates, by ordinance, the annual operating budget for the fiscal year beginning the following January 1 for the General, Special Revenue, Debt Service, and Capital Project Funds. The City Council also adopts, as a management control device only, a budget for the Enterprise Funds.

The City's budgetary process is based upon accounting for certain transactions on a basis other than U.S. generally accepted accounting principles (GAAP). The main difference between the budget and GAAP basis of accounting is that encumbrances are recorded as expenditures for budget purposes. To provide a meaningful comparison of actual results with the budget, the actual results of operations are presented in the budgetary comparison information and the other supplementary information – combining and individual fund financial statements – budget and actual – in accordance with the budget basis of accounting.

2. The legal level of budgetary control lies at the fund level for all of the governmental funds. The City Administrator is authorized to transfer part, or all, of any unexpected budget balance among any departments within these funds. The City Administrator is not authorized to approve expenditures in excess of the adopted budget.
3. The City Council may, by ordinance, make supplemental appropriations for revenues in excess of original budget estimates or reduce appropriations should revenues be insufficient to meet the amount appropriated. State statutes prohibit deficit budgeting by requiring that estimated expenditures for the period do not exceed estimated revenues for the period plus unencumbered budget basis fund balances at the beginning of the period.

For the year ended December 31, 2014, the Sewer Lateral Fund expenditures exceeded appropriations by \$14,800. These over expenditures were covered by additional current year revenues, available fund balance, or will be recovered by future years' revenues.

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*OTHER SUPPLEMENTARY  
INFORMATION*

**City of O'Fallon, Missouri**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2014**

	<b>Special Revenue Funds</b>						<b>Total</b>
	<b>Police Training</b>	<b>Sewer Lateral Insurance</b>	<b>Transient Guest Tax</b>	<b>Community Development Block Grant</b>	<b>Biometric Verification</b>	<b>Parks &amp; Recreation</b>	
<b>Assets</b>							
Cash and investments:							
Unrestricted	\$ 31,166	\$ 276,203	\$ 680,078	\$ -	\$ 95,578	\$ 941	\$ 1,083,966
Receivables:							
Other taxes	-	127,674	51,962	-	-	-	179,636
Other	-	-	-	53,184	-	-	53,184
Prepaid assets	-	68	-	13	-	-	81
<b>Total Assets</b>	<b>\$ 31,166</b>	<b>\$ 403,945</b>	<b>\$ 732,040</b>	<b>\$ 53,197</b>	<b>\$ 95,578</b>	<b>\$ 941</b>	<b>\$ 1,316,867</b>
<b>Liabilities</b>							
Accounts payable	\$ -	\$ 14,206	\$ 5,854	\$ 17,384	\$ 220	\$ -	\$ 37,664
Accrued wages and leave payable	-	356	-	1,772	-	-	2,128
Due to Other Funds	-	-	-	28,602	-	-	28,602
<b>Total Liabilities</b>	<b>-</b>	<b>14,562</b>	<b>5,854</b>	<b>47,758</b>	<b>220</b>	<b>-</b>	<b>68,394</b>
<b>Deferred Inflow Of Resources</b>							
Unavailable revenue from property taxes	-	3,312	-	-	-	-	3,312
<b>Fund Balances</b>							
Nonspendable							
Prepaid assets	-	68	-	13	-	-	81
Restricted - externally imposed or law	-	-	-	-	-	-	-
CDBG Grant	-	-	-	5,426	-	-	5,426
Sewer Lateral	-	386,003	-	-	-	-	386,003
Public Safety	31,166	-	-	-	95,358	-	126,524
Parks and Recreation	-	-	726,186	-	-	941	727,127
<b>Total Fund Balances</b>	<b>31,166</b>	<b>386,071</b>	<b>726,186</b>	<b>5,439</b>	<b>95,358</b>	<b>941</b>	<b>1,245,161</b>
<b>Total Liabilities, Deferred Inflow Of Resources, And Fund Balances</b>	<b>\$ 31,166</b>	<b>\$ 403,945</b>	<b>\$ 732,040</b>	<b>\$ 53,197</b>	<b>\$ 95,578</b>	<b>\$ 941</b>	<b>\$ 1,316,867</b>

**City of O'Fallon, Missouri**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For The Year ended December 31, 2014**

	<b>Special Revenue Funds</b>						<b>Total</b>
	<b>Police Training</b>	<b>Sewer Lateral Insurance</b>	<b>Transient Guest Tax</b>	<b>Community Development Block Grant</b>	<b>Biometric Verification</b>	<b>Parks &amp; Recreation</b>	
<b>Revenues</b>							
Taxes	\$ -	\$ 128,854	\$ 669,546	\$ -	\$ -	\$ 342	\$ 798,742
Intergovernmental	10,290	-	-	250,362	-	-	260,652
Fines and forfeitures	24,502	-	-	-	24,686	-	49,188
Investment earnings	(6)	(36)	(117)	-	(18)	-	(177)
Miscellaneous	22	2,350	43	-	5	-	2,420
<b>Total Revenues</b>	<b>34,808</b>	<b>131,168</b>	<b>669,472</b>	<b>250,362</b>	<b>24,673</b>	<b>342</b>	<b>1,110,825</b>
<b>Expenditures</b>							
Current:							
General government	-	146,740	-	-	-	-	146,740
Community development	-	-	-	194,015	-	-	194,015
Parks and recreation	-	-	114,511	-	-	-	114,511
Public safety	20,365	-	-	-	12,082	-	32,447
Capital outlay	-	-	23,562	56,347	-	-	79,909
<b>Total Expenditures</b>	<b>20,365</b>	<b>146,740</b>	<b>138,073</b>	<b>250,362</b>	<b>12,082</b>	<b>-</b>	<b>567,622</b>
<b>Revenues Over (Under) Expenditures</b>	<b>14,443</b>	<b>(15,572)</b>	<b>531,399</b>	<b>-</b>	<b>12,591</b>	<b>342</b>	<b>543,203</b>
<b>Other Financing Sources (Uses)</b>							
Transfers in	609	-	-	-	-	-	609
Transfers out	-	-	(427,500)	-	-	(538)	(428,038)
<b>Total Other Financing Sources (Uses)</b>	<b>609</b>	<b>-</b>	<b>(427,500)</b>	<b>-</b>	<b>-</b>	<b>(538)</b>	<b>(427,429)</b>
<b>Net Changes in Fund Balances</b>	<b>15,052</b>	<b>(15,572)</b>	<b>103,899</b>	<b>-</b>	<b>12,591</b>	<b>(196)</b>	<b>115,774</b>
<b>Fund Balances</b>							
Beginning of year	16,114	401,643	622,287	5,439	82,767	1,137	1,129,387
<b>End of Year</b>	<b>\$ 31,166</b>	<b>\$ 386,071</b>	<b>\$ 726,186</b>	<b>\$ 5,439</b>	<b>\$ 95,358</b>	<b>\$ 941</b>	<b>\$ 1,245,161</b>

**City of O'Fallon, Missouri**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual - Budget Basis - Budgeted Nonmajor Governmental Funds**  
**Page 1 of 3**  
**For The Year Ended December 31, 2014**

	Police Training Fund			Sewer Lateral Insurance		
	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
<b>Revenues</b>						
Taxes	\$ -	\$ -	\$ -	\$ 128,782	\$ 128,854	\$ 72
Intergovernmental	13,000	10,290	(2,710)	-	-	-
Fines and forfeitures	25,000	24,502	(498)	-	-	-
Investment earnings	-	(6)	(6)	-	(36)	(36)
Miscellaneous	-	22	22	6,620	2,350	(4,270)
<b>Total Revenues</b>	<b>38,000</b>	<b>34,808</b>	<b>(3,192)</b>	<b>135,402</b>	<b>131,168</b>	<b>(4,234)</b>
<b>Expenditures</b>						
Current:						
General Government	-	-	-	131,940	146,740	(14,800)
Public safety	34,000	20,365	13,635	-	-	-
<b>Total Expenditures</b>	<b>34,000</b>	<b>20,365</b>	<b>13,635</b>	<b>131,940</b>	<b>146,740</b>	<b>(14,800)</b>
<b>Revenues Over (Under) Expenditures</b>	<b>4,000</b>	<b>14,443</b>	<b>10,443</b>	<b>3,462</b>	<b>(15,572)</b>	<b>(19,034)</b>
<b>Other Financing Sources (Uses)</b>						
Transfers In	-	609	609	-	-	-
<b>Net Changes in Fund Balances</b>	<b>4,000</b>	<b>15,052</b>	<b>11,052</b>	<b>3,462</b>	<b>(15,572)</b>	<b>(19,034)</b>
<b>Fund Balances</b>						
Budget basis:						
Unreserved:						
Beginning of year	16,114	16,114	-	401,643	401,643	-
<b>Budget Basis, End of Year</b>	<b>20,114</b>	<b>31,166</b>	<b>11,052</b>	<b>405,105</b>	<b>386,071</b>	<b>(19,034)</b>
<b>Encumbrances, End of Year</b>		-			-	
<b>GAAP Basis, End of Year</b>		<b>\$ 31,166</b>			<b>\$ 386,071</b>	

**City of O'Fallon, Missouri**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual - Budget Basis - Budgeted Nonmajor Governmental Funds**  
Page 2 of 3  
For The Year Ended December 31, 2014

	Transient Guest Tax Fund			Community Development Block Grant Fund		
	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
<b>Revenues</b>						
Taxes	\$ 570,000	\$ 669,546	\$ 99,546	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	335,259	250,362	(84,897)
Investment earnings	75	(117)	(192)	-	-	-
Miscellaneous	-	43	43	-	-	-
<b>Total Revenues</b>	<b>570,075</b>	<b>669,472</b>	<b>99,397</b>	<b>335,259</b>	<b>250,362</b>	<b>(84,897)</b>
<b>Expenditures</b>						
Current:						
Community Development	-	-	-	240,259	194,015	46,244
Parks and Recreation	121,000	113,814	7,186	-	-	-
Capital Outlay	37,915	26,860	11,055	95,000	56,347	38,653
<b>Total Expenditures</b>	<b>158,915</b>	<b>140,674</b>	<b>18,241</b>	<b>335,259</b>	<b>250,362</b>	<b>84,897</b>
<b>Revenues Over (Under) Expenditures</b>	<b>411,160</b>	<b>528,798</b>	<b>117,638</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Financing Sources (Uses)</b>						
Transfers out	(427,500)	(427,500)	-	-	-	-
<b>Net Changes in Fund Balances</b>	<b>(16,340)</b>	<b>101,298</b>	<b>117,638</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>						
Budget basis:						
Unreserved:						
Beginning of year	586,456	586,456	-	5,439	5,439	-
<b>Budget Basis, End of Year</b>	<b>570,116</b>	<b>687,754</b>	<b>117,638</b>	<b>5,439</b>	<b>5,439</b>	<b>-</b>
<b>Encumbrances, End of Year</b>		<b>38,432</b>			<b>-</b>	
<b>GAAP Basis, End of Year</b>		<b>\$ 726,186</b>			<b>\$ 5,439</b>	

**City of O'Fallon, Missouri**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget and Actual - Budget Basis - Budgeted Nonmajor Governmental Funds**  
Page 3 of 3  
For The Year Ended December 31, 2014

	Biometric Verification Fund			Parks & Recreation Fund		
	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
<b>Revenues</b>						
Taxes	\$ -	\$ -	\$ -	\$ 300	\$ 342	\$ 42
Fines and forfeitures	25,000	24,686	(314)	-	-	-
Investment earnings	-	(18)	(18)	-	-	-
Miscellaneous	-	5	5	-	-	-
<b>Total Revenues</b>	<b>25,000</b>	<b>24,673</b>	<b>(327)</b>	<b>300</b>	<b>342</b>	<b>42</b>
<b>Expenditures</b>						
Current:						
Public Safety	24,950	12,082	12,868	-	-	-
<b>Revenues Over (Under) Expenditures</b>	<b>50</b>	<b>12,591</b>	<b>12,541</b>	<b>300</b>	<b>342</b>	<b>42</b>
<b>Other Financing Sources (Uses)</b>						
Transfers out	-	-	-	(538)	(538)	-
<b>Net Changes in Fund Balances</b>	<b>50</b>	<b>12,591</b>	<b>12,541</b>	<b>(238)</b>	<b>(196)</b>	<b>42</b>
<b>Fund Balances</b>						
Budget basis:						
Unreserved:						
Beginning of year	82,767	82,767	-	1,137	1,137	-
<b>Budget Basis, End of Year</b>	<b>82,817</b>	<b>95,358</b>	<b>12,541</b>	<b>899</b>	<b>941</b>	<b>42</b>
<b>Encumbrances, End of Year</b>		-			-	
<b>GAAP Basis, End of Year</b>		<b>\$ 95,358</b>			<b>\$ 941</b>	

**City of O'Fallon, Missouri**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - Budget Basis - Debt Service Fund**  
**For The Year Ended December 31, 2014**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 3,210,035	\$ 3,210,035	\$ 3,194,079	\$ (15,956)
Investment earnings	5,000	5,000	(862)	(5,862)
<b>Total Revenues</b>	<b>3,215,035</b>	<b>3,215,035</b>	<b>3,193,217</b>	<b>(21,818)</b>
<b>Expenditures</b>				
Current:				
General government	5,100	5,100	1,490	3,610
Debt service:				
Principal repayment	2,680,000	2,680,000	2,680,000	-
Interest	934,613	934,613	934,613	-
<b>Total Expenditures</b>	<b>3,619,713</b>	<b>3,619,713</b>	<b>3,616,103</b>	<b>3,610</b>
<b>Net Change in Fund Balances</b>	<b>(404,678)</b>	<b>(404,678)</b>	<b>(422,886)</b>	<b>(18,208)</b>
<b>Fund Balances</b>				
Budget basis				
Reserved:				
Beginning of year	5,342,990	5,342,990	5,342,990	-
<b>Budget Basis, End of Year</b>	<b>\$ 4,938,312</b>	<b>\$ 4,938,312</b>	<b>4,920,104</b>	<b>\$ (18,208)</b>
<b>Encumbrances, End of Year</b>			-	
<b>GAAP Basis, End of Year</b>			<b>\$ 4,920,104</b>	

**City of O'Fallon, Missouri**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For The Year Ended December 31, 2014**

	Balance December 31, 2013	Additions	Deletions	Balance December 31, 2014
<b><u>Waterbury Storm CID</u></b>				
<b>Assets</b>				
Cash	\$ 1,011	\$ -	\$ 1	\$ 1,010
<b>Total Assets</b>	<b>\$ 1,011</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ 1,010</b>
<b>Liabilities</b>				
Due to Waterbury Storm CID	\$ 1,011	\$ -	\$ 1	\$ 1,010
<b>Total Liabilities</b>	<b>\$ 1,011</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ 1,010</b>

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# Statistics

2014 Comprehensive Annual Financial Report  
City of O'Fallon, Missouri

# Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	82-87
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax and sales tax.	88-92
<b>Debt Capacity</b> 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.	93-97
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	98-99
<b>Operating Information</b> 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.	100-102

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**City of O'Fallon, Missouri**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**Accrual Basis of Accounting**

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Governmental Activities</b>										
Net Investment of capital assets	\$ 10,493,277	\$ 9,917,334	\$ 22,625,334	\$ 44,824,290	\$ 53,073,876	\$ 60,791,444	\$ 68,770,758	\$ 73,702,113	\$ 84,854,451	\$ 95,729,079
Restricted	22,975,022	24,308,555	23,261,289	24,035,056	22,235,210	17,287,632	24,251,770	25,276,620	23,510,783	24,865,500
Unrestricted	6,308,265	9,041,538	10,849,176	9,062,558	13,239,734	17,205,529	10,059,082	11,332,948	18,520,633	18,517,274
<b>Total Governmental Activities Net Position</b>	<b>\$ 39,776,564</b>	<b>\$ 43,267,427</b>	<b>\$ 56,735,799</b>	<b>\$ 77,921,904</b>	<b>\$ 88,548,820</b>	<b>\$ 95,284,605</b>	<b>\$ 103,081,610</b>	<b>\$ 110,311,681</b>	<b>\$ 126,885,867</b>	<b>\$ 139,111,853</b>
<b>Business-Type Activities</b>										
Net Investment of capital assets	\$ 15,627,050	\$ 26,920,352	\$ 29,043,702	\$ 22,861,070	\$ 24,039,067	\$ 30,911,877	\$ 34,385,628	\$ 39,562,032	\$ 45,273,367	\$ 48,308,010
Restricted	9,620,432	5,955,370	5,903,450	14,861,994	15,860,188	13,162,981	8,043,429	4,491,262	983,840	983,869
Unrestricted	4,588,774	9,809,921	9,565,481	8,078,920	10,679,099	10,999,618	14,519,950	13,494,178	13,290,702	11,996,726
<b>Total Business-Type Activities Net Position</b>	<b>\$ 29,836,256</b>	<b>\$ 42,685,643</b>	<b>\$ 44,512,633</b>	<b>\$ 45,801,984</b>	<b>\$ 50,578,354</b>	<b>\$ 55,074,476</b>	<b>\$ 56,949,007</b>	<b>\$ 57,547,472</b>	<b>\$ 59,547,909</b>	<b>\$ 61,288,605</b>
<b>Primary Government</b>										
Net Investment of capital assets	\$ 26,120,327	\$ 36,837,686	\$ 63,639,658	\$ 63,266,167	\$ 77,112,943	\$ 91,703,321	\$ 103,156,386	\$ 113,264,145	\$ 130,127,818	\$ 144,037,089
Restricted	32,595,454	30,263,925	29,164,739	38,897,050	38,095,398	30,450,613	32,295,199	29,767,882	24,494,623	25,849,369
Unrestricted	10,897,039	18,851,459	20,414,657	17,141,478	23,918,833	28,205,147	24,579,032	24,827,126	31,811,335	30,514,000
<b>Total Primary Government Net Position</b>	<b>\$ 69,612,820</b>	<b>\$ 85,953,070</b>	<b>\$ 113,219,054</b>	<b>\$ 119,304,695</b>	<b>\$ 139,127,174</b>	<b>\$ 150,359,081</b>	<b>\$ 160,030,617</b>	<b>\$ 167,859,153</b>	<b>\$ 186,433,776</b>	<b>\$ 200,400,458</b>

**City of O'Fallon, Missouri**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**Accrual Basis of Accounting**

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Expenses</b>										
<b>Governmental Activities</b>										
General government	\$ 13,620,802	\$ 9,213,858	\$ 10,851,428	\$ 11,830,133	\$ 9,824,376	\$ 12,050,421	\$ 12,176,877	\$ 14,492,684	\$ 12,562,564	\$ 14,484,550
Public safety	9,336,614	9,863,027	10,507,629	11,026,658	11,371,519	11,670,576	11,842,453	11,967,365	12,490,544	12,778,140
Highways and streets	4,029,559	5,288,765	6,232,449	8,297,404	7,440,583	7,520,942	8,791,469	8,779,301	11,385,901	10,262,266
Community development	2,255,948	2,542,462	2,710,472	2,919,583	2,862,339	2,934,448	2,500,168	2,588,611	2,659,234	2,491,005
Parks and recreation	5,812,659	4,428,452	4,545,407	5,120,974	4,792,267	4,783,669	4,858,132	5,078,873	5,322,799	5,485,053
Municipal court	301,599	360,033	408,997	465,704	439,415	387,866	391,789	389,551	411,421	434,081
Interest on long-term debt	4,396,551	4,943,260	5,281,797	4,464,381	3,939,462	3,266,353	3,237,204	2,690,466	2,328,519	2,104,832
<b>Total Governmental Activities Expenses</b>	<b>39,753,732</b>	<b>36,639,857</b>	<b>40,538,179</b>	<b>44,124,837</b>	<b>40,669,961</b>	<b>42,614,275</b>	<b>43,798,092</b>	<b>45,986,851</b>	<b>47,160,982</b>	<b>48,039,927</b>
<b>Business-Type Activities</b>										
Water	4,071,761	4,157,069	4,448,417	4,419,802	3,941,437	3,862,013	4,280,128	4,966,655	4,891,943	5,008,590
Sewer	6,003,669	6,106,315	6,020,412	6,093,316	5,643,528	6,510,469	6,843,295	6,791,346	7,029,113	7,131,311
Environmental services	3,650,420	3,612,537	4,067,771	3,712,504	3,637,368	3,918,999	4,173,979	4,019,191	3,984,801	3,865,124
Renaud Spirit Center	-	1,701,769	1,824,010	1,989,884	2,086,691	2,198,121	2,082,716	2,229,539	2,186,347	2,336,780
Public venue	581,120	769,865	645,915	549,671	578,160	567,706	534,896	521,451	647,354	578,950
<b>Total Business-Type Activities Expenses</b>	<b>14,306,970</b>	<b>16,347,555</b>	<b>17,006,525</b>	<b>16,765,177</b>	<b>15,887,184</b>	<b>17,057,308</b>	<b>17,915,014</b>	<b>18,528,182</b>	<b>18,739,558</b>	<b>18,920,755</b>
<b>Total Primary Government Expenses</b>	<b>\$ 54,060,702</b>	<b>\$ 52,987,412</b>	<b>\$ 57,544,704</b>	<b>\$ 60,890,014</b>	<b>\$ 56,557,145</b>	<b>\$ 59,671,583</b>	<b>\$ 61,713,106</b>	<b>\$ 64,515,033</b>	<b>\$ 65,900,540</b>	<b>\$ 66,960,682</b>
<b>Program Revenues</b>										
<b>Governmental Activities</b>										
Charges for service										
General government	\$ 68,994	\$ 251,727	\$ 110,142	\$ 143,443	\$ 108,103	\$ 116,483	\$ 119,393	\$ 184,584	\$ 148,591	\$ 120,800
Public safety	46,559	17,746	-	-	94,229	160,487	161,928	31,963	27,750	27,267
Community development	1,852,104	1,989,860	1,628,280	1,185,227	1,018,439	1,152,925	804,926	1,065,345	1,028,610	1,288,006
Parks and recreation	2,126,525	870,151	1,087,896	988,441	1,053,468	1,144,262	1,270,473	1,212,487	1,150,258	1,131,873
Municipal court	1,749,704	1,985,589	1,703,148	1,801,769	1,776,014	1,646,361	1,946,745	1,912,044	1,844,885	2,225,212
Operating grants and contributions	541,792	526,136	448,926	449,984	489,331	951,205	1,237,034	768,008	814,921	640,953
Capital grants and contributions	4,259,147	8,526,693	11,099,080	11,458,446	12,762,204	6,877,840	6,377,277	6,610,148	11,646,619	11,421,480
<b>Total Governmental Activities Program Revenues</b>	<b>10,644,825</b>	<b>14,167,902</b>	<b>16,077,472</b>	<b>16,027,310</b>	<b>17,301,788</b>	<b>12,049,563</b>	<b>11,917,776</b>	<b>11,784,579</b>	<b>16,661,634</b>	<b>16,855,591</b>
<b>Business-Type Activities</b>										
Charges for service										
Water	\$ 4,236,275	\$ 4,969,603	\$ 4,431,010	\$ 3,744,110	\$ 3,781,577	\$ 4,569,665	\$ 4,335,461	\$ 5,067,517	\$ 4,761,475	\$ 5,078,020
Sewer	5,425,013	6,131,070	5,566,978	6,194,023	8,512,336	9,020,008	8,473,688	7,324,794	7,616,609	7,614,148
Environmental Services	3,681,486	3,695,392	4,230,046	4,256,852	4,253,279	4,342,768	4,483,106	4,211,007	4,419,768	4,491,409
Renaud Spirit Center	241,199	1,469,372	1,599,356	1,738,826	1,788,979	1,889,540	1,965,010	1,928,922	1,860,924	1,854,757
Public Venue	-	171,910	172,653	206,657	108,169	149,011	231,964	146,456	182,106	60,145
Operating grants and contributions	-	-	24,231	2,815	3,510	25,036	-	-	-	-
Capital grants and contributions	2,523,236	788,351	1,417,793	518,081	1,515,172	999,712	411,556	680,264	1,310,742	1,036,424
<b>Total Business-Type Activities Program Revenues</b>	<b>16,107,209</b>	<b>17,225,698</b>	<b>17,442,067</b>	<b>16,661,364</b>	<b>19,963,022</b>	<b>20,995,740</b>	<b>19,900,785</b>	<b>19,358,960</b>	<b>20,151,627</b>	<b>20,134,903</b>
<b>Total Primary Governmental Program Revenues</b>	<b>\$ 26,752,034</b>	<b>\$ 31,393,600</b>	<b>\$ 33,519,539</b>	<b>\$ 32,688,674</b>	<b>\$ 37,264,810</b>	<b>\$ 33,045,303</b>	<b>\$ 31,818,561</b>	<b>\$ 31,143,539</b>	<b>\$ 36,813,261</b>	<b>\$ 36,990,494</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (29,108,907)	\$ (22,471,955)	\$ (24,460,707)	\$ (28,097,527)	\$ (23,368,173)	\$ (30,564,712)	\$ (31,880,316)	\$ (34,202,272)	\$ (30,499,348)	\$ (31,184,336)
Business-Type Activities	1,800,239	878,143	435,542	(103,813)	4,075,838	3,938,432	1,985,771	830,778	1,412,069	1,214,149
<b>Total Primary Government Net Expense</b>	<b>\$ (27,308,668)</b>	<b>\$ (21,593,812)</b>	<b>\$ (24,025,165)</b>	<b>\$ (28,201,340)</b>	<b>\$ (19,292,335)</b>	<b>\$ (26,626,280)</b>	<b>\$ (29,894,545)</b>	<b>\$ (33,371,494)</b>	<b>\$ (29,087,279)</b>	<b>\$ (29,970,187)</b>
<b>General Revenues and Other</b>										
<b>Changes in Net Position</b>										
<b>Governmental Activities</b>										
Taxes:										
Property tax	\$ 10,950,579	\$ 11,327,636	\$ 11,968,958	\$ 10,096,818	\$ 10,459,668	\$ 8,236,247	\$ 7,775,961	\$ 9,374,106	\$ 9,021,961	\$ 9,086,990
Sales tax	17,963,371	17,758,834	17,830,992	17,444,847	20,157,649	20,931,831	22,277,141	24,450,947	24,586,225	25,948,421
Franchise and public service taxes	4,386,468	4,934,511	5,568,575	8,494,004	6,737,104	7,123,949	8,151,613	7,626,786	7,977,264	8,122,547
Investment earnings	620,248	1,726,723	2,304,865	1,275,818	925,437	707,151	245,969	53,134	35,124	19,676
Other revenues	437,253	314,766	918,247	809,464	549,498	643,446	723,521	828,192	5,873,179	697,636
Transfers	(127,500)	(11,162,503)	(662,558)	(300,000)	(540,425)	(342,127)	503,116	(293,750)	(420,219)	(464,948)
<b>Total Governmental Activities</b>	<b>34,230,419</b>	<b>24,899,967</b>	<b>37,929,079</b>	<b>37,820,951</b>	<b>38,288,931</b>	<b>37,300,497</b>	<b>39,677,321</b>	<b>42,039,416</b>	<b>47,073,534</b>	<b>43,410,322</b>
<b>Business-Type Activities</b>										
Grants and contributions not restricted to specific programs										
Investment earnings	453,707	710,441	728,890	438,303	256,853	184,853	197,324	97,189	78,720	30,303
Other revenues	-	-	-	146,920	28,605	30,710	40,777	14,483	89,429	31,297
Transfers	127,500	11,162,503	662,558	300,000	540,425	342,127	(503,116)	293,750	420,219	464,948
<b>Total Business-Type Activities</b>	<b>581,207</b>	<b>11,872,944</b>	<b>1,391,448</b>	<b>885,223</b>	<b>825,883</b>	<b>557,690</b>	<b>(111,240)</b>	<b>604,490</b>	<b>588,368</b>	<b>526,548</b>
<b>Total Primary Government</b>	<b>\$ 34,811,626</b>	<b>\$ 36,772,911</b>	<b>\$ 39,320,527</b>	<b>\$ 38,706,174</b>	<b>\$ 39,114,814</b>	<b>\$ 37,858,187</b>	<b>\$ 39,566,081</b>	<b>\$ 42,643,906</b>	<b>\$ 47,661,902</b>	<b>\$ 43,936,870</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 5,121,512	\$ 2,428,012	\$ 13,468,372	\$ 9,723,424	\$ 14,920,758	\$ 6,735,785	\$ 7,797,005	\$ 7,837,144	\$ 16,574,186	\$ 12,225,986
Business-Type Activities	2,381,446	12,751,087	1,826,990	781,410	4,901,721	4,496,122	1,874,531	1,435,268	2,000,437	1,740,697
<b>Total Primary Government</b>	<b>\$ 7,502,958</b>	<b>\$ 15,179,099</b>	<b>\$ 15,295,362</b>	<b>\$ 10,504,834</b>	<b>\$ 19,822,479</b>	<b>\$ 11,231,907</b>	<b>\$ 9,671,536</b>	<b>\$ 9,272,412</b>	<b>\$ 18,574,623</b>	<b>\$ 13,966,683</b>

**City of O'Fallon, Missouri**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**Modified Accrual Basis of Accounting**

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011*	2012	2013	2014
<b>General Fund</b>										
Reserved	\$ 1,365,299	\$ 1,346,920	\$ 489,821	\$ 1,895,034	\$ 1,335,393	\$ 1,326,495	n/a	n/a	n/a	n/a
Unreserved	8,554,403	9,448,353	11,492,137	12,059,421	11,767,912	13,043,268	n/a	n/a	n/a	n/a
Nonspendable	n/a	n/a	n/a	n/a	n/a	n/a	357,947	371,481	363,310	321,071
Restricted	n/a	n/a	n/a	n/a	n/a	n/a	253,541	218,578	196,578	387,140
Committed	n/a	n/a	n/a	n/a	n/a	n/a	652,589	173,920	965,500	985,470
Assigned	n/a	n/a	n/a	n/a	n/a	n/a	48,841	142,672	189,982	675,441
Unassigned	n/a	n/a	n/a	n/a	n/a	n/a	14,972,408	17,117,352	17,340,772	17,822,293
<b>Total General Fund</b>	<b>\$ 9,919,702</b>	<b>\$ 10,795,273</b>	<b>\$ 11,981,958</b>	<b>\$ 13,954,455</b>	<b>\$ 13,103,305</b>	<b>\$ 14,369,763</b>	<b>\$ 16,285,326</b>	<b>\$ 18,024,003</b>	<b>\$ 19,056,141</b>	<b>\$ 20,191,416</b>
<b>All Other Governmental Funds</b>										
Reserved	\$ 27,073,141	\$ 28,743,725	\$ 42,744,904	\$ 27,600,337	\$ 25,767,191	\$ 26,559,869	n/a	n/a	n/a	n/a
Unreserved, reported in:										
Special Revenue Fund	404,949	1,791,794	1,265,918	1,047,440	5,018,873	3,924,334	n/a	n/a	n/a	n/a
Capital Projects Fund	(8,277)	205,899	254,175	12,331	-	-	n/a	n/a	n/a	n/a
Nonspendable	n/a	n/a	n/a	n/a	n/a	n/a	101,000	102,779	104,668	105,165
Restricted	n/a	n/a	n/a	n/a	n/a	n/a	14,618,685	15,909,160	16,424,679	17,603,641
<b>Total All Other Governmental Funds</b>	<b>\$ 27,469,813</b>	<b>\$ 30,741,418</b>	<b>\$ 44,264,997</b>	<b>\$ 28,660,108</b>	<b>\$ 30,786,064</b>	<b>\$ 30,484,203</b>	<b>\$ 14,719,685</b>	<b>\$ 16,011,939</b>	<b>\$ 16,529,347</b>	<b>\$ 17,708,806</b>

\*GASB 54 was adopted in 2011, which changed the fund balance categories

**City of O'Fallon, Missouri**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**Modified Accrual Basis of Accounting**

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Revenues</b>										
Taxes	\$ 32,812,937	\$ 33,988,342	\$ 35,084,561	\$ 36,406,531	\$ 37,198,460	\$ 36,507,153	\$ 38,198,627	\$ 41,513,202	\$ 41,595,939	\$ 43,229,508
Intergovernmental	3,695,935	2,881,466	4,870,460	10,428,104	6,923,299	4,311,569	5,583,805	3,602,593	5,529,258	3,206,278
Licenses and permits	1,502,535	1,802,744	1,374,395	945,880	915,809	981,681	754,903	954,876	947,263	1,074,759
Charges for services	2,551,302	1,256,239	1,390,394	1,371,231	1,294,775	1,452,355	1,459,026	1,518,210	1,407,947	1,493,187
Fines and forfeitures	1,789,553	1,879,336	1,824,454	1,866,841	1,763,427	1,637,917	2,031,241	1,873,350	1,735,278	2,161,478
Investment earnings	620,248	1,503,333	2,084,960	1,534,839	925,437	730,863	406,531	53,134	35,124	19,676
Miscellaneous	1,124,122	371,969	901,674	783,088	507,390	623,104	723,521	772,930	692,212	632,265
<b>Total Revenues</b>	<b>44,096,632</b>	<b>43,683,429</b>	<b>47,530,898</b>	<b>53,336,514</b>	<b>49,528,597</b>	<b>46,244,642</b>	<b>49,157,654</b>	<b>50,288,294</b>	<b>51,943,021</b>	<b>51,817,151</b>
<b>Expenditures</b>										
General government	8,775,969	7,531,351	7,793,739	8,441,667	8,312,320	8,700,735	8,374,688	8,162,537	9,415,072	9,340,656
Public safety	9,064,121	9,585,496	10,310,364	10,764,057	11,178,931	11,214,135	11,437,088	11,487,998	11,970,534	12,213,048
Highways and streets	2,173,501	3,487,472	4,054,439	4,353,931	4,229,866	4,196,277	5,093,002	4,920,225	5,090,584	5,761,388
Community development	2,239,466	2,529,738	2,690,006	2,881,744	2,807,987	2,866,484	2,459,484	2,543,125	2,593,828	2,433,655
Parks and recreation	5,126,467	4,052,115	4,187,359	4,790,156	4,417,328	4,396,378	4,462,410	4,629,907	4,830,589	4,945,075
Municipal court	300,362	357,558	397,422	448,024	418,697	376,941	390,772	388,695	408,550	430,465
Capital outlay	4,991,143	3,368,714	8,306,488	9,875,027	8,659,069	4,274,057	10,596,102	8,071,202	9,320,934	6,183,714
Debt service:										
Principal retirement	3,913,100	3,538,100	3,798,100	20,971,400	4,231,400	6,656,400	16,861,400	4,922,400	5,959,843	6,196,680
Interest	4,021,255	4,445,565	4,674,364	4,353,083	3,787,741	3,284,837	2,829,295	2,141,736	2,072,571	1,902,672
Bond issue costs	81,969	-	197,537	-	166,239	-	97,550	46,568	-	-
<b>Total Expenditures</b>	<b>40,687,353</b>	<b>38,896,109</b>	<b>46,409,818</b>	<b>66,879,089</b>	<b>48,209,578</b>	<b>45,966,244</b>	<b>62,601,791</b>	<b>47,314,393</b>	<b>51,662,505</b>	<b>49,407,353</b>
<b>Revenues Over (Under)</b>										
<b>Expenditures</b>	3,409,279	4,787,320	1,121,080	(13,542,575)	1,319,019	278,398	(13,444,137)	2,973,901	280,516	2,409,798
<b>Other Financing Sources (Uses)</b>										
Transfers in	661,922	1,862,071	697,950	1,032,345	18,435	554,000	1,208,076	1,330,000	88,711	2,351,147
Transfers out	(789,422)	(2,532,884)	(1,360,508)	(1,332,345)	(558,860)	(896,127)	(704,960)	(1,623,750)	(508,930)	(2,816,095)
Payment from Waterbury CID	-	-	-	-	-	-	20,063	18,258	-	-
Sale of capital assets	-	13,298	200,407	62,183	46,765	28,326	54,478	55,263	106,521	146,757
Insurance recoveries	-	-	-	-	-	-	-	-	-	223,126
General obligation bond proceeds	17,231,177	-	13,997,902	-	-	-	-	-	-	-
Special Obligation bond proceeds	-	-	-	-	15,255,000	-	6,160,000	5,925,375	-	-
Premium	-	-	-	-	88,184	-	57,360	49,620	-	-
Payment to Escrow Agent	-	-	-	-	(13,893,737)	-	(7,310,554)	(7,197,736)	-	-
Loan proceeds	-	-	-	-	-	-	-	1,500,000	1,575,000	-
Capital lease proceeds	-	-	53,433	148,000	-	-	110,719	-	7,728	-
<b>Total Other Financing Sources (Uses)</b>	<b>17,103,677</b>	<b>(657,515)</b>	<b>13,589,184</b>	<b>(89,817)</b>	<b>955,787</b>	<b>(313,801)</b>	<b>(404,818)</b>	<b>57,029</b>	<b>1,269,030</b>	<b>(95,065)</b>
<b>Net Change In Fund Balances</b>	<b>\$ 20,512,956</b>	<b>\$ 4,129,805</b>	<b>\$ 14,710,264</b>	<b>\$ (13,632,392)</b>	<b>\$ 2,274,806</b>	<b>\$ (35,403)</b>	<b>\$ (13,848,955)</b>	<b>\$ 3,030,930</b>	<b>\$ 1,549,546</b>	<b>\$ 2,314,733</b>
Debt Service as a percentage of noncapital expenditures	20.1%	22.2%	21.3%	42.6%	20.2%	23.4%	36.3%	16.8%	18.1%	17.7%

**City of O'Fallon, Missouri**  
**Program Revenues by Function/Program**  
**Last Ten Fiscal Years**  
**Accrual Basis of Accounting**

Function/Program	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Governmental Activities</b>										
General government	\$ 539,426	\$ 595,212	\$ 345,396	\$ 145,311	\$ 110,042	\$ 2,256,323	\$ 732,023	\$ 185,728	\$ 3,075,170	\$ 4,062,273
Public safety	220,899	200,397	121,744	224,184	363,171	542,538	548,389	244,211	431,093	612,319
Highways and streets	4,156,167	8,526,693	11,189,758	11,458,446	12,767,985	4,838,419	5,934,746	6,805,764	8,899,696	7,279,167
Community development	1,852,104	1,989,860	1,628,280	1,409,159	1,197,358	1,601,005	1,229,341	1,406,695	1,253,253	1,538,368
Parks and recreation	2,126,525	870,151	1,089,146	988,441	1,087,218	1,164,917	1,526,532	1,230,137	1,157,537	1,138,252
Municipal court	1,749,704	1,985,589	1,703,148	1,801,769	1,776,014	1,646,361	1,946,745	1,912,044	1,844,885	2,225,212
<b>Subtotal Governmental Activities</b>	<b>10,644,825</b>	<b>14,167,902</b>	<b>16,077,472</b>	<b>16,027,310</b>	<b>17,301,788</b>	<b>12,049,563</b>	<b>11,917,776</b>	<b>11,784,579</b>	<b>16,661,634</b>	<b>16,855,591</b>
<b>Business-Type Activities</b>										
Water	4,364,845	5,137,084	4,996,811	3,873,788	4,239,393	4,656,743	4,576,331	5,367,829	5,203,670	5,485,043
Sewer	7,816,679	6,751,940	6,409,986	6,457,691	9,569,692	9,698,593	8,633,016	7,703,043	8,483,060	8,243,549
Environmental services	3,681,486	3,695,392	4,254,277	4,384,402	4,256,789	4,576,918	4,483,106	4,211,007	4,419,768	4,491,409
Renaud Spirit Center	-	1,469,372	1,599,356	1,738,826	1,788,979	1,914,475	1,976,368	1,930,625	1,863,023	1,854,757
Public venue	241,199	171,910	181,637	206,657	108,169	149,011	231,964	146,456	182,106	60,145
<b>Subtotal Business-Type Activities</b>	<b>16,104,209</b>	<b>17,225,698</b>	<b>17,442,067</b>	<b>16,661,364</b>	<b>19,963,022</b>	<b>20,995,740</b>	<b>19,900,785</b>	<b>19,358,960</b>	<b>20,151,627</b>	<b>20,134,903</b>
<b>Total Primary Government</b>	<b>\$ 26,749,034</b>	<b>\$ 31,393,600</b>	<b>\$ 33,519,539</b>	<b>\$ 32,688,674</b>	<b>\$ 37,264,810</b>	<b>\$ 33,045,303</b>	<b>\$ 31,818,561</b>	<b>\$ 31,143,539</b>	<b>\$ 36,813,261</b>	<b>\$ 36,990,494</b>

**City of O'Fallon, Missouri**  
**Tax Revenues by Source**  
**Last Ten Fiscal Years**  
*Modified Accrual Basis of Accounting*

Fiscal Year		Property		Sales		Franchise & Public Service		Total
2005	\$	10,466,940	\$	17,703,937	\$	4,642,060	\$	32,812,937
2006		11,294,997		17,758,834		4,934,511		33,988,342
2007		11,684,994		17,830,992		5,568,575		35,084,561
2008		10,467,680		17,444,847		8,494,004		36,406,531
2009		10,303,708		20,157,648		6,737,104		37,198,460
2010		8,451,187		20,932,017		7,123,949		36,507,153
2011		7,769,874		22,277,140		8,151,613		38,198,627
2012		9,435,469		24,450,948		7,626,786		41,513,202
2013		9,032,450		24,586,225		7,977,264		41,595,939
2014		9,158,540		25,948,421		8,122,547		43,229,508
Change 2005-2014		-13%		47%		75%		32%

**City of O'Fallon, Missouri**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Railroad &amp; Utility</b>	<b>Total Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Total Estimated Actual Value</b>
2005	\$ 1,072,976,100	\$ 213,663,158	\$ 16,918,147	\$ 1,303,557,405	\$ 0.7850	\$ 5,799,946,064
2006	1,154,004,950	225,405,005	17,935,445	1,397,345,400	0.7850	6,221,991,637
2007	1,305,217,140	242,914,750	18,043,555	1,566,175,445	0.7433	7,004,432,643
2008	1,359,283,677	242,763,885	18,180,116	1,620,227,678	0.6164	7,254,416,771
2009	1,283,827,630	229,404,127	19,254,377	1,532,486,134	0.6164	6,842,731,437
2010	1,307,567,116	227,626,579	19,650,903	1,554,844,598	0.4838	6,959,053,642
2011	1,262,616,275	241,631,480	22,014,110	1,526,261,865	0.4838	6,805,064,154
2012	1,271,462,525	266,973,006	21,879,066	1,560,314,597	0.5512	6,932,205,848
2013	1,219,256,962	271,875,981	23,977,251	1,515,110,194	0.5512	6,703,939,098
2014	1,238,899,765	276,239,383	24,209,274	1,539,348,422	0.5512	6,816,342,940

Source: St. Charles County Assessor

Reassessments are currently performed every odd-numbered year. Residential property assessed valuation equals 19% of appraised value, agricultural equals 12%, and commercial and industrial equals 32%. Personal property is valued as one-third of the properties' market value.

**City of O'Fallon, Missouri**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**  
*Rate per \$1,000 of Assessed Value*

Taxing Authority	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
City of O'Fallon (1)										
General	\$ 0.3562	\$ 0.3562	\$ 0.3562	\$ 0.3562	\$ 0.3562	\$ 0.3553	\$ 0.3324	\$ 0.3324	\$ 0.3483	\$ 0.3483
Parks	-	-	-	-	-	-	-	0.1209	0.1267	0.1267
Debt	0.1950	0.1950	0.1950	0.1276	0.1276	0.2611	0.2840	0.2900	0.3100	0.3100
<b>Total City of O'Fallon</b>	<b>0.5512</b>	<b>0.5512</b>	<b>0.5512</b>	<b>0.4838</b>	<b>0.4838</b>	<b>0.6164</b>	<b>0.6164</b>	<b>0.7433</b>	<b>0.7850</b>	<b>0.7850</b>
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
St. Charles County	0.0016	0.0016	0.0016	0.0016	0.0016	0.0016	0.0020	0.0020	0.0025	0.0030
St. Charles County Road and Bridge	0.2025	0.2025	0.2025	0.2025	0.2025	0.2025	0.2025	0.2025	0.2148	0.2150
Fort Zumwalt School District (2)	4.8438	4.8438	4.7936	4.7611	4.5968	4.5967	4.3811	4.3789	4.5629	4.5520
St. Charles County Library District	0.2270	0.2270	0.2181	0.2181	0.2065	0.2064	0.1946	0.1946	0.2064	0.2060
O'Fallon Fire Protection District	0.7004	0.6999	0.6148	0.6148	0.5936	0.5936	0.5517	0.5517	0.5814	0.5810
St. Charles County Handicapped	0.1455	0.1455	0.1398	0.1398	0.1324	0.1323	0.1247	0.1247	0.1323	0.1320
St. Charles County Ambulance	0.2628	0.1565	0.1477	0.1421	0.1439	0.1441	0.1366	0.1334	0.1441	0.1440
St. Charles County Alarm and Dispatch	0.0390	0.0390	0.0390	0.0390	0.0390	0.0390	0.0390	0.0390	0.0413	0.0410
St. Charles County Community College	0.2196	0.2196	0.2196	0.2196	0.2196	0.2196	0.2094	0.2094	0.2196	0.2200
<b>Total</b>	<b>\$ 7.2234</b>	<b>\$ 7.1166</b>	<b>\$ 6.9579</b>	<b>\$ 6.8524</b>	<b>\$ 6.6497</b>	<b>\$ 6.7822</b>	<b>\$ 6.4880</b>	<b>\$ 6.6095</b>	<b>\$ 6.9203</b>	<b>\$ 6.9090</b>

(1) City tax rate includes general operating, parks, and debt service levy.

(2) The City lies within three public school districts. Fort Zumwalt School District is reported for information purposes since it claims the largest portion of the City.

Source: St. Charles County Assessor

**City of O'Fallon, Missouri**  
**Sales Tax by Year**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General 1% city sales tax	\$ 11,683,103	\$ 11,064,829	\$ 11,013,368	\$ 10,404,517	\$ 9,778,073	\$ 9,408,810	\$ 9,866,460	\$ 10,650,960	\$ 10,632,966	\$ 10,558,348
Transportation 0.5% city sales tax	5,500,231	5,202,396	5,184,882	4,875,321	4,611,645	4,432,646	4,664,704	5,069,621	5,074,929	5,042,330
State motor fuel tax	3,018,928	2,886,937	2,844,056	1,917,835	1,770,701	1,738,195	1,790,382	1,927,548	1,910,637	1,928,624
Parks tax 0.5%	5,495,831	5,203,498	5,182,422	4,871,673	4,601,966	4,403,674	944,452	n/a	n/a	n/a
Regional parks sales tax	250,328	228,564	226,219	207,794	169,446	174,323	178,849	182,863	140,302	174,635
<b>Total</b>	<b>\$ 25,948,421</b>	<b>\$ 24,586,225</b>	<b>\$ 24,450,948</b>	<b>\$ 22,277,140</b>	<b>\$ 20,931,831</b>	<b>\$ 20,157,648</b>	<b>\$ 17,444,847</b>	<b>\$ 17,830,992</b>	<b>\$ 17,758,834</b>	<b>\$ 17,703,937</b>

City direct sales tax rate is 2.0% = 1% for general, 0.5% for transportation and 0.5% for parks  
Regional parks sales tax began in 2001  
Parks sales tax began in October 2008

**City of O'Fallon, Missouri  
Principal Property Tax Payers  
Current Year and Nine Years Ago**

Taxpayer	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Three T Partnership/Trulaske/Six T Partnership	\$ 19,926,148	1	1.29 %	\$ 12,563,556	1	0.96 %
DNS Electronics	14,119,905	2	0.92	12,526,544	2	0.96
Citi Mortgage	10,665,838	3	0.69	10,035,985	3	0.77
Garden Villas of O'Fallon/Delmar Gardens	8,685,823	4	0.56	-		-
Mastercard Intl Tax	6,535,928	5	0.42	-		-
THF O'Fallon Development	6,287,607	6	0.41	-		-
DP II LLC (Caplaco Five, Inc)	5,625,265	7	0.37	9,854,450	4	0.76
Aldi, Inc	5,289,983	8	0.34	4,312,020	7	0.33
IBM	4,986,715	9	0.32	-		-
Darlington Enclave at Winghaven UI LLC	4,837,519	10	0.31	-		-
IBT O'Fallon LLC	-		-	4,918,120	5	0.38
St. Louis Enclave Apartments LTD	-		-	4,418,500	6	0.34
Bluffs LLC	-		-	4,187,980	8	0.32
Winghaven Hotel Partners LLC	-		-	4,121,890	9	0.32
Pheasant Point LLC	-		-	3,572,910	10	0.27
	\$ 86,960,731		5.65 %	\$ 70,511,955		5.41 %

Source: St. Charles County Assessor

**City of O'Fallon, Missouri  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collection to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	\$ 10,018,034	\$ 9,456,893	94.40	\$ 111,648	\$ 9,568,541	95.51
2006	10,738,809	10,144,009	94.46	140,957	10,284,966	95.77
2007	11,396,913	10,413,493	91.37	132,067	10,545,560	92.53
2008	9,777,355	9,066,340	92.73	114,157	9,180,497	93.90
2009	9,247,873	8,528,972	92.23	83,792	8,612,764	93.13
2010	7,364,369	6,853,802	93.07	218,369	7,072,171	96.03
2011	7,230,161	4,912,217	67.94	1,656,804	6,569,021	90.86
2012	8,421,171	7,929,845	94.17	154,514	8,084,359	96.00
2013	8,177,364	7,627,112	93.27	314,145	7,941,257	97.11
2014	8,308,174	7,827,773	94.22	242,050	8,069,823	97.13

Source: St. Charles County Assessor

**City of O'Fallon, Missouri**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities						Business-Type Activities					Total Primary Government	Percentage of personal income	Per Capita
	Capital Lease Obligation	MODOT SIB Loan	General Obligation Bonds	Tax Increment Financing Bonds	Special Obligation Bonds	Certificates of Participation	Leasehold Revenue Bonds	Revenue Bonds	Certificates of Participation	Special Obligation Bonds	Capital Lease Obligation			
2005	\$ 133,312	\$ -	\$ 55,070,000	\$ 3,032,899	\$ -	\$ 45,709,900	\$ 15,130,000	\$ 5,565,000	\$ 35,030,100	\$ -	\$ -	\$ 159,671,211	8	\$ 2,214
2006	-	-	53,745,000	3,244,326	-	43,496,800	-	5,170,000	48,963,200	-	718,604	155,337,930	8	2,086
2007	40,822	-	66,075,000	3,529,660	-	41,228,700	-	4,760,000	46,791,300	-	571,358	162,996,840	8	2,120
2008	121,884	-	47,440,000	3,840,262	-	38,892,300	-	4,320,000	53,697,700	-	977,342	149,289,488	6	1,913
2009	55,058	-	45,630,000	4,178,379	15,255,000	23,380,900	-	1,325,000	55,819,100	1,290,000	1,225,881	148,159,318	6	1,872
2010	-	-	41,770,000	4,216,052	14,205,000	21,634,500	-	1,025,000	52,945,500	1,105,000	7,156,826	144,057,878	6	1,795
2011	92,266	-	27,690,000	4,504,063	19,385,000	12,688,100	-	705,000	48,221,900	2,475,000	6,685,040	122,446,369	5	1,526
2012	64,586	1,500,000	25,995,000	4,828,652	22,082,975	6,423,200	-	365,000	26,826,800	18,152,025	6,511,212	112,749,450	5	1,371
2013	43,507	2,772,282	23,515,000	-	18,905,850	6,423,200	-	-	9,786,800	37,714,150	905,889	100,066,678	4	1,217
2014*	13,895	2,495,902	21,035,264	-	15,773,409	6,398,112	-	-	9,351,666	35,916,159	594,092	91,578,499	3	1,085

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

\*Presented net of discounts and premiums in 2014 and going forward

**City of O'Fallon, Missouri**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds (1)	Less: Amounts Available in Debt Service Fund (2)	Total		
2005	\$ 55,070,000	\$ -	\$ 55,070,000	4.22	\$ 763.63
2006	53,745,000	-	53,745,000	3.85	721.58
2007	66,075,000	-	66,075,000	4.22	859.41
2008	47,440,000	-	47,440,000	2.93	607.75
2009	45,630,000	-	45,630,000	2.98	576.44
2010	41,770,000	-	41,770,000	2.69	520.49
2011	27,690,000	-	27,690,000	1.81	342.44
2012 *	25,995,000	2,480,000	23,515,000	1.51	316.18
2013 *	23,515,000	2,680,000	20,835,000	1.38	286.02
2014 *	21,035,264	2,885,000	18,150,264	1.18	249.29

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

\*Net General Obligation Bonds was used in 2012 and going forward

(1) This is the general bonded debt of the governmental activities, net of discounts and premiums starting in 2014

(2) This is the amount restricted for debt service principal payments starting in 2012 and going forward

**City of O'Fallon, Missouri**  
**Direct and Overlapping Governmental Activities Debt**  
**As of December 31, 2014**

<b>Governmental Unit</b>	<b>Debt Outstanding</b>	<b>Estimated Percentage Applicable</b>	<b>Estimated Share of Overlapping Debt</b>
<b>Debt repaid with property taxes</b>			
St. Charles County	\$ 24,931,000	20.12 %	\$ 5,016,117
St. Charles County Ambulance	7,155,000	20.12	1,439,586
St. Charles Community College	31,790,000	20.12	6,396,148
Fort Zumwalt School District	138,649,907	73.00	101,214,432
Francis Howell School District	152,222,861	11.00	16,744,515
Wentzville School District	178,963,677	16.00	28,634,188
Subtotal, overlapping debt			159,444,986
<b>City Direct Debt</b>			<b>45,716,582</b>
<b>Total Direct And Overlapping Debt</b>			<b>\$ 205,161,568</b>

Sources: Assessed value data used to estimate applicable percentages provided by the St. Charles County Assessor. Debt outstanding data provided by each governmental unit.

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

**City of O'Fallon, Missouri**  
**Legal Debt Margin Information, Last Ten Fiscal Years**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	\$ 130,355,741	\$ 139,734,540	\$ 156,617,545	\$ 162,022,768	\$ 153,248,613	\$ 155,484,460	\$ 152,626,187	\$ 156,031,457	\$ 151,511,019	\$ 153,934,842
Total net debt applicable to limit	35,494,371	32,795,429	29,966,797	26,803,068	24,007,097	23,042,816	22,289,218	20,383,440	18,172,010	15,914,896
<b>Legal Debt Margin</b>	<b>\$ 94,861,370</b>	<b>\$ 106,939,111</b>	<b>\$ 126,650,748</b>	<b>\$ 135,219,700</b>	<b>\$ 129,241,516</b>	<b>\$ 132,441,644</b>	<b>\$ 130,336,969</b>	<b>\$ 135,648,017</b>	<b>\$ 133,339,009</b>	<b>\$ 138,019,946</b>
Total net debt applicable to the limit as a percentage of debt limit	27.23%	23.47%	19.13%	16.54%	15.67%	14.82%	14.60%	13.06%	11.99%	10.34%

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10 percent of total assessed property value.

**City of O'Fallon, Missouri  
Pledged-Revenue Coverage  
Last Ten Fiscal Years**

<b>Water &amp; Sewer Revenue Bonds</b>									
<b>Fiscal Year</b>	<b>Utility Service Charges</b>		<b>Less: Operating Expenses</b>		<b>Net Available Revenue</b>		<b>Debt Service</b>		<b>Coverage</b>
	\$		\$		\$		\$	\$	
2005	9,661,288		5,414,579		4,246,709		995,000	2,910,142	1.09
2006	11,100,673		5,546,340		5,554,333		1,570,000	2,066,588	1.53
2007	9,997,988		5,589,350		4,408,638		1,820,000	1,988,784	1.16
2008	10,408,145		5,864,864		4,543,281		1,900,000	1,969,382	1.17
2009	12,539,658		4,356,141		8,183,517		2,620,000	2,343,582	1.65
2010	13,773,023		4,904,113		8,868,909		2,565,000	2,301,824	1.82
2011	13,154,828		5,654,940		7,499,888		2,691,189	2,172,144	1.54
2012	12,487,562		5,947,600		6,539,962		3,087,989	1,641,581	1.38
2013	12,455,187		5,940,001		6,515,186		3,069,864	1,644,489	1.38
2014	12,722,432		5,910,951		6,811,481		3,509,600	1,945,866	1.25

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.  
Operating expenses do not include interest, depreciation, or amortization expense.

**City of O'Fallon, Missouri**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Educational Attainment		School Enrollment	Unemployment Rate	
				Median Age	% High School Graduate Or Higher			% Bachelor's Degree Or Higher
2005	72,116	\$ 2,049,104,024	\$ 28,414	31.1	90.4	27.2	18,496	4.1
2006	74,482	1,868,157,524	25,082	32.7	90.4	27.2	18,703	3.8
2007	76,884	2,069,654,865	26,919	33.0	90.4	27.2	17,638	4.0
2008	78,058	2,545,315,264	32,608	32.2	90.4	27.2	18,776	5.2
2009	79,158	2,613,638,844	33,018	32.3	90.4	27.2	18,742	7.5
2010	80,252	2,454,828,428	30,589	32.3	90.4	27.2	18,840	7.2
2011	80,860	2,597,546,640	32,124	35.1	90.4	27.2	18,719	6.2
2012	82,215	2,486,839,320	30,248	35.0	90.4	27.2	18,733	5.1
2013	83,377	2,605,030,988	31,244	35.0	90.4	27.2	18,625	4.9
2014	84,381	2,753,183,268	32,628	35.0	90.4	27.2	18,381	4.7

Note: Population, Per Capital Personal Income, Median Age, and Unemployment figures are reported from the Economic Development Department, City of O'Fallon, MO. School enrollment for 2014 is based on Fort Zumwalt School enrollment for the 2013-2014 school year. Enrollment from 2003-2004 is based on the 2000 census. Educational Attainment is based on the U.S. Census Bureau from 2000.

**City of O'Fallon, Missouri  
Principal Employers  
Current Year and Nine Years Ago**

Employer	2014			2005		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Citigroup	3,800	1	8.96 %	4,500	1	15.77 %
MasterCard Intl.	2,111	2	4.98	2,300	2	8.06
Fort Zumwalt School District	1,993	3	4.70	2,000	3	7.01
True Manufacturing	N/A*	4	N/A*	N/A*	5	N/A*
City of O'Fallon	695	5	1.64	370	6	1.30
Fireman's Fund Insurance Company	647	6	1.53	-	-	-
SunEdison, Inc. (fka: MEMC)	469	7	1.11	1,270	4	4.45
Walmart	436	8	1.03	-	-	-
Progresss West HealthCare Center	399	9	0.94	-	-	-
Delmar Gardens/Garden Villas of O'Fallon	359	10	0.85	-	-	-
True Fitness Technology	-	-	-	275	7	0.96
Xspedius Communications	-	-	-	260	8	0.91
Brake Resources, Inc	-	-	-	175	9	0.61
Nordyne, Inc.	-	-	-	160	10	0.56
	10,909		25.94 %	11,310		39.63 %

Source: City of O'Fallon, MO Economic Development Department  
Labor Force, December 2014 = 43,455

\*Business requested actual number not be published. They fall as the 4th largest employer in the City.

**City of O'Fallon, Missouri**  
**Full-Time Equivalent City Government Employees by Function/Program**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Administration Department	7.00	7.00	7.00	5.00	5.15	5.00	9.00	8.00	8.00	9.00
Administrative Services Department										
Citizens First Center	2.00	2.00	2.00	2.00	2.00	2.00	n/a	n/a	n/a	n/a
Facilities maintenance	6.00	6.00	6.00	5.15	8.90	8.90	9.00	10.00	10.00	11.60
Fleet maintenance	4.00	4.25	5.00	5.00	5.00	5.00	5.00	6.00	7.00	7.00
Human resources	6.00	6.00	5.00	5.00	5.00	5.00	3.00	4.00	4.25	5.25
Information Technologies	4.00	4.00	4.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00
Safety and risk management	1.00	-	1.00	1.00	1.00	1.00	1.00	n/a	n/a	n/a
Volunteer services	1.50	1.75	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.45
Communications Department										
Communications	5.50	5.25	5.40	5.50	5.50	5.50	5.50	5.50	5.60	5.60
Public relations	5.25	5.10	3.85	3.85	3.85	4.00	4.00	4.00	4.00	4.00
Economic Development Department	3.00	3.15	3.15	3.15	3.00	3.00	3.00	3.00	3.00	4.00
Finance Department										
Finance	12.00	13.00	12.00	12.00	12.00	12.00	12.00	15.00	15.00	15.00
Municipal court	4.85	4.85	5.25	5.25	5.25	5.25	5.25	5.25	5.25	6.25
Parks and Recreational Department										
Landscaping	4.75	4.00	5.15	6.15	6.65	6.65	7.50	8.00	7.50	9.00
Parks	24.00	24.00	24.15	24.85	24.75	24.55	22.00	23.20	23.00	23.25
Recreation	9.92	13.25	31.65	29.50	26.70	25.85	23.75	26.00	26.60	26.90
Renaud Spirit Center Fund	36.50	36.00	33.55	33.80	34.60	34.60	33.05	37.60	37.25	37.30
Public Venue	3.00	3.00	1.50	n/a						
Tourism and festivals	2.45	2.25	4.80	4.50	4.35	3.60	3.60	3.60	3.60	3.60
Planning & Development Department										
Administration	3.50	6.00	3.00	3.00	3.00	2.65	2.00	n/a	n/a	n/a
Building & Code Enforcement	13.00	20.75	14.75	14.75	13.75	13.75	12.75	12.00	12.00	13.00
Planning & GIS	6.00	10.00	8.00	8.00	7.00	7.00	7.00	7.00	7.00	7.50
Police Department	133.50	133.50	138.25	143.50	145.50	145.50	144.25	146.50	152.50	156.35
Public Works Department										
Engineering	1.34	n/a	13.00	12.00	11.00	10.00	10.00	12.00	12.33	13.05
Environmental Services	26.00	26.00	26.80	24.75	26.75	27.25	27.00	26.00	26.00	26.00
Project management	10.00	6.50	5.25	6.00	6.00	5.20	7.00	7.50	7.50	7.50
Sewer System	2.33	0.50	-	-	16.00	19.75	16.00	15.00	16.00	16.00
Storm Water	n/a	n/a	n/a	1.00	4.00	4.95	4.00	4.00	5.00	6.00
Streets	32.00	32.25	27.75	27.00	27.00	27.00	28.60	32.80	38.10	37.85
Water System	0.84	0.50	-	-	22.00	18.90	20.25	16.00	16.00	16.00
<b>Total</b>	<b>371.23</b>	<b>380.85</b>	<b>399.25</b>	<b>396.70</b>	<b>440.70</b>	<b>438.85</b>	<b>430.50</b>	<b>442.95</b>	<b>458.48</b>	<b>473.45</b>

Source: Finance Department

**City of O'Fallon, Missouri**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Police										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Number of Policemen and Officers	102	102	103	104	108	108	106	105	115	115
Transit										
Miles of Streets	285	285	285	300	295	298	303	301	301	307
Number of Street Lights	3,990	5,322	5,322	5,063	5,063	4,624	4,626	4,626	4,634	4,634
Municipal Water Department										
Number of Households/Dwellings	11,400	11,400	11,700	11,986	12,086	12,245	12,250	12,200	11,772	11,965
Average Daily Consumption	3.5M gal/day	6 M gal/day	6 M gal/day	5.32 M gal/day	3.32 M gal/day	3.62 M gal/day	3.75 M gal/day	4.03 M gal/day	3.65 M gal/day	3.51 M gal/day
Miles of Water Mains	153	153	161	174	174	175	175	174	174	174
Building										
Residential Building Permits Issued	1,000	794	806	394	369	367	274	310	394	432
Commercial Building Permits Issued	258	256	220	194	143	190	157	143	215	229
Recreation and Culture										
Park Acreage	460	452	460	460	460	460	460	460	453	453
City of O'Fallon Employees										
Permanent Full-Time	333	334	347	339	374	371	366	374	382	402
Part-Time and Seasonal	79	90	93	208	186	220	229	300	278	291

Source: Various City Departments

**City of O'Fallon, Missouri**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

<b>Function/Program</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Police										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Patrol Vehicles	21	29	30	31	33	33	33	35	36	38
Patrol Motorcycles (started reporting in 2012)	n/a	2	3	3						
Communications										
Programs Produced	217	287	225	252	377	334	342	292	284	268
Transit										
Square Yards of Concrete Replaced	6,805	9,128	10,000	16,472	16,472	12,154	24,000	35,182	30,633	29,332
Tons of Asphalt Replaced	342	3,957	500	975	975	1,076	363	366	221	333
Miles of Street Swept	11,741	11,713	12,000	6,083	6,083	5,102	5,054	3,235	5,840	7,588
Municipal Water Department										
Power Consumption Dollars/Million Gallon Pumped	\$ 222	\$ 228	\$ 229	\$ 250	\$ 270	\$ 287	\$ 305	\$ 299	\$ 321	\$ 322
Salt Consumption/Million Gallon Pumped	0.32	0.64	0.65	0.62	0.61	0.65	0.66	0.65	0.62	0.66
Chlorine Consumption mg/C/Finished Water Pumped	1.6	2.3	2.5	2.6	2.7	2.7	2.9	2.5	2.5	2.8
Wastewater										
Biosolids Treatment Facility (Nature's Bend Fertilizer)	1	1	1	1	1	1	1	1	1	1
Power Consumption Dollars/Million Gallon Treated	\$ 83	\$ 86	\$ 87	\$ 97	\$ 104	\$ 175	\$ 155	\$ 100	\$ 118	\$ 111
Line Cleaning 127 miles/3 years = 42.3	45.3	55.2	56.8	56.5	57.4	68.7	70.3	59.8	66.7	85.6
Recreation and Culture										
Pools	2	2	2	2	2	2	2	2	2	2
Senior Center	1	1	1	1	1	1	1	1	1	1
Baseball Stadium	1	1	1	1	1	1	1	1	1	1
Cultural Art Center	1	1	1	1	1	1	1	1	1	1
Recreation Centers	1	1	1	1	1	1	1	1	1	1
Environmental Services										
Transfer Station	1	1	1	1	1	1	1	1	1	1
Trash/Recycling trucks	14	17	17	18	18	18	19	19	19	19

Source: Various City Departments