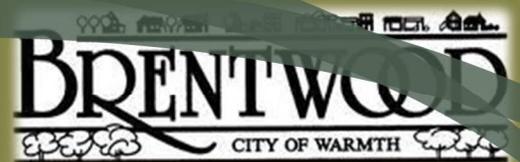


City of Brentwood, Missouri
Comprehensive Annual Financial Report

For the year ended December 31, 2017



**CITY OF BRENTWOOD, MISSOURI
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2017**

*Prepared by the City Administrator
And Finance Director*

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Introductory Section



2348 Brentwood Blvd. • Brentwood, MO 63144
(314) 962-4800 • FAX (314) 962-0819

July 17, 2018

The Honorable Mayor, Board of Aldermen,
And Citizens of Brentwood, Missouri

State law and local ordinances require that all general purpose local governments publish a complete set of financial statements presented in conformance with U.S. generally accepted accounting principles (GAAP) and audited in accordance with U.S. generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to the requirement, we hereby issue the comprehensive annual financial report (CAFR) of the City of Brentwood, Missouri (the City), for the fiscal year ended December 31, 2017.

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

The City's financial statements have been audited by Daniel Jones and Associates, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the City for the year ended December 31, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that City of Brentwood, Missouri's financial statements for the fiscal year ended December 31, 2017, 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 Brentwood’s MD&A can be found immediately following the independent auditor’s report.

PROFILE OF THE GOVERNMENT

Established in the early 1800’s, the City was known as Maddenville and governed by a Board of Trustees. Brentwood received its current name and became incorporated in 1919. The City covers approximately 2.6 miles. Brentwood is a small city with a population of 8,000.

The City is a fourth-class city and is governed under the City Administrator form of government. The legislative body is comprised of the Mayor and an eight member Board of Aldermen. Two aldermen are elected from each of the City’s four wards to serve two-year terms.

The City is located within suburban St. Louis County with easy access to Highway 40 (I-64), the Inner belt (I-170), and I-44. The City is within 15 minutes of the Lambert–St. Louis International Airport and within 10 minutes of the downtown business and industrial heart of St. Louis. Moreover, it is just five minutes from the St. Louis County Government offices located in Clayton. This location helps to make the City a sought after place in which to live and to operate a business.

LOCAL ECONOMY

The City continues to benefit from its strong and diversified local economy. We continue to experience stability in sales tax revenue as a result of past and current development strategies. While we cannot predict that the trend will continue, we plan to take advantage of this trend to build our cash reserves to a level sufficient to support our current service levels and plan for replacement of city equipment and infrastructure.

LONG-TERM FINANCIAL PLANNING

Elected officials and city staff continue to work with federal, state and local officials to find ways to improve Brentwood through transportation projects, accessibility projects maintenance and care of the urban forest and flood prevention programs. The City is able to maintain current levels of service, make capital improvement investments in the City infrastructure and replace equipment and vehicles that have come to an end of their useful life. The City will continue to improve financial results by careful spending in order to ensure city services remain uninterrupted and the needed capital projects are completed. The City has pursued alternative funding in the form of grants and government cooperative agreements to aid in our efforts to fund various projects that will further enhance the daily lives of our citizens.

MAJOR INITIATIVES

The City has several major initiatives completed or underway including continued work on the Hanley Industrial Court Pedestrian Improvement project. Also in 2017, the Public Works department fixed more than 1,100 lateral feet of uneven sidewalk using a polymer foam to raise and level the slabs. A typical sidewalk replacement process could span two or more days, while this new approach takes approximately four hours and is less expensive. The City of Brentwood received the 2017 Missouri Municipal League Members' Choice Innovation Award for this "Alternative Sidewalk Slab Repairs" project.

In order to improve the delivery of public safety services, the Police Department began the process of becoming nationally accredited through the Commission on Accreditation for Law Enforcement Agencies (CALEA). The department has completed the enrollment phase and is now working on the "self-assessment" phase of the process. This involves a review and re-write of the department's policies and procedures. Full accreditation will provide the department with a uniform set of written directives, strengthen their accountability, and aid them in pursuit of professional excellence.

In 2017, the department had completely re-written the directives and entered the second phase of the self-assessment process which will involve a visit from a team of "mock assessors" that includes Accreditation Managers from various local internationally accredited agencies. This will take place in 2018.

The City continued work on the Brentwood Comprehensive Plan in 2017. With help from a consulting firm, community and business workshops were held to gain valuable insight from these important stakeholders. To further the process and keep all parties up to date, the "Brentwood 20/20 Vision for the Future" portal was created and added to the City's website. Work continued in 2017 with an estimated completion date set for the spring of 2018.

The Oak Tree Park Pavilion Project was completed in 2017. This project involved the demolition of the old pavilion and the construction of a new one with restrooms as well as a new parking lot for Oak Tree Park. The final cost of this project for 2017 was \$405,944. The Parks & Recreation Department also completed the Hanley Park Dog Park, a .33 acre large and small off leash dog park. The final cost of this project was \$30,659. Finally, the department installed a new surveillance system at the Brentwood Recreation Complex. This project involved the installation of 17 cameras and a video recorder with enough storage to comply with 30 days retention at full resolution for all cameras. The final cost of this project was \$37,750.

The City continued its multi-year plan for providing systematic forestry services. In 2017, the City developed a comprehensive Tree Management Program, including:

- Developed and implemented Tree Maintenance Policies and Procedures
- Developed and implemented an Approved Tree Planting Species List
- Developed and implemented a Tree Policies and Guidelines Manual
- Developed and implemented the City of Brentwood Emerald Ash Borer Strategy

In 2017, Brentwood Municipal Division Court was in compliance with all new and revised legislation brought on by Missouri Senate Bills 5 and 572a, Missouri Supreme Court Rule 37 and Missouri Supreme Court Local Court Rule 69.01. The Office of the Court completed the upgrade to a more robust version of the Integrated Metropolitan Docketing System software, which provides greater financial controls and an audit trail for each citation. They implemented online payments for defendants through IPayCourt.com. CourtWeb was also implemented; this allows police officers and court staff to post electronic bonds with sequential numbers, which provides greater financial controls and an audit trail for each bond.

On January 16, 2017, the City of Brentwood commissioned a team of consultants to evaluate and recommend a comprehensive citywide development plan to alleviate flooding and renew the Manchester Road corridor. On May 17, 2017, this plan was presented to the Board of Aldermen, which then approved three recommended projects for implementation:

1. **Deer Creek Flood Mitigation Project** - The Deer Creek Flood Mitigation project involves the planning, design and construction of improvements to the Deer Creek Channel starting from the existing Metro facility to the Union Pacific Railroad crossing in Maplewood. This project aims to alleviate ongoing flooding problems along Deer Creek and to protect affected properties from the 100-year flood plain and more frequent flooding.
2. **Manchester Road Overlay Project** - The Manchester Road Overlay is a Missouri Department of Transportation (MoDOT) project focusing on pedestrian and vehicular improvements to Manchester Road within the city limits of Brentwood. This 1.5-mile project will consist of a mill and overlay of the existing asphalt pavement; replacement of the existing concrete gutter with curb and gutter; partial access management of existing business entrances; and pedestrian improvements to sidewalks, pedestrian signals, and pedestrian crossings. In conjunction with the MoDOT project, the City of Brentwood is studying ways to improve the overall appearance and use of Manchester Road, a vital commercial corridor.
3. **Rogers Parkway Connector Project** - The Rogers Parkway Connector project involves the planning, design and construction of a .60-mile connection between the City of Brentwood's Rogers Parkway trail and the Great Rivers Greenway's (GRG) Deer Creek Greenway. In partnership with GRG, the City of Brentwood will construct a below-grade tunnel and a pedestrian bridge to create a connected trail through Norm West Park and over the Union Pacific Railroad and Deer Creek.

PENSION TRUST FUND OPERATIONS

The uniformed police and fire personnel have a separate pension plan. According to the most recent actuarial valuation dated January 1, 2018 the accrued benefit security ratio is 107 percent. The recommended contribution decreased by \$386,390 mainly due to the actuarial gain arising from a 15% return on Plan assets which was much higher than the assumed rate of 7%. Also, liability gains were due to an average -1.76% salary appreciation, which was lower than the assumed rate of 4.5%.

AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Finance Reporting to the City of Brentwood for its comprehensive annual financial report for the fiscal year ended December 31, 2016. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City of Brentwood received its first Certificate of Achievement award for the fiscal year ended December 31, 1999.

ACKNOWLEDGMENTS

The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service and cooperation of the entire administrative staff of the Finance, Administration, and Planning and Development Departments. Each member of these departments has our sincere appreciation for their contributions made in the preparation of this report. We would also like to acknowledge the assistance of our independent public accountants, Botz, Deal and Company, PC in formulating this report.

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

Respectfully submitted,



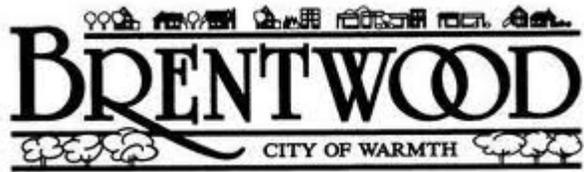
Karen L. Shaw
Finance Director



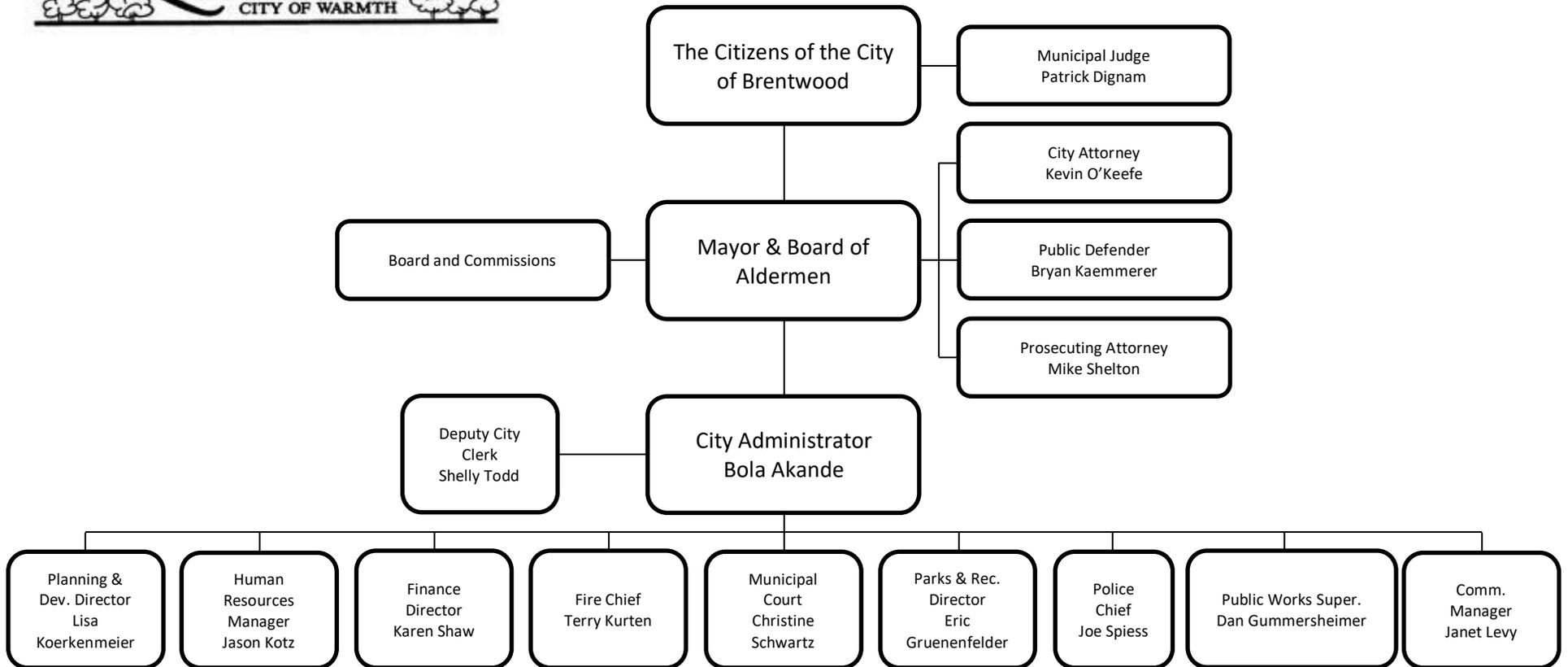
Abimbola Akande
City Clerk/Administrator

CITY OF BRENTWOOD, MISSOURI
PRINCIPAL CITY OFFICIALS

<u>Elected Officials</u>	<u>Terms</u>
Christopher Thornton Mayor	April 2017 - April 2019
David Dimmitt Alderman Ward 1	April 2018 – April 2020
David Plufka Alderman Ward 1	April 2017 - April 2019
Sunny Sims Alderwoman Ward 2	April 2018 – April 2020
Brandon Wegge Alderman Ward 2	April 2017 - April 2019
Andrew Leahy Alderman Ward 3	April 2018 – April 2020
Steve Lochmoeller Alderman Ward 3	April 2017 - April 2019
Kathy O’Neill Alderwoman Ward 4	April 2018 – April 2020
Thomas Kramer Alderman Ward 4	April 2017 - April 2019



City of Brentwood Organizational Structure





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Brentwood
Missouri**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO

Financial Section



**Daniel Jones
& Associates**
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF
MISSOURI SOCIETY OF CPA'S
AMERICAN INSTITUTE OF CPA'S

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the Board of Aldermen
City of Brentwood, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Brentwood, Missouri (City) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 entity'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 entity'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, each major fund, and the aggregate remaining fund information of the City as of December 31, 2017, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note XXI to the financial statements in 2017, the City adopted new accounting guidance, GASB Statement No. 81, *Irrevocable Split-Interest Agreements* and GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73* as required by the Governmental Accounting Standards Board. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-11 and 47-48 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 historic context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

The introductory section and statistical section 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 it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 17, 2018, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Brentwood's internal control over financial reporting and compliance.

Daniel Jones & Associates

DANIEL JONES & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
ARNOLD, MISSOURI

July 17, 2018

This section of the City of Brentwood, Missouri's (the "City's") financial report presents an easily readable analysis of the City's financial activities based on currently known facts, decisions, and conditions. We encourage readers to consider the information presented here in conjunction with additional information, which is furnished in our letter of transmittal. For a comprehensive understanding of the financial statements, please review the City's financial statements, including the footnotes that follow the Management's Discussion and Analysis (MD&A).

As described in Note XXI to the financial statements, the City adopted new accounting guidance, GASB Statement No. 81, *Irrevocable Split-Interest Agreements* and GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73* for the year ended December 31, 2017.

FINANCIAL HIGHLIGHTS

On a government-wide basis, the City's total liabilities exceeded its assets and deferred outflows of resources for the most recent year by \$14,969,424.

Governmental activities had unrestricted net position of (\$18,546,028). This negative amount is due to tax increment revenue bonds totaling \$19,240,000 outstanding at year-end for development not owned by the City.

The cost of the City's governmental activities was \$18,126,892 in year 2017.

As of the close of the current year, the City's governmental funds reported combined ending fund balances of \$16,060,298, an increase of \$2,127,777 in comparison to the prior year. Of the ending amount, \$4,955,618 or 31% is unassigned funds available for spending at the City's discretion.

At the end of the current year, unassigned fund balance for the General Fund was \$4,955,618 or 45% of the General Fund expenditures.

The City's total debt decreased by \$4,453,951 or (13%) during the current year. The City took advantage of the opportunity to refinance the 2009 Certificates of Participation paid from the Capital Improvement Fund in December 2017. The restructuring of this debt allows for a greater cash flow until the capital leases and tax increment revenue bonds are paid off in future years.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements. The first set of financial statements are the government-wide statements, which report information about the City as a whole using accounting methods similar to those used by private-sector business. The two government-wide statements, statement of net position and statement of activities, report the City's net position and how they have changed.

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 and decreases in net position may serve as a useful indicator of whether or not the financial position of the City is improving or deteriorating. The statement of net position also provides information on unrestricted and restricted net position and net investment in capital assets.

The statement of activities presents information showing how the City's net position changed during the most recent year. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of timing of related cash flows.

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

The governmental activities of the City include administrative, police, fire, public works, planning and development, sanitation, building maintenance, recreation, community services, legislative, judicial, municipal operating, library, and intergovernmental as well as interest and fiscal charges. The City does not have any business-type activities.

The government-wide financial statements can be found on pages 12 and 13 of this report.

Fund financial statements. The second set of statements are fund financial statements, which provide information about groupings of related accounts which are used to maintain control over resources for specific activities or objectives. The City uses fund accounting to demonstrate compliance with finance-related legal requirements. The fund financial statements provide more detailed information about the City's most significant funds -- not the City as a whole. The funds of the City can be divided into the following two categories: governmental funds and fiduciary funds. It should be noted that the City does not have any proprietary funds.

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

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 expendable resources, as well as on balances of expendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

CITY OF BRENTWOOD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2017

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 government's near term financial 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 the government-wide governmental activities.

The City maintains several individual governmental funds according to their type (General, Special Revenue, Debt Service, and Capital Projects 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, Library Fund, Tax Increment Financing District Fund, Pension Tax Fund, Capital Improvements Fund, Stormwater and Park Improvements Fund, and Library Refunding Debt Service Fund, which are considered to be major funds. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements.

The governmental funds financial statements can be found on pages 14 through 17 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of individuals or units outside of the City. The City is the trustee or fiduciary responsible for assets, which can be used only for the trust beneficiaries per trust arrangements. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. The City's Pension Trust Fund is reported under the fiduciary funds. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements. The statements of fiduciary net position and changes in fiduciary net position can be found on pages 18 and 19 of this report.

Notes to basic financial statements. The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 20 through 46 of this report.

Required supplemental information. In addition to the basic financial statements and notes to basic financial statements, this report presents required supplemental information concerning the City's budgetary comparisons for the General and Library Funds and schedules of funding progress for the City's retirement and other post-employment benefit plans, which can be found on pages 50 through 55 of this report.

Other supplemental information. The combining and individual fund statements provide fund level detail for all nonmajor governmental funds. These statements and budgetary comparison schedules, Capital Improvements, Stormwater and Park Improvements, and Sewer Improvements Funds can be found on pages 56 through 63 of this report.

CITY OF BRENTWOOD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2017

In compliance with the reporting model required by the Government Accounting Standards Board Statement No. 34 (GASB 34), Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, a comparative analysis of government-wide data is also included in this report.

Net position. At the close of the 2017 year, the City's combined net position was \$14,969,424. The governmental activities condensed statement of net position was as follows:

	<u>December 31,</u>		<u>2017 Change</u>	
	<u>2017</u>	<u>2016</u>	<u>Amount</u>	<u>Percent</u>
ASSETS				
Current and other assets	\$ 19,786,679	\$ 17,440,561	\$ 2,346,118	13.45%
Capital assets, net	31,749,330	30,854,600	894,730	2.90%
Total Assets	<u>51,536,009</u>	<u>48,295,161</u>	<u>3,240,848</u>	<u>6.71%</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amounts related to pensions	1,738,232	3,250,229	(1,511,997)	-46.52%
Deferred charge on refunding	216,884	198,880	18,004	9.05%
Total Deferred Outflows of Resources	<u>1,955,116</u>	<u>3,449,109</u>	<u>(1,493,993)</u>	<u>-43.32%</u>
LIABILITIES				
Long-term debt outstanding	33,655,415	41,891,408	(8,235,993)	-19.66%
Other Liabilities	1,049,893	1,509,668	(459,775)	-30.46%
Total Liabilities	<u>34,705,308</u>	<u>43,401,076</u>	<u>(8,695,768)</u>	<u>-20.04%</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred amounts related to pensions	3,816,393	667,311	3,149,082	471.91%
Total Deferred Inflows of Resources	<u>3,816,393</u>	<u>667,311</u>	<u>3,149,082</u>	<u>471.91%</u>
NET POSITION (DEFICIENCY)				
Net investment in capital assets	21,901,831	20,081,402	1,820,429	9.07%
Restricted	11,613,621	9,891,423	1,722,198	17.41%
Unrestricted (deficit)	(18,546,028)	(22,296,942)	3,750,914	-16.82%
Total Net Position (Deficiency)	<u>\$ 14,969,424</u>	<u>\$ 7,675,883</u>	<u>\$ 7,293,541</u>	<u>95.02%</u>

Net Position increased by \$7,293,541 primarily because assets such as cash and investments increased as well as capital assets. Additionally, overall liabilities such as outstanding long-term debt decreased. Also, the compensated absences payable decreased due to retirements and resignations in 2017. As shown in the above schedule, the assets and deferred outflows of resources exceeded the liabilities and deferred inflows of resources by \$14,969,541 at the close of the current year. It should be noted that a positive balance in two categories of net position is shown for the City as a whole.

CITY OF BRENTWOOD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2017

A portion of the City's net position reflects its investment of \$21,901,831 in capital assets (e.g., land, buildings, and equipment) less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities.

Changes in net position. The City's total revenue on a government-wide basis was \$25,420,433, an increase over the prior year of \$2,696,653 or 11.9%. In the current year, taxes represent 90% of the City's revenue; capital grants and contributions represents 1% and charges for services represent 7%. The remainder is fines and forfeitures, interest earnings, assessments, state and federal aid (intergovernmental), and other miscellaneous revenues.

The total cost of all programs and services was \$18,126,892. The City's expenses cover a range of typical City services. The largest programs were public safety (police and fire), public works, and municipal operating.

CITY OF BRENTWOOD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2017

Governmental activities. Governmental activities increased the City's net position by \$7,293,541. Key elements of this are as follows:

	For the Years Ended December 31,		2017 Change	
	2017	2016	Amount	Percent
REVENUES				
Program revenues				
Charges for services	\$ 1,659,734	\$ 1,566,884	92,850	5.93 %
Operating grants and contributions	627,098	443,735	183,363	41.32 %
Capital grants and contributions	196,960	409,382	(212,422)	(51.89) %
General revenues				%
Taxes	22,770,986	20,062,683	2,708,303	13.50 %
Investment income	29,064	30,263	(1,199)	(3.96) %
Gain on sale of assets	22,820	22,944	(124)	(0.54) %
Miscellaneous	113,771	187,889	(74,118)	(39.45) %
Total Revenues	25,420,433	22,723,780	2,696,653	11.87 %
EXPENSES				
Administrative	893,464	903,378	(9,914)	(1.10) %
Police	2,956,027	3,578,691	(622,664)	(17.40) %
Fire	2,710,256	2,926,075	(215,819)	(7.38) %
Public Works	3,212,469	2,610,879	601,590	23.04 %
Planning and development	554,561	482,704	71,857	14.89 %
Sanitation	542,689	665,548	(122,859)	(18.46) %
Building maintenance	44,243	73,084	(28,841)	(39.46) %
Recreation	2,104,842	2,140,276	(35,434)	(1.66) %
Community services	84,911	73,784	11,127	15.08 %
Legislative	145,438	128,039	17,399	13.59 %
Judicial	197,786	186,216	11,570	6.21 %
Municipal Operating	2,618,364	2,652,018	(33,654)	(1.27) %
Library	582,771	563,710	19,061	3.38 %
Intergovernmental	-	-	-	-
Interest on long-term debt	1,479,071	697,164	781,907	112.16 %
Total Expenses	18,126,892	17,681,566	445,326	
CHANGE IN NET POSITION	7,293,541	5,042,214	2,251,327	44.65 %
NET POSITION (DEFICIENCY)- BEGINNING OF YEAR	\$ 7,675,883	\$ 2,633,669	\$ 5,042,214	191.45 %
PRIOR PERIOD ADJUSTMENT				
NET POSITION (DEFICIENCY)- END OF YEAR	\$ 14,969,424	\$ 7,675,883	\$ 7,293,541	95.02 %

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental funds. The focus on the City's governmental funds is to provide information and balances of available 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 year.

At the end of the current year, the unassigned fund balance of the General Fund was \$4,955,618. This amount represents 97% of the total general fund balance.

The fund balance in the City's General Fund increased by \$80,192 or 1.6% from the prior year's fund balance. The change in the current year's fund balance is mainly due to departmental budget savings. The City continues to use these funds to increase the General Fund reserve.

The fund balance for the Library Fund increased by \$161,662 as revenues came in greater than expenditures by this amount. Salaries and benefits had decreased in 2017 due to a retirement and other vacancies which accounted for the decrease in expenditures for the year.

The fund balance for the Tax Increment Financing District increased by \$971,986. This was due in part to an increase in receivables from sales tax and ad valorem revenue received by the City in 2017 but not paid out to the various districts until 2018.

The fund balance for the Capital Improvements Fund increased by \$889,926 as several large capital items were put on hold in order to help defray the cost of the unexpected mold issue in the Fire Station which was not completed until 2018.

The fund balance for the Stormwater and Park Improvements Fund decreased by \$81,413 due to spending for the Manchester Renewal Project.

Fiduciary funds. The City maintains Fiduciary Funds for the assets of the uniformed personnel through the Police and Fire Pension Plan. As of December 31, 2017, the net position of the Pension Trust Fund totaled \$40,033,734. This represents an increase of \$4,344,554 in total net position over the last year. This change is primarily due to an increase in the market value of the Pension Trust Fund's investments.

GENERAL FUND BUDGETARY HIGHLIGHTS

There was one budget amendment in the year 2017 in the General Fund, Capital Improvement Fund, Stormwater and Park Improvement Fund, Sewer Improvement Fund and the Library Fund.

The final revised budget of expenses for the City's General Fund for 2017 was \$11,616,436, which differs from the original adopted budget of \$11,775,336 by \$158,900. The most significant decrease in appropriations was for savings in salaries and benefits due to vacancies throughout the year.

Revenues were \$449,139 below the final budgeted amount of \$11,692,017. Expenditures were \$596,278 below the final budgeted amount of \$11,616,436.

CITY OF BRENTWOOD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2017

CAPITAL ASSETS

The City invested \$31,749,330 in a broad range of capital assets, including land, buildings, machinery and equipment, vehicles, and infrastructure. This amount represents a net increase for the current year (including additions and deletions) of \$894,730.

Capital assets, net of depreciation, were as follows:

	December 31,	
	2017	2016
Land and right-of-way	\$ 4,503,428	\$ 4,503,428
Construction in progress	906,585	1,618,145
Buildings and other improvements	18,189,975	17,975,105
Machinery and Equipment	1,166,910	1,354,097
Vehicles	1,362,503	1,694,122
Infrastructure	5,619,929	3,709,703
	\$ 31,749,330	\$ 30,854,600

All depreciable capital assets were depreciated from acquisition date to the end of the current year. Fund financial statements record capital asset purchases as expenditures.

Additional information on the City's capital assets can be found in Note IV of this report.

LONG-TERM DEBT

At the end of the year 2017, the City has outstanding long-term debt obligations for governmental activities in the amount of \$28,804,517 compared to \$33,058,468 in 2016. The City's governmental activities outstanding long-term debt obligations are detailed below:

	December 31,		2017
	2017	2016	Change
Capital Lease	\$ 319,017	\$ 432,458	-26.23%
Certificates of participation	9,245,000	10,381,505	-10.95%
Tax increment revenue bonds	19,240,000	22,244,505	-13.51%
	\$ 28,804,017	\$ 33,058,468	-12.87%

State statutes limit the amount of general obligation debt a government entity may issue to 10% of its total assessed valuation. The City's authorized debt limit for 2017 was \$32,154,579. As is shown in this long-term debt schedule, the City has no current debt applicable to this limit.

Additional information on the City's long-term debt can be found in Note III of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The 2018 General Fund budgeted expenditures total \$12,088,702, an increase of 6% from the 2017 final budget appropriation.

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 information should be addressed to:

City of Brentwood
Department of Finance
2348 South Brentwood Blvd.
Brentwood, MO 63144
314-962-4800

Financial Statements

CITY OF BRENTWOOD, MISSOURI
Statement of Net Position
As of December 31, 2017

	Governmental Activities
ASSETS	
Cash and investments	\$ 9,688,171
Receivable (net of allowances for uncollectibles):	
Property taxes	2,501,083
Other	3,719,802
Prepaid items	61,498
Restricted cash and investments	1,900,372
Net pension asset	1,915,753
Capital assets:	
Land and construction in progress	5,410,013
Other capital assets, net of accumulated depreciation	26,339,317
Total Assets	51,536,009
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts related to pensions	1,738,232
Deferred charge on refunding	216,884
Total Deferred Outflows of Resources	1,955,116
LIABILITIES	
Accounts payable	649,482
Cash Overdraft	2,490
Unearned revenue	6,522
Lawsuit settlement	-
Accrued interest payable	82,904
Deposits payable	79,778
Due to fiduciary fund	224,859
Funds held for others	3,858
Long-term liabilities:	
Due within one year	1,001,844
Due in more than one year	30,121,869
Due in more than one year - net pension obligation	2,456,540
Due in more than one year - net other post-employment benefit obligation	75,162
Total Liabilities	34,705,308
DEFERRED INFLOWS OF RESOURCES	
Deferred amounts related to pensions	3,816,393
Total Deferred Inflows of Resources	3,816,393
NET POSITION	
Net investment in capital assets	21,901,831
Restricted for:	
Debt service	3,758,783
Capital improvements	4,021,828
Library	1,094,735
Sewer improvements	32,120
Stormwater and park improvements	2,442,465
Pension benefits	170,404
Police seizures	93,286
Unrestricted	(18,546,028)
Total Net Position	\$ 14,969,424

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

CITY OF BRENTWOOD, MISSOURI
Statement of Activities
For the Year Ended December 31, 2017

Functions/Programs	Expenses	Program Revenues			Net Revenues (Expenses) and Change in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government					
Governmental activities:					
Administrative	\$ 893,464	\$ 45,156	\$ -	\$ -	\$ (848,308)
Police	2,956,027	170,592	74,937	-	(2,710,498)
Fire	2,710,256	228,400	-	-	(2,481,856)
Public works	3,212,469	-	542,837	196,960	(2,472,672)
Planning and development	554,561	179,897	2,782	-	(371,882)
Sanitation	542,689	24,690	-	-	(517,999)
Building maintenance	44,243	-	-	-	(44,243)
Recreation	2,104,842	998,204	-	-	(1,106,638)
Community services	84,911	-	-	-	(84,911)
Legislative	145,438	-	-	-	(145,438)
Judicial	197,786	-	-	-	(197,786)
Municipal operating	2,618,364	-	-	-	(2,618,364)
Library	582,771	12,795	6,542	-	(563,434)
Interest on long-term debt	1,479,071	-	-	-	(1,479,071)
Total Governmental Activities	\$ 18,126,892	\$ 1,659,734	\$ 627,098	\$ 196,960	(15,643,100)
General Revenues:					
Taxes:					
Sales tax					13,873,959
Property taxes levied for:					
General purposes					553,507
Police and fire pension					923,211
Library					733,257
Tax increment financing					3,447,689
Utility taxes					1,747,625
Gross receipts tax					1,491,738
Investment income					29,064
Gain on sale of assets					22,820
Miscellaneous					113,771
Total General Revenues					22,936,641
Change in Net Position					7,293,541
Net Position - Beginning of Year					7,675,883
Net Position - End of Year					\$ 14,969,424

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

CITY OF BRENTWOOD, MISSOURI
Balance Sheet
Governmental Funds
As of December 31, 2017

	Major Funds						Nonmajor Funds		
	General	Library	Tax Increment Financing District	Pension Tax	Capital Improvements	Stormwater and Park Improvements	Brentwood Eager Road Redemption Fund	Other Governmental Funds	Total Governmental Funds
ASSETS									
Cash and investments	\$ 3,101,387	\$ 716,653	\$ 215,974	\$ -	\$ 3,357,227	\$ 2,165,516	\$ -	\$ 131,414	\$ 9,688,171
Receivables:									
Property taxes	175,334	387,969	1,451,075	486,642	29	34	-	-	2,501,083
Other	2,440,550	-	-	-	722,791	520,426	-	36,035	3,719,802
Prepaid assets	57,519	3,979	-	-	-	-	-	-	61,498
Restricted assets	-	-	-	-	-	-	4,597	1,895,775	1,900,372
Due from other funds	127,310	998	193,852	-	-	27,485	-	888,915	1,238,560
Total Assets	<u>5,902,100</u>	<u>1,109,599</u>	<u>1,860,901</u>	<u>486,642</u>	<u>4,080,047</u>	<u>2,713,461</u>	<u>4,597</u>	<u>2,952,139</u>	<u>19,109,486</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities									
Accounts payable	319,242	6,906	-	-	44,017	270,996	-	8,321	649,482
Cash Overdraft	-	-	-	-	-	-	-	2,490	2,490
Unearned revenue	6,522	-	-	-	-	-	-	-	6,522
Lawsuit settlement	-	-	-	-	-	-	-	-	-
Deposits payable	65,878	-	-	-	13,900	-	-	-	79,778
Due to other funds	222,335	-	888,915	224,859	302	-	-	127,008	1,463,419
Funds held for others	3,858	-	-	-	-	-	-	-	3,858
Total Liabilities	<u>617,835</u>	<u>6,906</u>	<u>888,915</u>	<u>224,859</u>	<u>58,219</u>	<u>270,996</u>	<u>-</u>	<u>137,819</u>	<u>2,205,549</u>
Deferred Inflows of Resources									
Unavailable revenue - taxes	177,842	202,299	-	261,783	30	34	-	-	641,988
Unavailable revenue - grants	-	-	-	-	201,651	-	-	-	201,651
Total Deferred Inflows of Resources	<u>177,842</u>	<u>202,299</u>	<u>-</u>	<u>261,783</u>	<u>201,681</u>	<u>34</u>	<u>-</u>	<u>-</u>	<u>843,639</u>
Fund balances									
Nonspendable:	57,519	3,979	-	-	-	-	-	-	61,498
Restricted for:									
Capital improvements	-	-	-	-	3,820,147	-	-	-	3,820,147
Police seizures	93,286	-	-	-	-	-	-	-	93,286
Debt service	-	-	-	-	-	-	4,597	2,782,200	2,786,797
Library	-	896,415	-	-	-	-	-	-	896,415
Sewer improvements	-	-	-	-	-	-	-	32,120	32,120
Debt Service	-	-	971,986	-	-	-	-	-	971,986
Stormwater and park improvements	-	-	-	-	-	2,442,431	-	-	2,442,431
Unassigned	4,955,618	-	-	-	-	-	-	-	4,955,618
Total Fund Balances	<u>5,106,423</u>	<u>900,394</u>	<u>971,986</u>	<u>-</u>	<u>3,820,147</u>	<u>2,442,431</u>	<u>4,597</u>	<u>2,814,320</u>	<u>16,060,298</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 5,902,100</u>	<u>\$ 1,109,599</u>	<u>\$ 1,860,901</u>	<u>\$ 486,642</u>	<u>\$ 4,080,047</u>	<u>\$ 2,713,461</u>	<u>\$ 4,597</u>	<u>\$ 2,952,139</u>	<u>\$ 19,109,486</u>

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

CITY OF BRENTWOOD, MISSOURI
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
As of December 31, 2017

Total Fund Balance - Governmental Funds	\$ 16,060,298
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds financial statements. The cost of the assets is \$46,416,436 and the accumulated depreciation is \$14,667,106.	31,749,330
Certain assets (obligations) are not financial resources and, therefore, are not reported in the governmental funds. These items consist of:	
Net pension obligation - PFPP	(2,456,540)
Net pension assets - LAGERS	1,915,753
Deferred outflows of resources related to pensions:	
PFPP	1,013,006
LAGERS	725,226
Deferred inflows of resources related to pensions:	
PFPP	(3,206,037)
LAGERS	(610,356)
Net other post-employment benefit obligation	(75,162)
Property taxes assessed by the City, but not collected within 60 days of year end are deferred within the fund financial statements. However, revenue for this amount is recognized in the government-wide financial statements.	641,988
Grant revenue earned by the City, but not collected within 60 days of year end are deferred within the fund financial statements. However, revenue for this amount is recognized in the government-wide financial statements.	201,651
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at the year end consist of:	
Accrued interest payable	(82,904)
Compensated absences	(2,036,214)
Unamortized deferred amount on refunding	216,884
Bonds, notes payable, and capital lease obligations outstanding	(29,087,499)
Total Net Position of Governmental Activities	\$ 14,969,424

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

CITY OF BRENTWOOD, MISSOURI
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2017

	Major Funds						Nonmajor Funds	Total Governmental Funds	
	General	Library	Tax Increment Financing District	Pension Tax	Capital Improvements	Stormwater and Park Improvements	Brentwood Eager Road Redemption Fund		Other Governmental Funds
REVENUES									
Taxes	\$ 8,871,802	\$ 690,725	\$ 5,022,892	\$ 873,405	\$ 2,497,228	\$ 2,949,469	\$ -	\$ 233,473	\$ 21,138,994
Licenses and permits	1,710,860	-	-	-	-	-	-	-	1,710,860
Fines and forfeitures	167,253	-	-	-	-	-	-	-	167,253
Intergovernmental	15,306	6,542	-	-	497,043	371,305	-	-	890,196
Charges for services	271,658	12,795	-	-	-	1,002,629	-	-	1,287,082
Assessments	-	-	-	-	-	-	-	171,532	171,532
Investment Income	10,095	2	-	-	9,043	4,405	106	5,413	29,064
Miscellaneous	195,904	848	-	-	-	53,761	-	-	250,513
Total Revenues	11,242,878	710,912	5,022,892	873,405	3,003,314	4,381,569	106	410,418	25,645,494
EXPENDITURES									
Current:									
Administrative	692,774	-	-	-	-	-	-	-	692,774
Police	3,276,948	-	-	-	-	-	-	-	3,276,948
Fire	2,555,960	-	-	-	-	-	-	-	2,555,960
Public works	1,303,724	-	-	-	-	-	-	253,286	1,557,010
Planning and development	541,105	-	-	-	-	-	-	-	541,105
Sanitation	526,412	-	-	-	-	-	-	-	526,412
Community services	84,911	-	-	-	-	-	-	-	84,911
Legislative	121,822	-	-	-	-	-	-	-	121,822
Judicial	168,985	-	-	-	-	-	-	-	168,985
Municipal operating	1,740,083	-	-	873,405	-	-	-	4,876	2,618,364
Library	-	511,042	-	-	-	-	-	-	511,042
Recreation	-	-	-	-	-	2,317,108	-	-	2,317,108
Capital outlay	7,434	38,208	-	-	1,455,958	1,559,568	-	-	3,061,168
Debt service:									
Principal	-	-	-	-	41,706	465,000	2,365,000	1,655,000	4,526,706
Interest and fiscal charges	-	-	-	-	141,277	123,270	-	772,808	1,037,355
Total Expenditures	11,020,158	549,250	-	873,405	1,638,941	4,464,946	2,365,000	2,685,970	23,597,670
Excess (Deficiency) of Revenues Over (Under) Expenditures	222,720	161,662	5,022,892	-	1,364,373	(83,377)	(2,364,894)	(2,275,552)	2,047,824
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	-	150,000	-	2,363,916	6,054,397	8,568,313
Transfers out	(150,000)	-	(4,050,906)	-	(664,584)	-	-	(3,702,823)	(8,568,313)
Sale of capital assets	7,472	-	-	-	40,137	1,964	-	2,631	52,204
Issuance of refunding bonds	-	-	-	-	-	-	-	5,245,676	5,245,676
Refunding of long-term debt	-	-	-	-	-	-	-	(5,217,927)	(5,217,927)
Bond discount	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(142,528)	-	(4,050,906)	-	(474,447)	1,964	2,363,916	2,381,954	79,953
Net Change in Fund Balances	80,192	161,662	971,986	-	889,926	(81,413)	(978)	106,402	2,127,777
Fund Balances - Beginning of Year	5,026,231	738,732	-	-	2,930,221	2,523,844	5,575	2,707,918	13,932,521
Fund Balances - End of Year	\$ 5,106,423	\$ 900,394	\$ 971,986	\$ -	\$ 3,820,147	\$ 2,442,431	\$ 4,597	\$ 2,814,320	\$ 16,060,298

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

CITY OF BRENTWOOD, 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, 2017

Net Change in Fund Balances - Governmental Funds		\$ 2,127,777
Amounts reported for governmental activities in the statement of activities are different because:		
The governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets meeting the capitalization threshold is allocated over their estimated useful lives and recorded as depreciation expense. This is the amount by which depreciation (\$1,201,850) was exceeded by capital outlays over the capitalization threshold (\$2,125,964) in the current period.		
		924,114
The net effect of various transactions involving capital assets is to increase net position as follows:		
Proceeds from sale of capital assets	(52,204)	
Loss on disposal of capital assets	<u>22,820</u>	(29,384)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds		
Taxes		140,254
Grants		(388,135)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of those differences in the treatment of long-term debt and related items:		
Issuance of tax increment revenue bonds	-	
Loss on Bond Refunding	(134,925)	
Bond Refunding	5,217,927	
Escrow Payment to Bonds	(5,245,676)	
Repayments:		
Debt and capital lease	4,133,442	
Amortization	17,934	
Accrued compensated absence liability - net decrease	<u>324,407</u>	4,313,109
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Accrued interest on debt	68,539	
Pension expense - PFPP	367,830	
Pension expense - LAGERS	(198,169)	
Other post-employment benefits	<u>(32,394)</u>	<u>205,806</u>
Change in Net Position of Governmental Activities		\$ <u>7,293,541</u>

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

CITY OF BRENTWOOD, MISSOURI
Statement of Fiduciary Net Position - Pension Trust Fund
As of December 31, 2017

ASSETS	
Cash	\$ 458,948
Investments:	
Money market funds	208,735
Mutual funds:	
Domestic equities	17,318,210
International equities	7,683,347
Fixed income	4,468,821
Real estate investment trust	3,561,912
External investment pool	6,118,938
Total investments	<u>39,359,963</u>
Due from other funds	224,859
Total Assets	<u><u>40,043,770</u></u>
 LIABILITIES	
Accounts payable	10,036
Total Liabilities	<u><u>10,036</u></u>
 NET POSITION	
Restricted for pensions	40,033,734
Total Net Position	<u><u>\$ 40,033,734</u></u>

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

CITY OF BRENTWOOD, MISSOURI
Statement of Changes in Fiduciary Net Position - Pension Trust Fund
For the Year Ended December 31, 2017

Additions

Investment income:	
Net appreciation in fair value of instruments, interest, and dividends	\$ 5,239,710
Investment expense	(57,405)
Total Investment Income	5,182,305
Employer contributions	873,405
Employee contributions	235,839
Miscellaneous	23,948
Total Additions, Net	6,315,497

Deductions

Deductions paid	1,943,523
Administrative expenses	27,420
Total Deductions	1,970,943

Change in Net Position 4,344,554

Net Position - Beginning of Year 35,689,180

Net Position - End of Year \$ 40,033,734

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

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

I. SUMMARY OF SIGNICANT ACCOUNTING POLICIES

The City of Brentwood, Missouri (City) was created in 1919. The City operates under a Mayor Council form of government and provides the following services: public safety (police and fire), public works, recreation, community development, and general administrative services.

The 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 accounting policies of the City are described below:

Reporting Entity

The City defines its financial reporting entity in accordance with the provisions of Governmental Accounting Standards Board Statement No. 14 (GASB No. 14), *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units – an amendment of GASB Statement No. 14* and GASB Statement No. 61, *The Financial Reporting Entity – Omnibus*. A component unit is a legally separate organization for which the primary government is financially accountable or closely related. The City is financially accountable if it appoints a voting majority of a potential component unit's governing body and is able to impose its will on that potential component unit, or there is a potential for the potential component unit to provide specific financial benefits to, or impose specific financial burdens on, the City. The City has no component units.

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 activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Following the government-wide financial statements are separate financial statements for governmental funds and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

I. SUMMARY OF SIGNICANT ACCOUNTING POLICIES (continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (concluded)

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

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

The City reports the following major governmental funds:

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

Library Fund - The Library Fund is a Special Revenue Fund used to account for property taxes levied for the Brentwood Public Library.

Tax Increment Financing District Fund - The Tax Increment Financing District Fund is a Special Revenue Fund used to account for payments in lieu of taxes and economic activities taxes related to specific economic development projects.

Pension Tax Fund – The Pension Tax Fund is a Special Revenue Fund used to accumulate taxes for the Pension Trust Fund.

Capital Improvements Fund – The Capital Improvements Fund is a Capital Projects Fund used to account for improvements to park and recreational facilities and infrastructure improvements, which are funded by a ½% sales tax and general obligation bond proceeds.

Stormwater and Park Improvements Fund – This fund is used to account for improvements to park and recreational facilities and stormwater systems, which will be funded by a ½ % sales tax.

Brentwood Eager Road Redemption Fund – This fund is used to account for debt service payments related to the Brentwood Eager Road debt obligation.

Additionally, the City reports the following fund types:

Pension Trust Fund – The Pension Trust Fund is used to account for assets of the Police and Firemen’s Pension Trust Fund.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges and various other functions of the City. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

I. SUMMARY OF SIGNICANT ACCOUNTING POLICIES (continued)

Cash and Investments

The City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, requires that all investments be reported in the financial statements at fair value. Fair value is established as readily determinable current market value for equity and debt securities.

The City's investment policy and state statutes authorize the City to invest in obligations of the U.S. Treasury, agencies, and instrumentalities. The Pension Trust Fund is also authorized to invest in corporate stocks and bonds as allowed by state law.

Allowance for Uncollectibles

Other receivables are shown net of an allowance for uncollectibles of \$-0-.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond the year-end are recorded as prepaid items. Prepaid items are equally offset by a fund balance categorized as nonspendable, which indicates that this portion of the fund balance is not in a spendable form or is required to remain intact. An expenditure/expense is reported in the year in which services are consumed.

Restricted Assets

Certain resources set aside for the payment of construction projects and tax increment financing bonds are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

Due To/From Other Funds

Noncurrent portions of long-term interfund loans receivable (reported in "advances to" asset accounts) are equally offset by a fund balance amount, which indicates that they do not constitute "available spendable resources" since they are not a component of net current position. Current portions of long-term interfund loans receivable (reported in "due from" asset accounts) are considered "available spendable resources" and are subject to elimination upon consolidation.

Capital Assets

Capital assets, which include property, equipment, and infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. Infrastructure acquired prior to the implementation of GASB 34 has been reported.

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

Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement would b reported at acquisition value rather than fair market value.

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

I. SUMMARY OF SIGNICANT ACCOUNTING POLICIES (continued)

Capital Assets (concluded)

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

<u>Assets</u>	<u>Years</u>
Buildings and other improvements	20 - 50
Machinery and equipment	5 - 30
Vehicles	8
Infrastructure	20

Compensated Absences

Earned vacation time is required to be used within one year of accrual. Upon termination, accumulated vacation is generally paid to the employee. Sick leave is generally paid upon termination. The City allows employees to accumulate unused sick leave to a maximum of 120 days (general) and 60 days (fire). A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Other Post-Employment Benefit Obligation

The City calculates and records a net other post-employment benefit obligation (OPEB) in the government-wide financial statements. The net OPEB is, in general, the cumulative difference between the actuarial required contribution and the actual contributions since January 1, 2014, the date of implementation. The City is not required to and has elected not to retroactively implement GASB 45. Details relating to the City's post-retirement health care benefits provided, OPEB liability, and its calculation are provided at Note VII.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts and the difference between the reacquisition price and the net carrying value or refunded debt are capitalized and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. 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 BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

I. SUMMARY OF SIGNICANT ACCOUNTING POLICIES (continued)

Deferred Outflows/Inflows of Resources (concluded)

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

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

Pensions

The City records a net pension (asset) liability in the government-wide financial statements for defined benefit plans. The (asset) liability is calculated as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position.

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

Details of the City's defined benefit plans are provided in Note V.

Fund Balance Policies

The fund balance amounts are reported in the following applicable categories listed from the most restrictive to the least restrictive:

Nonspendable - The portion of fund balance that is not in a spendable form or is required to remain intact.

Restricted - The portion of fund balance that is subject to external restrictions and constrained to specific purposes imposed by agreement, through constitutional provisions, or by enabling legislation.

Committed - The portion of fund balance with constraints or limitations by formal action (ordinance or resolution) of the Board of Aldermen, the highest level of decision-making authority.

Assigned - The portion of fund balance that the City intends to use for a specific purpose, as determined by the applicable City officials to which the Board of Aldermen has designated authority. The Board of Aldermen has authorized the City Administrator as the official authorized to assign fund balance to a specific purpose.

Unassigned - Amounts that are available for any purpose; these positive amounts are reported only in the General Fund.

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

I. SUMMARY OF SIGNICANT ACCOUNTING POLICIES (concluded)

Fund Balance Policies (concluded)

The City's policy is to maintain a minimum unassigned fund balance in the General Fund equal to 15% of budgeted operating expenditures. The City's policy is to maintain a minimum assigned fund balance in the Storm Water and Park Improvements and Sewer Improvements Funds equal to 15% of budgeted operating expenditures.

When both restricted and unrestricted resources are available, the City will spend the most restricted amounts before the least restricted. The order in the use of funds therefore would be restricted, committed, assigned, and unassigned.

Property Tax Revenue

Property taxes attach as an enforceable lien on property as of January 1, based on the assessed value of the property. Taxes are levied in October and are due and payable on or before December 31.

Property tax revenue is recognized to the extent it is collected within 60 days after year-end in the fund financial statements. Property taxes not collected within 60 days of year-end are recognized as a deferred outflow of resources, unavailable revenue-property taxes, for fund financial statements but are recognized as revenue in the government-wide financial statements.

All property tax assessment, billing, and collection functions are handled by the St. Louis County government. Taxes collected are remitted to the City by the St. Louis County Collector (the County Collector) in the month subsequent to the actual collection date. Taxes held by the County Collector, if any, are included in property taxes receivable in the accompanying fund financial statements.

Interfund Transactions

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

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are payment-in-lieu of taxes and other charges and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Use of Estimates

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

II. CASH AND INVESTMENTS

Deposits

The City's bank deposits are required by state law and the City's policy to be secured by the deposit of certain securities specified at RSMo 30.270 with the City or trustee institution. The value of the securities must amount to the total of the City's cash not insured by the Federal Deposit Insurance Corporation.

At December 31, 2017, the City's bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

II. CASH AND INVESTMENTS (continued)

Investments

As of December 31, 2017, the City had the following investments:

Investments	Fair Value	Maturities					Credit Risk
		No Maturity	Less Than One Year	1-5 Years	6-10 Years	More Than 10 Years	
Primary Government							
Money market funds	\$ 5,425,646	\$ 5,425,646	\$ -	\$ -	\$ -	\$ -	AAAm
Fiduciary Funds							
Money market funds	208,735	208,735	-	-	-	-	Aaa-mf
Mutual fund:							
Domestic equities	17,318,210	17,318,210	-	-	-	-	N/A
International equities	7,683,347	7,683,347	-	-	-	-	N/A
Fixed income	4,468,821	-	-	-	4,468,821	-	BB
Real estate investment trust	3,561,912	3,561,912	-	-	-	-	N/A
External investment pool	6,118,938	-	-	-	6,118,938	-	AA
Total Fiduciary Investments	39,359,963	28,772,204	-	-	10,587,759	-	
Grand Total Investments	\$ 44,785,609	\$ 34,197,850	\$ -	\$ -	\$ 10,587,759	\$ -	

The above investments are measured at fair market value based on the exit price for these investments at the fiscal year end date. These are all considered to be measured on a Level 1 on the fair market value hierarchy.

Investments Policies

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

In accordance with their policies, the City and the Police and Fire Fighters' Pension Plan (fiduciary investment policy) address credit risk by diversifying their investment portfolio. In addition, the City's policy states that the City will minimize credit risk by establishing a pre-approved list of financial institutions and companies that the City is restricted to when purchasing commercial paper; conducting regular credit monitoring and due diligence of these issuers; and pre-qualifying the financial institutions and broker/dealers with which the City will do business for broker services and repurchase agreements.

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.

It is the City's policy to minimize interest rate risk by maintaining an effective duration of less than 3 years and holding at least 25% of the portfolio's total market value in securities with a maturity of 12 months or less.

The Police and Fire Fighters' Pension Plan requires active managers to manage the effective duration of their portfolio type comparable to their peers and relative to specific indices outlined in the Plan's policies.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer.

CITY OF BRENTWOOD, MISSOURI
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2017

II. CASH AND INVESTMENTS (concluded)

Investments Policies (concluded)

It is the City’s policy that no more than 5% of the total market value of the portfolio may be invested in any one issuer for commercial paper and bankers’ acceptances and 15% for repurchase agreements.

It is the Police and Fire Fighters’ Pension Plan policy to diversify the portfolio so that potential losses on individual securities will be minimized. No more than 5% of the total value of the portfolio may be invested in any one company at the time of purchase. Investments used to fund future uplift benefits for the Police and Fire Fighters’ Pension Plan are limited as follows:

	<u>Pension Plan Target</u>	<u>Range</u>
Domestic Large Cap Equities	25%	20-30%
Domestic Small/Mid Cap Equities	15%	10-20%
International Equities	20%	15-25%
Fixed-Income Investments	30%	25-35%
Real Estate	10%	0-15%

Custodial Credit Risk

For deposits, custodial credit risk 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. Protection of the City’s deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution, or by a single collateral pool established by the financial institution.

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

III. LONG-TERM DEBT

Long-term debt as of December 31, 2017, consisted of the following:

Certificates of Participation

2014 certificates of participation issue of \$5,760,000 used for renovating the existing recreation complex and such other capital improvements as the Board of Aldermen deems advisable and currently refunding the 2003 certificates of participation issue which was originally used for renovating, improving, furnishing, and equipping the existing library and city hall. Interest rates range from 2.0% to 3.5%. Maturity date is October 1, 2024.

\$ 4,140,000

2017 certificates of participation issue of \$5,105,000 used for advance refunding of the 2009 issue. Interest rates range from 2.00% to 3.50%. Maturity date is October 1, 2030.

5,105,000

Total Certificates of Participation

\$ 9,245,000

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

III. LONG-TERM DEBT (continued)

A summary of principal debt service requirements is as follows:

For The Year Ending December 31,	Certificates of Participation		
	Principal	Interest	Total
2018	\$ 600,000	\$ 241,682	\$ 841,682
2019	585,000	260,297	845,297
2020	600,000	242,947	842,947
2021	620,000	222,172	842,172
2022	640,000	200,623	840,623
2023-2027	4,125,000	662,973	4,787,973
2028-2031	2,075,000	118,838	2,193,838
Total	\$ 9,245,000	\$ 1,949,532	\$ 11,194,532

Tax Increment Revenue Bonds

The City has tax increment revenue bonds, which are special limited obligations of the City, payable solely from payments in lieu of taxes attributable to the increase in assessed value of real property, incremental increases in economic activity taxes in the project area, and monies on deposit in the Debt Service Reserve Fund. The bonds do not constitute a general obligation of the City.

In May 2015, the City issued Tax Increment Revenue Refunding Bonds (Hanley Station Redevelopment Project), Series 2015 to current refund the outstanding Tax Increment Revenue Bonds (Hanley Station Redevelopment Project), Series 2008. As a result of the refunding, the City decreased its total debt service requirements by \$1,074,149 which resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$914,274 less cash transfer from prior issue of \$566,164 for a total net present value benefit of \$348,110.

Bonds outstanding at December 31, 2017, are as follows:

	Date Issued	Date of Maturity	Date of Annual Payment	Interest Rate	Original Amount	Balance December 31, 2017
Tax increment revenue bonds:						
Brentwood Eager Road - A	12-21-2007	11-1-2023	May 1	0.5%	\$ 7,675,000	\$ 5,130,000
Brentwood Eager Road - B	12-27-2007	11-1-2023	May 1	0.5%	13,235,000	9,340,000
Hanley Station Refunding	5-4-2015	11-1-2026	Nov 1	3.2%-4.0%	6,135,000	4,770,000
Total						\$ 19,240,000

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

III. LONG-TERM DEBT (continued)

There is no future repayment schedule for these bonds as they are secured by tax revenue that cannot be estimated. As the tax revenue is received, it is remitted to the bond company as payment, but there is no way to estimate the portion that will be received in the future. Also, interest rates are subject to change and it is impossible to be certain what portion of the bonds will be paid out in the future.

Capital Lease Agreements

At December 31, 2017, the City is obligated under leases that are classified as capital leases.

In 2015, the City entered into a lease purchase agreement for technology equipment. The lease is for a total of \$208,530 and calls for annual payments of \$41,706. The final payment under this lease is due in January 2019.

In 2013, the City entered into a lease purchase agreement for fire department equipment. The lease is for a total of \$533,460 and calls for annual payments of \$84,114. The final payment under this lease is due in April 2020.

The equipment purchased under these capital lease agreements is included in capital assets in the government-wide financial statements, net of accumulated depreciation. As of December 31, 2017, the total cost is \$893,196 and the total accumulated depreciation is \$511,890.

Future minimum lease payments under capital leases described above are as follows:

For The Year Ending December 31,	Capital Leases		
	Principal	Interest	Total
2018	\$ 116,773	\$ 9,047	\$ 125,820
2019	120,206	5,614	125,820
2020	82,038	2,076	84,114
Total	\$ 319,017	\$ 16,737	\$ 335,754

The following is a summary of the changes in the City's long-term debt:

	For the Year Ended December 31, 2017:			Balance December 31, 2017	Amounts Due Within One Year
	Balance December 31, 2016	Additions	Reductions		
Bonds, notes payable, and capital lease obligations:					
Tax increment revenue bonds	\$ 22,285,000	\$ -	\$ 3,045,000	\$ 19,240,000	\$ -
Certificates of participation	10,180,000	5,105,000	6,040,000	9,245,000	600,000
Capital leases	432,458	-	113,441	319,017	116,773
Less: Unamortized discount, net	(40,495)	-	(10,814)	(29,681)	-
Plus: Unamortized premium, net	201,235	140,676	28,748	313,163	-
Total Bonds, Notes Payable, and Capital Lease Obligations	33,058,198	5,245,676	9,216,375	29,087,499	716,773
Compensated absences payable	2,360,621	58,442	382,849	2,036,214	285,071
Total Long-term Debt	\$ 35,418,819	\$ 5,304,118	\$ 9,599,224	\$ 31,123,713	\$ 1,001,844

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

III. LONG-TERM DEBT (concluded)

Compensated absences are generally liquidated by the General Fund. Certificates of participation are liquidated by the appropriate related fund. Tax increment revenue bonds are liquidated by the respective debt service funds that relates to the specific economic development project. Capital leases are liquidated by the Capital Improvements Fund.

IV. CAPITAL ASSETS

Capital asset activity was as follows:

	Balance December 31, 2016	Additions and transfers	Deletions and transfers	Balance December 31, 2017
Capital assets not being depreciated:				
Land and right-of-way	\$ 4,503,428	\$ -	\$ -	\$ 4,503,428
Construction in progress	1,618,145	1,183,141	1,894,701	906,585
Total capital assets not being depreciated	6,121,573	1,183,141	1,894,701	5,410,013
Capital assets being depreciated:				
Buildings and other improvements	22,066,235	729,919	-	22,796,154
Machinery and equipment	2,922,718	25,649	20,700	2,927,667
Vehicles	3,886,409	31,835	180,026	3,738,218
Infrastructure	9,860,844	2,050,121	366,581	11,544,384
Total capital assets being depreciated	38,736,206	2,837,524	567,307	41,006,423
Less accumulated depreciation for:				
Buildings and other improvements	4,091,129	515,050	-	4,606,179
Machinery and equipment	1,568,622	207,596	15,461	1,760,757
Vehicles	2,192,287	339,309	155,881	2,375,715
Infrastructure	6,151,141	139,895	366,581	5,924,455
Total accumulated depreciation	14,003,179	1,201,850	537,923	14,667,106
Total capital assets being depreciated, net	24,733,027	1,635,674	29,384	26,339,317
Capital assets, net	\$ 30,854,600	\$ 2,818,815	\$ 1,924,085	\$ 31,749,330

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

	For the Year Ended December 31, 2017
Administrative	\$ 124,555
Police	84,575
Fire	258,968
Public works	503,256
Sanitation	51,041
Building maintenance	18,435
Recreation	138,313
Library	22,707
Total	<u>\$ 1,201,850</u>

CITY OF BRENTWOOD, MISSOURI
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2017

V. EMPLOYEE RETIREMENT SYSTEMS

A. Police and Fire Pension Plan (PFPP)

Plan Description and Provisions

Substantially all of the City’s full-time police and fire employees participate in the PFPP, a single-employer, defined benefit pension plan. The Plan was created and is governed by City ordinance in accordance with Missouri state statutes. Contribution requirements are established by City ordinance. The Plan is included in the financial statements of the City as a Pension Trust Fund and does not issue a separate financial statement. The Plan may be amended under the provisions of the original ordinance.

Basis of Accounting

The financial statements of the Pension Trust Fund are prepared on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Administrative costs of the Plan are paid by a portion of the City's contribution and the earnings from its investments.

As of January 1, 2018, (the most recent actuarial valuation date), membership in the PFPP is comprised of the following:

Group	January 1, 2018
Retirees, disabled, and beneficiaries currently receiving benefits and vested terminated employees	40
Active employees:	
Fully vested	34
Nonvested	14
	88

The Pension Plan provides that a member with 10 or more years of service may retire at age 55 and receive a monthly retirement benefit equal to 3.5% of final two-year average salary times the number of years of service, up to 20 years plus 1 % of final two-year average salary for each of the next 10 years. Upon the death of the retired member, two-thirds of the monthly benefit will be continued to his/her widow until their death or remarriage. Children's benefits are also payable. The Plan also provides death and disability benefits.

Employees of the police and fire departments are required to pay 6% of their base salary to the Pension Plan. Payments are deducted from the employees' salaries and remitted by the City to the Pension Trust Fund on a biweekly basis. Other funding is provided to the Pension Trust Fund in the form of ad valorem tax. If an employee leaves the employment of the City with less than 10 years of service, the accumulated contributions are refunded to the employee.

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

V. EMPLOYEE RETIREMENT SYSTEMS (continued)

Net Pension (Asset) Liability

The City's net pension (asset) liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension (asset) liability was determined by an actuarial valuation as of January 1, 2018.

Actuarial Methods and Assumptions

The information presented in the required supplementary schedule was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Actuarial cost method *	Entry age normal
Asset valuation method	At market value
Amortization method	Level dollar
Amortization period *	20 year open period that is reset each year
Actuarial assumptions:	
Investment rate of return	7%
Projected salary increases	4.50%
Inflation rate	2.75%
Cost of living provision	2.0% annually, maximum 20.0% increase
Mortality	Pre-retirement: RP-2014 healthy employee for males and females, projected mortality improvement based on Scale MP-2017 Post-retirement: RP-2014 healthy annuitant for males and females, projected mortality improvement based on Scale MP-2017

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2016	\$ 42,261,343	\$ 35,830,521	\$ 6,430,822
Changes for the year:			
Service Cost	873,508	-	873,508
Interest Cost	2,890,237	-	2,890,237
Plan Changes	-	-	-
Changes of Assumptions	621,100	-	621,100
Differences Between Expected and Actual Experience of the Total Pension Liability	(1,875,293)	-	(1,875,293)
Contributions - City	-	1,082,011	(1,082,011)
Contributions - Employees	-	235,839	(235,839)
Net Investment Income	-	5,239,800	(5,239,800)
Benefit Payments, Including Refunds of			
Employee Contributions	(1,944,498)	(1,944,498)	-
Administrative Expense	-	(73,814)	73,814
Other	-	-	-
Net Changes	565,054	4,539,338	(3,974,284)
Balances at December 31, 2017	<u>\$ 42,826,397</u>	<u>\$ 40,369,859</u>	<u>\$ 2,456,538</u>

CITY OF BRENTWOOD, MISSOURI
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2017

V. EMPLOYEE RETIREMENT SYSTEMS (continued)

The plan fiduciary net position as of December 31, 2017, was 94.26% of the total pension liability. The covered payroll as of December 31, 2017, was \$3,845,669 and the net pension liability was 63.88% of covered payroll.

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

The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.00%, as well as what the employer's Net Pension Liability would be using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate.

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Net Pension Liability	\$ 8,246,083	\$ 2,456,540	\$ (2,313,873)

Investments

The following investment allocation was used to develop the long-term rate of return assumption:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	44%	6.0%
International Equity	19%	6.0%
Fixed Income	27%	1.5%
Real Estate	9%	4.5%
Cash Equivalents	1%	0.0%
Total	100%	

Rate of Return

For the year ended December 31, 2017, the rate of return on pension plan investments, net of pension plan investment expense was 12.98%.

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

For the year ended December 31, 2017, the City recognized government-wide pension expense of \$808,607. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

CITY OF BRENTWOOD, MISSOURI
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2017

V. EMPLOYEE RETIREMENT SYSTEMS (continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (concluded)

Deferred Amunts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 213,207	\$ 1,579,479
Changes in assumptions	799,799	-
Net difference between projected and actual earnings on pension plan investments	-	1,626,558
	1,013,006	3,206,037
Total Deferred Amounts to be Recognized in Pension Expense in Future Periods	1,013,006	3,206,037
Pension Contributions Made Subsequent to the Measurement Date	-	-
	-	-
Total Deferred Amounts Related to Pensions	\$ 1,013,006	\$ 3,206,037

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

Year Ending December 31,	Net Deferred Outflows of Resources
2018	\$ (296,220)
2019	(296,220)
2020	(802,376)
2021	(772,859)
2022	(25,356)
	\$ (2,193,031)

CITY OF BRENTWOOD, MISSOURI
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2017

V. EMPLOYEE RETIREMENT SYSTEMS (continued)

B. Missouri Local Government Employees Retirement System (LAGERS)

Plan Description

All of the City’s full-time employees (as defined), excluding police and firemen, and under certain circumstances elected officials, are eligible to participate in LAGERS. LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits Provided

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

	<u>2017 Valuation</u>
Benefit Multiplier:	1.75%
Final Average Salary:	3 Years
Member Contributions:	0%

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

Employees Covered By Benefit Terms

At June 30, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	41
Inactive employees entitle to but no yet receiving benefits	40
Active employees	55
	136
	136

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

V. EMPLOYEE RETIREMENT SYSTEMS (continued)

Contributions

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer do not contribute to the pension plan. Employer contribution rates are 5.1% (General) of annual covered payroll.

Net Pension Liability

The employer's net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2017.

Actuarial Assumptions

The total pension liability in the February 28, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0%
Salary Increase	3.5% to 6.8% including inflation
Investment rate of return	7.25%

Mortality rates were based on the 1994 Group Annuity Mortality Table set back 3 years for both males and females.

The actuarial assumptions used in the February 28, 2017, valuation were based on the results of an actuarial experience study for the period March 1, 2005, through February 29, 2010.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	43.00%	5.29%
Fixed Income	26.00%	2.23%
Real Assets	21.00%	3.31%
Strategic Assets	10.00%	5.73%

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

V. EMPLOYEE RETIREMENT SYSTEMS (continued)

Discount Rate

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

Changes in the Net Pension (Asset) Liability

	General Division
A. Total Pension Liability	
1 Service Cost	\$ 229,092
2 Interest on Total Pension Liability	819,539
3 Changes of Benefit Terms	-
4 Difference between expected and actual experience of the Total Pension Liability	(321,171)
5 Changes of Assumptions	-
6 Benefit payments, including refunds of employee contributions	(528,962)
7 Net change in total pension liability	198,498
8 Total pension liability - beginning	11,451,299
9 Total pension liability - ending	\$ 11,649,797
 B. Plan Fiduciary Net Position	
1 Contributions - employer	\$ 168,196
2 Contributions - employee	-
3 Net investment income	1,476,398
4 Benefit payments, including refunds of employee contributions	(528,962)
5 Pension plan administrative expense	(10,873)
6 Other (net transfer)	(48,803)
7 Net change in plan fiduciary net position	1,055,956
8 Plan fiduciary net position - beginning	12,509,594
9 Plan fiduciary net position - ending	\$ 13,565,550
 C. Net Pension Liability / (Asset)	\$ (1,915,753)
 D. Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	116.44%
 E. Covered-Employee Payroll	\$ 2,619,240
 F. Net Pension Liability as a Percentage of Covered Employee Payroll	-73.14%

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

V. EMPLOYEE RETIREMENT SYSTEMS (concluded)

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

The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.25%, as well as what the employer's Net Pension Liability would be using a discount rate that is 1% lower (6.25%) or 1% higher (8.25%) than the current rate.

	Current Single Discount		
	1% Decrease 6.25%	Rate Assumption 7.25%	1% Increase 8.25%
General Division:			
Total Pension Liability (TPL)	\$ 13,353,296	\$ 11,649,797	\$ 10,260,345
Plan Fiduciary Net Position	13,565,550	13,565,550	13,565,550
Net Pension Liability / (Asset) (NPL)	\$ (212,254)	\$ (1,915,753)	\$ (3,305,205)

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

For the year ended December 31, 2017, the employer recognized government-wide pension expense of \$325,050. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	General	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (610,356)
Changes in assumptions	277,849	-
Net difference between projected and actual earnings on pension plan investments	374,307	-
Employer contributions subsequent to the measurement date	73,070	-
Total	<u>\$ 725,226</u>	<u>\$ (610,356)</u>

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

Year Ending June 30,	Net Deferred Outflows of Resources
2018	\$ 181,784
2019	108,715
2020	(17,806)
2021	(157,823)
2022	-
Thereafter	-
Total	<u>\$ 114,870</u>

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

VI. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. In accordance with GASB Statement No. 32, *Deferred Compensation Plans*, the City does not report the assets and associated liabilities within their financial statements as the deferred compensation plan is now a trust fund whose assets are not held by the City in a fiduciary capacity.

VII. POST-RETIREMENT HEALTH CARE BENEFITS

Plan Description

The City sponsors a Post-Retirement Health Plan (the "Plan"), which is a single-employer defined benefit healthcare plan administered by the City. A stand-alone financial report is not available for the Plan. The City pays \$250 per month toward the cost for the City's medical insurance for the retiree. Spouses are not included in the plan. In order to be eligible, retirees must be at least age 55 with at least 5 years of service (20 years of service for police and fire employees). Coverage ends when the retiree reaches age 65.

The City also provides a Deductible Reimbursement Program ("DRP"). Retirees can receive up to 75% of their in-network deductible for medical expenses. The DRP applies to both individual and family in-network deductible amounts.

As of January 1, 2015, the date of the latest actuarial valuation, membership consisted of 106 active employees and 11 retirees.

Funding Policy

The required contribution is based on projected pay-as-you-go financing requirements. As of December 31, 2017, no trust has been established for the funding of the Plan's post-employment benefit obligation. Additional information is presented as required supplementary information, schedule of funding progress.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), and 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 (or funding excess) over a period not to exceed thirty years on an open basis. 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, as of December 31, 2017:

Annual required contribution	\$ 121,673
Interest on net OPEB obligation	1,879
Adjustment to annual required contribution	<u>(1,359)</u>
Annual OPEB Cost	122,193
Actual contributions	<u>88,797</u>
Increase (decrease) in net OPEB obligation	33,396
Net OPEB obligation, beginning of year	<u>41,766</u>
Net OPEB Obligation, End of Year	<u><u>\$ 75,162</u></u>

CITY OF BRENTWOOD, MISSOURI
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2017

VII. POST-RETIREMENT HEALTH CARE BENEFITS (concluded)

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

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2017 and the two preceding years were as follows:

For the Years Ended December 31,	Annual OPEB Cost	Percentage Of Annual OPEB Cost Contributed	Net Pension Obligation
2017	\$ 121,673	72.7%	\$ 75,162
2016	121,673	88.7%	41,766
2015	121,898	91.9%	27,930
2014	121,673	85.2%	18,019

The City implemented GASB Statement No. 45, for the year ended December 31, 2014; therefore, information for prior years is not available.

Funded Status and Funding Progress

As of January 1, 2015, the most recent actuarial valuation date, the plan was not prefunded. The actuarial accrued liability for benefits was \$1,375,577, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,375,577. As of December 31, 2017, the covered payroll (annual payroll of active employees covered by the plan) was \$6,464,909 and the rate of the UAAL to the covered payroll was 21%.

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, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liability for 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 January 1, 2015, actuarial valuation, entry age normal method was used. The actuarial assumptions included a 4% investment rate of return assuming the benefits are not pre-funded. The discount rate is based on the expected earnings of the City's general fund. Payroll is assumed to increase at a rate of 5% for police and fire and 3% for all others. The healthcare trends used in the valuation are based on long term healthcare trends generated by health actuaries that reflect how the cost of medical benefits varies by age and gender. The health mortality is based on the RP2000 Mortality Male Table for males and the RP2000 Mortality Male Table set back 4 years for females. The amortization period of the unfunded Actuarial Accrued Liability AAL is 30 years. The remaining amortization period at December 31, 2017, was 27 years. An inflation rate of assumption of 3% was used.

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
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VIII. RESTRICTED ASSETS

The following assets were reported as restricted:

	December 31, 2017
Nonmajor Debt Service Funds:	
Brentwood Hanley Station:	
Debt Service Reserve Fund	\$ 225,039
Debt Service Fund	6,919
Economic Activity Tax Revenue Fund	55,671
Pilots Fund	58,958
Municipal Revenue Fund	17,579
Redemption Fund	797
Police and Fire Station:	
Revenue Fund	111,666
Reserve Fund	512,007
Refunding Library:	
Lease Revenue Fund	15
Reserve Fund	69,158
Recreation Complex:	
Revenue Fund	108
Reserve Fund	508,156
Brentwood Eager Road:	
Economic Activity Tax Revenue Fund	273,547
Municipal Revenue Fund	56,155
Redemption Fund	4,597
Total	\$ 1,900,372

IX. INTERFUND ASSETS/LIABILITIES

Individual interfund assets and liabilities are as follows:

Receivable Fund	Payable Fund		
General Fund	Capital Improvements Fund	\$	302
General Fund	Sewer Improvement Fund		127,008
Library Fund	General Fund		998
Tax Increment Financing District	General Fund		193,852
Stormwater and Parks Improvements	General Fund		27,485
Nonmajor Funds	Tax Increment Financing District		888,915
Pension Trust Fund	Pension Tax Fund		224,859
		\$	1,463,419

CITY OF BRENTWOOD, MISSOURI
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2017

IX. INTERFUND ASSETS/LIABILITIES (concluded)

The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. All interfund balances are expected to be repaid during the year ending December 31, 2018.

X. INTERFUND TRANSACTIONS

Individual interfund transactions are as follows:

Transfers In	Transfers Out		
Capital Improvements Fund	General Fund	\$	150,000
Nonmajor Funds	Tax Increment Financing District Fund		4,050,906
Nonmajor Funds	Capital Improvements Fund		664,584
Nonmajor Funds	Nonmajor Funds		3,702,823
		\$	8,568,313

Interfund transfers were used to 1) move revenues from the fund that ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them, 2) use unrestricted revenues collected in the General Fund to finance capital improvements and other funds in accordance with budgetary authorization, or 3) move revenues in excess of current year expenditures to other funds.

XI. COMMITMENTS AND CONTINGENCIES

Operating Leases

The City leases copier equipment under the terms of certain operating lease agreements with terms in excess of one year. Annual aggregate lease payments remaining under the terms of these operating lease agreements as of December 31, 2017, are as follows:

Year Ending December 31,	Total
2018	\$ 191
	\$ 191

Total operating lease rental expenditures of approximately \$11,000 for the year ended December 31, 2017, are included in contractual services expenditures of the respective funds.

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

XI. COMMITMENTS AND CONTINGENCIES (concluded)

Claims and Legal Actions

The City generally follows the practice of recording liabilities resulting from claims and legal actions only when they become fixed and determinable in amount. There are currently no pending lawsuits against the City in excess of insurance coverage that will have a material effect on the basic financial statements of the City at December 31, 2017.

Construction Commitments

The City has entered into approximately \$1.26 million of construction contracts for the Hanley Industrial Court Pedestrian project and the renovation and mold remediation of the Fire Station, of which approximately \$974,000 of work remains to be performed as of December 31, 2017.

XII. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City, along with various other local municipal governments, participates in an insurance trust for workers' compensation and for general liability matters (St. Louis Area Insurance Trust SLAIT). The purpose of this trust is to distribute the cost of self-insurance over similar entities. The trust requires an annual premium payment to cover estimated claims payable and reserves for claims from each entity. The members of the trust have no legal interest in the assets, liabilities, or fund balances of the insurance trust. However, the City retains a contingent liability to fund its pro rata share of any deficit incurred by the trust should the trust cease operations at some future date. The trust has contracted with an insurance agent to handle all administrative matters, including processing of claims filed. The City's premium payment to the trust during 2017 was \$522,167.

The City also purchases commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

XIII. UNRESTRICTED NET POSITION

The government-wide statement of net position reflects an unrestricted (deficit) net position of (\$18,546,028). This total is comprised of \$693,972 in unrestricted net position from operations and unrestricted (deficit) net position resulting from the issuance of various TIF revenue bonds and notes of (\$19,240,000), which is for development not owned by the City.

The City's responsibility to repay the TIF bonds and notes extends only to the incremental revenues generated by the TIF district. The TIF bonds and notes are a special limited obligation of the City and are not used in calculating the City's debt limit.

XIV. RESTRICTED NET POSITION

The government-wide statement of net position reports \$11,613,621 of restricted net position, of which \$6,497,058 is restricted by enabling legislation.

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

XV. TAX INCREMENT REVENUES PLEDGED

The City has pledged a portion of future tax revenues to repay tax increment revenue bonds issued to finance certain improvements in the City. The bonds are payable solely from the incremental taxes generated by increased sales and assessed property values in the improved area. Incremental taxes were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds per Note III is payable through November 2026. For the current year, principal and interest paid and total incremental tax revenues were \$3,327,505 and \$3,371,664, respectively.

XVI. FEDERAL FORFEITURE ACTIVITY

The City had \$54,545 in revenues plus a carryover balance of \$69,600 from the prior year and \$33,858 in expenditures, resulting in an ending balance of \$93,286 as of December 31, 2017, for Federal forfeitures.

XVII. COMMUNICATIONS -JOINT VENTURE

Dispatching services for the fire and police departments are provided by the East Central Dispatching Center, a consortium created by adjacent cities. The fee paid by each city is based primarily on the number of calls for service (911) attributed to each city.

The administration of the joint dispatching venture is overseen by a Board of Directors, comprised of the City Manager or City Administration, from each of the participating municipalities. This joint venture was developed in order to share operating costs thereby saving overall expenses incurred by each participating municipality. In addition, the joint effort is expected to improve equipment and increase the likelihood of obtaining grant funds.

This joint venture has not currently enhanced or hindered the City's financial operations. During the year end of December 31, 2017, the City paid approximately \$225,287 to the East Central Dispatching Center for dispatching services. The City remains liable for their representative share of current and potential liabilities. A separately issued financial report can be obtained for this entity at the City's finance department.

XVIII. SECTION 479.350.1 RSMo REQUIREMENTS

Under Senate Bill 5, the State of Missouri requires all municipalities to provide an accounting of annual general operating revenue from fines, bond forfeitures and court costs for minor traffic violations, since the Bill went into law on August 28, 2015, in the municipality's annual financial report. The purpose of the bill is to make sure municipalities are not generating more than 20% of their operating revenue from fines, bond forfeitures and court costs for minor traffic violations. The City of Brentwood's revenues from fines, bond forfeitures and court costs for minor traffic violations were 0.63% of operating revenues and 0.52% of total revenues during 2017.

XIX. SUBSEQUENT EVENTS

The City entered into lease Certificates of Participation Series 2018 for various construction projects within the City. The par value of these certificates is \$43,390,000 with an interest rate varying between 3.00% and 4.00% with annual principal payments ranging from \$235,000 and \$6,660,000.

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

XX. RECENT ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 75 – *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement is effective for periods beginning after December 15, 2017.

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

GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement is effective for periods beginning after December 15, 2018.

GASB Statement No. 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits. This Statement is effective for periods beginning after June 15, 2017.

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

XXI. NEW ACCOUNTING PRONOUNCEMENTS IMPLEMENTED

GASB Statement No. 81 – *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This Statement is effective for periods beginning after December 15, 2016.

GASB Statement No. 82 – *Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. This Statement is effective for periods beginning after June 15, 2016.

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2017

XXII. TAX ABATEMENT

The City is involved, through St. Louis County, in a tax abatement agreement with local businesses under the Urban Redevelopment Corporations under Ch. 353 of the RSMos. Under this program, localities may grant property tax abatements of up to 50% of a business' property tax bill for the purpose of providing Urban Redevelopment Corporations real property tax abatements.

For the year ended December 31, 2017, the City abated property taxes totaling \$38,400 under this program, including the following tax abatement that made up for the entire abatement amount.

- A 50 percent property tax abatement to Rankin Redevelopment Corporation for opening the corporation under the program described above. The abatement amounted to \$38,400.

Required Supplementary Information

CITY OF BRENTWOOD, MISSOURI
Budgetary Comparison Schedule - General Fund
For the Year Ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES				
Taxes	\$ 9,468,527	\$ 9,388,527	\$ 8,871,802	\$ (516,725)
Licenses and permits	1,740,250	1,742,250	1,710,860	(31,390)
Fines and forfeitures	204,325	146,825	167,253	20,428
Intergovernmental	27,590	19,846	15,306	(4,540)
Charges for services	251,568	251,568	271,658	20,090
Investment Income	8,001	8,001	10,095	2,094
Miscellaneous	88,000	135,000	195,904	60,904
Total Revenues	<u>11,788,261</u>	<u>11,692,017</u>	<u>11,242,878</u>	<u>(449,139)</u>
EXPENDITURES				
Current:				
Administrative	795,574	625,074	692,774	67,700
Police	3,548,710	3,352,710	3,276,948	(75,762)
Fire	2,661,453	2,593,453	2,555,960	(37,493)
Public works	1,555,084	1,426,784	1,303,724	(123,060)
Planning and development	606,949	568,449	541,105	(27,344)
Sanitation	611,676	516,676	526,412	9,736
Community services	72,825	91,825	84,911	(6,914)
Legislative	128,959	127,959	121,822	(6,137)
Judicial	191,036	184,436	168,985	(15,451)
Municipal operating	1,595,570	2,121,570	1,740,083	(381,487)
Capital outlay	7,500	7,500	7,434	(66)
Total Expenditures	<u>11,775,336</u>	<u>11,616,436</u>	<u>11,020,158</u>	<u>(596,278)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>12,925</u>	<u>75,581</u>	<u>222,720</u>	<u>147,139</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	15,000	(150,000)	(150,000)	-
Sale of capital assets	-	7,400	7,472	72
Total Other Financing Sources (Uses)	<u>15,000</u>	<u>(142,600)</u>	<u>(142,528)</u>	<u>72</u>
Net Change in Fund Balances	<u>27,925</u>	<u>(67,019)</u>	<u>80,192</u>	<u>\$ 147,211</u>
Fund Balances - Beginning of Year	<u>5,026,231</u>	<u>5,026,231</u>	<u>5,026,231</u>	
Fund Balances - End of Year	<u>\$ 5,054,156</u>	<u>\$ 4,959,212</u>	<u>\$ 5,106,423</u>	

The accompanying notes to the budgetary comparison schedules are an integral part of this statement.

CITY OF BRENTWOOD, MISSOURI
Budgetary Comparison Schedule - Library Special Revenue Fund
For the Year Ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES				
Taxes	\$ 870,500	\$ 870,500	\$ 690,725	\$ (179,775)
Intergovernmental	-	-	6,542	6,542
Charges for services	-	-	12,795	12,795
Investment Income	350	350	2	(348)
Miscellaneous	-	-	848	848
Total Revenues	<u>870,850</u>	<u>870,850</u>	<u>710,912</u>	<u>(159,938)</u>
EXPENDITURES				
Current:				
Library	596,600	596,600	511,042	(85,558)
Capital outlay	38,200	38,200	38,208	8
Total Expenditures	<u>634,800</u>	<u>634,800</u>	<u>549,250</u>	<u>(85,550)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>236,050</u>	<u>236,050</u>	<u>161,662</u>	<u>(74,388)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	236,050	236,050	161,662	<u>\$ (74,388)</u>
Fund Balances - Beginning of Year	738,732	738,732	738,732	
Fund Balances - End of Year	<u>\$ 974,782</u>	<u>\$ 974,782</u>	<u>\$ 900,394</u>	

The accompanying notes to the budgetary comparison schedules are an integral part of this statement.

CITY OF BRENTWOOD, MISSOURI
NOTES TO THE BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2017

Budgets

Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. Annual appropriated budgets are adopted for the General, Library, Capital Improvements, Stormwater and Park Improvements, Tax Increment Financing District Fund and Sewer Improvements Funds. All annual appropriations lapse at year-end.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. Public hearings are conducted to obtain comments from all interested parties for a proposed budget.
- b. The budget for the coming year is formally adopted on or before the last day of the year ending (the City's 2017 budget was approved by the Board on December 19, 2016).
- c. Expenditures may not legally exceed budgeted appropriations at the department level or by projects as approved by City Aldermen. Management may authorize transfers of appropriations within a department. Intergovernmental receipts and related expenditures are not budgeted.
- d. Current year budget includes amendments. Budget amendments must be approved by the Board of Aldermen.

CITY OF BRENTWOOD, MISSOURI
Pension Trust Fund - Schedule of Changes in Net Pension Liability
For the Year Ended December 31, 2017

	Year Ended December 31,			
	2017	2016	2015	2014
Total Pension Liability				
Service Cost	\$ 873,508	\$ 856,997	\$ 911,385	\$ 872,741
Interest on Total Pension Liability	2,890,237	2,743,827	2,581,402	2,488,476
Changes of Benefit Terms	-	-	-	-
Difference between expected and actual experience of the Total Pension Liability	(1,875,293)	233,688	(419,422)	(594,509)
Changes of Assumptions	621,100	-	691,868	-
Benefit payments, including refunds of employee contributions	(1,944,498)	(1,541,407)	(1,348,319)	(1,530,080)
Net change in total pension liability	565,054	2,293,105	2,416,914	1,236,628
Total pension liability - beginning	42,261,343	39,968,238	37,551,324	36,314,696
Total pension liability - ending	\$ 42,826,397	\$ 42,261,343	\$ 39,968,238	\$ 37,551,324
Plan Fiduciary Net Position				
Contributions - employer	\$ 1,082,011	\$ 1,060,604	\$ 1,069,204	\$ 1,063,302
Contributions - employee	235,839	253,969	242,378	235,939
Net investment income	5,239,800	2,904,092	67,432	1,716,003
Benefit payments, including refunds of employee contributions	(1,944,498)	(1,541,407)	(1,348,319)	(1,530,080)
Pension plan administrative expense	(73,814)	(113,544)	(109,978)	(143,392)
Other (net transfer)	-	-	-	-
Net change in plan fiduciary net position	4,539,338	2,563,714	(79,283)	1,341,772
Plan fiduciary net position - beginning	35,830,521	33,266,807	33,346,090	32,004,318
Plan fiduciary net position - ending	\$ 40,369,859	\$ 35,830,521	\$ 33,266,807	\$ 33,346,090
Net Pension Liability / (Asset)	\$ 2,456,538	\$ 6,430,822	\$ 6,701,431	\$ 4,205,234
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.26%	84.78%	83.23%	88.80%
Covered-Employee Payroll	\$ 3,845,669	\$ 4,135,232	\$ 4,039,625	\$ 3,945,875
Net Pension Liability as a Percentage of Covered Employee Payroll	63.88%	155.51%	165.89%	106.57%

Notes to Schedule:

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

CITY OF BRENTWOOD, MISSOURI
Pension Trust Fund - Schedule of Employer Contributions
For the Year Ended December 31, 2017

The following exhibit is history of contributions to the police and fire pension plan.

	Year Ended December 31,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	\$ 1,244,693	\$ 1,235,596	\$ 1,135,772	\$ 1,085,346	\$ 1,510,076	\$ 1,153,072	\$ 894,159	\$ 966,765	\$ 1,085,541	\$ 574,806
Contributions made in relation to the actuarial determined contributions	1,082,011	1,060,604	1,069,204	1,063,302	1,033,187	1,008,122	917,829	961,862	1,082,631	949,751
Contribution deficiency	\$ 162,682	\$ 174,992	\$ 66,568	\$ 22,044	\$ 476,889	\$ 144,950	\$ (23,670)	\$ 4,903	\$ 2,910	\$ (374,945)
Covered - employee payroll	\$ 3,845,669	\$ 4,135,232	\$ 4,039,625	\$ 3,945,875	\$ 3,982,928	\$ 3,604,276	\$ 3,423,041	\$ 3,274,620	\$ 3,341,564	\$ 3,143,182
Contribution as a percentage of payroll	28.14%	25.65%	26.47%	26.95%	25.94%	27.97%	26.81%	29.37%	32.40%	30.22%

Notes to Schedule:

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

Valuation Date	January 1 of each year
Actuarial cost method *	Entry age normal
Asset valuation method	At market value
Amortization method	Level dollar
Amortization period *	20 year open period that is reset each year
Actuarial assumptions:	
Investment rate of return	7%
Projected salary increases	4.50%
Inflation rate	2.75%
Cost of living provision	2.0% annually, maximum 20.0% increase
Mortality	Pre-retirement: RP-2014 healthy employee for males and females, projected mortality improvement based on Scale MP 2017 Post-retirement: RP-2014 healthy annuitant for males and females, projected mortality improvement based on Scale MP 2017

CITY OF BRENTWOOD, MISSOURI
Pension Trust Fund - Schedule of Investment Returns
For the Year Ended December 31, 2017

The following table shows the investment rate of return on assets for the police and fire pension plan over the past ten years.

	Year Ended December 31,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Annual dollar-weighted rate of return, net of expenses	15.00%	8.94%	0.26%	5.49%	17.34%	9.72%	-1.13%	7.08%	14.81%	-14.03%

CITY OF BRENTWOOD, MISSOURI
Missouri Local Government Employees Retirement System (LAGERS)
Schedule of Changes in Net Pension Liability
For the Year Ended December 31, 2017

	Fiscal Year Ended June 30,		
	2017	2016	2015
Total Pension Liability			
Service Cost	\$ 229,092	\$ 249,834	\$ 281,534
Interest on Total Pension Liability	819,539	771,846	779,390
Changes of Benefit Terms	-	-	-
Difference between expected and actual experience of the Total Pension Liability	(321,171)	(164,630)	(519,418)
Changes of Assumptions	-	455,661	-
Benefit payments, including refunds of employee contributions	(528,962)	(756,429)	(507,903)
Net change in total pension liability	198,498	556,282	33,603
Total pension liability - beginning	11,451,299	10,895,017	10,861,414
Total pension liability - ending	\$ 11,649,797	\$ 11,451,299	\$ 10,895,017
Plan Fiduciary Net Position			
Contributions - employer	\$ 168,196	\$ 206,925	\$ 267,161
Contributions - employee	-	-	-
Net investment income	1,476,398	(29,333)	281,632
Benefit payments, including refunds of employee contributions	(528,962)	(756,429)	(507,903)
Pension plan administrative expense	(10,873)	(10,011)	(11,464)
Other (net transfer)	(48,803)	(129,746)	201,015
Net change in plan fiduciary net position	1,055,956	(718,594)	230,441
Plan fiduciary net position - beginning	12,509,594	13,228,188	12,997,747
Plan fiduciary net position - ending	\$ 13,565,550	\$ 12,509,594	\$ 13,228,188
Net Pension Liability / (Asset)	\$ (1,915,753)	\$ (1,058,295)	\$ (2,333,171)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	116.44%	109.24%	121.42%
Covered-Employee Payroll	\$ 2,619,240	\$ 2,483,304	\$ 2,952,595
Net Pension Liability as a Percentage of Covered Employee Payroll	-73.14%	-46.62%	-79.02%

Notes to Schedule:

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

CITY OF BRENTWOOD, MISSOURI
Missouri Local Government Employees Retirement System (LAGERS)
Schedule of Employer Contributions
For the Year Ended December 31, 2017

The following exhibit is history of contributions to the LAGERS plan.

	Year Ended December 31,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	\$ 145,195	\$ 180,101	\$ 242,983	\$ 310,699	\$ 366,738	\$ 372,566	\$ 379,890	\$ 379,511	\$ 234,900	\$ 225,659
Contributions made in relation to the actuarial determined contributions	145,195	180,101	242,983	310,699	366,738	372,617	312,653	276,311	234,900	225,659
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (51)	\$ 67,237	\$ 103,200	\$ -	\$ -
Covered - employee payroll	\$ 2,792,215	\$ 2,572,868	\$ 2,963,201	\$ 3,106,992	\$ 3,303,950	\$ 3,268,123	\$ 3,361,855	\$ 3,329,046	\$ 3,217,804	\$ 3,008,788
Contribution as a percentage of payroll	5.20%	7.00%	8.20%	10.00%	11.10%	10.30%	9.30%	8.30%	7.30%	7.50%

Notes to Schedule:

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

Valuation Date	February 28/29 of each year
Actuarial cost method	Entry age normal cost
Amortization method	Level percentage of payroll, closed.
Remaining amortization period	Multiple bases from 14 to 15 years
Asset valuation method	5-year smoothed market; 20% corridor
General Inflation	3.5% wage inflation; 3.0% price inflation
Salary Increases	3.5% to 6.8% including wage inflation
Investment rate of return	7.25%, net of investment and administrative expenses
Retirement age	Experience-based tables of rates that are specific to the type of eligibility condition
Mortality	105% of the 1994 Group Annuity Mortality Table set back 0 years for men and 0 years for women. Based upon experience observed during the most recent 5-year period of study, it appears that the current table provides for an approximate 13% margin for future mortality improvement.

CITY OF BRENTWOOD, MISSOURI
Other Post-Employment Benefits Plan - Schedule of Funding Progress
For the Year Ended December 31, 2017

The following required supplementary information relates to the City's other post-employment benefits program. The City implemented GASB Statement No. 45 for the year ended December 31, 2014; therefore, information for prior years is not available.

Year Ended	Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability	(b-a) Unfunded Actuarial Liability (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	((b-a)/c) UAAL as a Percentage of Covered Payroll
2017	1/1/2015	\$ -	\$ 1,375,577	\$ 1,375,577	0.0%	\$ 6,464,909	21.3%
2016	1/1/2015	\$ -	\$ 1,375,577	\$ 1,375,577	0.0%	\$ 6,618,536	20.8%
2015	1/1/2015	\$ -	\$ 1,375,577	\$ 1,375,577	0.0%	\$ 6,992,220	19.7%
2014	1/1/2015	\$ -	\$ 1,375,577	\$ 1,375,577	0.0%	\$ 6,913,337	19.9%

Note: The results shown above are based on plan provisions and long-term assumptions and methods summarized in Note VII.

Other Supplementary Information

CITY OF BRENTWOOD, MISSOURI
NOTES TO NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS FUNDS
AND DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

Nonmajor Governmental Funds Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Sewer Improvements Fund -This fund is used to monitor the funding of sewer improvements throughout the City, which are funded by special assessments.

Debt Service Funds

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

Debt Service Fund -This fund is used to account for the accumulation of resources for the Tax Increment Refunding Revenue bonds' principal and interest. Brentwood Hanley Station and Brentwood Eager Road include this fund.

Debt Service Reserve Fund -This fund is used to account for the amounts reserved according to the Tax Increment Refunding Revenue bond issue. Brentwood Hanley Station and Brentwood Eager Road include this fund.

Economic Activity Tax Revenue Fund -This fund is used to account for the accumulation of resources for, and the payment of, Tax Increment Refunding Revenue bonds' principal and interest. Brentwood Hanley Station and Brentwood Eager Road include this fund.

Pilots Fund -This fund is used to account for the accumulation of resources for, and the payment of, Tax Increment Refunding Revenue bonds' principal and interest. Brentwood Hanley Station and Brentwood Eager Road include this fund.

Municipal Revenue Fund -This fund is used to account for the accumulation of resources for, and the payment of, Tax Increment Refunding Revenue bonds' principal and interest. Brentwood Hanley Station and Brentwood Eager Road include this fund.

Redemption Fund -This fund is used to account for the accumulation of resources for, and the payment of, Tax Increment Refunding Revenue bonds' principal and interest. Brentwood Hanley Station and Brentwood Eager Road include this fund.

Revenue Fund -This fund is used to account for the accumulation of resources for, and the payment of the certificates of participation principal and interest. Police and Fire Station, Refunding Library, and Recreation Complex include this fund.

Reserve Fund -This fund is used to account for the amounts reserved according to the certificates of participation bond issue. Police and Fire Station, Refunding Library, and Recreation Complex include this fund.

CITY OF BRENTWOOD, MISSOURI
Combining Balance Sheet -Nonmajor Governmental Funds
As of December 31, 2017

	Capital Project Funds	Debt Service Funds									
	Sewer Improvements Fund	Brentwood Hanley Station							Police and Fire Station		
		Debt Service Reserve Fund	Debt Service Fund	Economic Activity Tax Revenue Fund	Pilots Fund	Municipal Revenue Fund	Redemption Fund	Cost of Issuance Fund	Refunding Fund	Revenue Fund	Reserve Fund
ASSETS											
Cash and investments	\$ 131,414	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:											
Property taxes	-	-	-	-	-	-	-	-	-	-	-
Other	36,035	-	-	-	-	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	-	-	-	-	-	-
Restricted assets	-	225,039	6,919	55,671	58,958	17,579	797	-	111,666	512,007	
Due from other funds	-	-	-	22,452	599,083	-	-	-	-	-	-
Total Assets	<u>167,449</u>	<u>225,039</u>	<u>6,919</u>	<u>78,123</u>	<u>658,041</u>	<u>17,579</u>	<u>797</u>	<u>-</u>	<u>111,666</u>	<u>512,007</u>	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES											
Liabilities											
Accounts payable	8,321	-	-	-	-	-	-	-	-	-	
Cash Overdraft	-	-	-	-	-	-	-	-	-	-	
Unearned revenue	-	-	-	-	-	-	-	-	-	-	
Lawsuit settlement	-	-	-	-	-	-	-	-	-	-	
Deposits payable	-	-	-	-	-	-	-	-	-	-	
Due to other funds	127,008	-	-	-	-	-	-	-	-	-	
Funds held for others	-	-	-	-	-	-	-	-	-	-	
Total Liabilities	<u>135,329</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Deferred Inflows of Resources											
Unavailable revenue - taxes	-	-	-	-	-	-	-	-	-	-	
Unavailable revenue - grants	-	-	-	-	-	-	-	-	-	-	
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Fund balances											
Nonspendable:	-	-	-	-	-	-	-	-	-	-	
Restricted for:											
Capital improvements	-	-	-	-	-	-	-	-	-	-	
Police seizures	-	-	-	-	-	-	-	-	-	-	
Debt service	-	225,039	6,919	78,123	658,041	17,579	797	-	111,666	512,007	
Library	-	-	-	-	-	-	-	-	-	-	
Sewer improvements	32,120	-	-	-	-	-	-	-	-	-	
Stormwater and park improvements	-	-	-	-	-	-	-	-	-	-	
Unassigned	-	-	-	-	-	-	-	-	-	-	
Total Fund Balances	<u>32,120</u>	<u>225,039</u>	<u>6,919</u>	<u>78,123</u>	<u>658,041</u>	<u>17,579</u>	<u>797</u>	<u>-</u>	<u>111,666</u>	<u>512,007</u>	
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 167,449</u>	<u>\$ 225,039</u>	<u>\$ 6,919</u>	<u>\$ 78,123</u>	<u>\$ 658,041</u>	<u>\$ 17,579</u>	<u>\$ 797</u>	<u>\$ -</u>	<u>\$ 111,666</u>	<u>\$ 512,007</u>	

CITY OF BRENTWOOD, MISSOURI
Combining Balance Sheet - Nonmajor Governmental Funds (concluded)
As of December 31, 2017

	Debt Service Funds									Total Governmental Funds
	Refunding Library		Recreation Complex		Brentwood Eager Road					
	Lease Revenue Fund	Reserve Fund	Revenue Fund	Reserve Fund	Debt Service Reserve Fund	Debt Service Fund	Economic Activity Tax Revenue Fund	Pilots Fund	Municipal Revenue Fund	
ASSETS										
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131,414
Receivables:										
Property taxes	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	36,035
Prepaid assets	-	-	-	-	-	-	-	-	-	-
Restricted assets	15	69,158	108	508,156	-	-	273,547	-	56,155	1,895,775
Due from other funds	-	-	-	-	-	-	217,306	50,074	-	888,915
Total Assets	<u>15</u>	<u>69,158</u>	<u>108</u>	<u>508,156</u>	<u>-</u>	<u>-</u>	<u>490,853</u>	<u>50,074</u>	<u>56,155</u>	<u>2,952,139</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES										
Liabilities										
Accounts payable	-	-	-	-	-	-	-	-	-	8,321
Cash Overdraft	-	-	-	-	-	2,490	-	-	-	2,490
Unearned revenue	-	-	-	-	-	-	-	-	-	-
Lawsuit settlement	-	-	-	-	-	-	-	-	-	-
Deposits payable	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	127,008
Funds held for others	-	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,490</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,819</u>
Deferred Inflows of Resources										
Unavailable revenue - taxes	-	-	-	-	-	-	-	-	-	-
Unavailable revenue - grants	-	-	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances										
Nonspendable:	-	-	-	-	-	-	-	-	-	-
Restricted for:										
Capital improvements	-	-	-	-	-	-	-	-	-	-
Police seizures	-	-	-	-	-	-	-	-	-	-
Debt service	15	69,158	108	508,156	-	(2,490)	490,853	50,074	56,155	2,782,200
Library	-	-	-	-	-	-	-	-	-	-
Sewer improvements	-	-	-	-	-	-	-	-	-	32,120
Stormwater and park improvements	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	<u>15</u>	<u>69,158</u>	<u>108</u>	<u>508,156</u>	<u>-</u>	<u>(2,490)</u>	<u>490,853</u>	<u>50,074</u>	<u>56,155</u>	<u>2,814,320</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 15</u>	<u>\$ 69,158</u>	<u>\$ 108</u>	<u>\$ 508,156</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 490,853</u>	<u>\$ 50,074</u>	<u>\$ 56,155</u>	<u>\$ 2,952,139</u>

CITY OF BRENTWOOD, MISSOURI
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended December 31, 2017

	Capital Project Funds	Debt Service Funds								
	Sewer Improvements Fund	Brentwood Hanley Station						Police and Fire Station		
		Debt Service Reserve Fund	Debt Service Fund	Economic Activity Tax Revenue Fund	Pilots Fund	Municipal Revenue Fund	Redemption Fund	Cost of Issuance Fund	Refunding Fund	Revenue Fund
REVENUES										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Assessments	171,532	-	-	-	-	-	-	-	-	-
Investment Income	-	513	57	105	884	76	293	-	116	1,506
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total Revenues	<u>171,532</u>	<u>513</u>	<u>57</u>	<u>105</u>	<u>884</u>	<u>76</u>	<u>293</u>	<u>-</u>	<u>116</u>	<u>1,506</u>
EXPENDITURES										
Current:										
Administrative	-	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-	-
Public works	253,286	-	-	-	-	-	-	-	-	-
Planning and development	-	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-	-	-
Legislative	-	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-	-	-
Municipal operating	-	-	-	-	-	-	-	-	-	-
Library	-	-	-	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	-	-	-	-	-	-	680,000	-	435,000	-
Interest and fiscal charges	-	-	202,880	4,240	-	-	-	-	295,678	-
Total Expenditures	<u>253,286</u>	<u>-</u>	<u>202,880</u>	<u>4,240</u>	<u>-</u>	<u>-</u>	<u>680,000</u>	<u>-</u>	<u>730,678</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(81,754)</u>	<u>513</u>	<u>(202,823)</u>	<u>(4,135)</u>	<u>884</u>	<u>76</u>	<u>(679,707)</u>	<u>-</u>	<u>(730,562)</u>	<u>1,506</u>
OTHER FINANCING SOURCES (USES)										
Transfers in	-	-	202,865	266,730	663,014	64,480	676,788	-	842,226	-
Transfers out	-	(279)	-	(263,866)	(615,508)	(66,786)	-	-	-	(177,642)
Sale of capital assets	2,631	-	-	-	-	-	-	-	-	-
Issuance of refunding bonds	-	-	-	-	-	-	-	-	-	5,245,676
Refunding of long-term debt	-	-	-	-	-	-	-	-	-	(5,217,927)
Bond discount	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>2,631</u>	<u>(279)</u>	<u>202,865</u>	<u>2,864</u>	<u>47,506</u>	<u>(2,306)</u>	<u>676,788</u>	<u>-</u>	<u>842,226</u>	<u>(149,893)</u>
Net Change in Fund Balances	<u>(79,123)</u>	<u>234</u>	<u>42</u>	<u>(1,271)</u>	<u>48,390</u>	<u>(2,230)</u>	<u>(2,919)</u>	<u>-</u>	<u>111,664</u>	<u>(148,387)</u>
Fund Balances - Beginning of Year	<u>111,243</u>	<u>224,805</u>	<u>6,877</u>	<u>79,394</u>	<u>609,651</u>	<u>19,809</u>	<u>3,716</u>	<u>-</u>	<u>2</u>	<u>660,394</u>
Fund Balances - End of Year	<u>\$ 32,120</u>	<u>\$ 225,039</u>	<u>\$ 6,919</u>	<u>\$ 78,123</u>	<u>\$ 658,041</u>	<u>\$ 17,579</u>	<u>\$ 797</u>	<u>\$ -</u>	<u>\$ 111,666</u>	<u>\$ 512,007</u>

CITY OF BRENTWOOD, MISSOURI
Combining Statement of Revenues, Expenditures and Changes in Fund Balances -Nonmajor Governmental Funds (concluded)
For the Year Ended December 31, 2017

	Debt Service Funds									
	Refunding Library		Recreation Complex		Brentwood Eager Road					Total Governmental Funds
	Lease Revenue Fund	Reserve Fund	Revenue Fund	Reserve Fund	Debt Service Reserve Fund	Debt Service Fund	Economic Activity Tax Revenue Fund	Pilots Fund	Municipal Revenue Fund	
REVENUES										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 233,473	\$ 233,473
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Assessments	-	-	-	-	-	-	-	-	-	171,532
Investment Income	15	144	171	1,053	-	18	374	15	73	5,413
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total Revenues	<u>15</u>	<u>144</u>	<u>171</u>	<u>1,053</u>	<u>-</u>	<u>18</u>	<u>374</u>	<u>15</u>	<u>233,546</u>	<u>410,418</u>
EXPENDITURES										
Current:										
Administrative	-	-	-	-	-	-	-	-	-	-
Police	-	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-	253,286
Planning and development	-	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-	-	-
Legislative	-	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-	-	-
Municipal operating	-	-	-	-	-	-	3,072	-	1,804	4,876
Library	-	-	-	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	-	-	540,000	-	-	-	-	-	-	1,655,000
Interest and fiscal charges	139,310	-	-	-	-	130,700	-	-	-	772,808
Total Expenditures	<u>139,310</u>	<u>-</u>	<u>540,000</u>	<u>-</u>	<u>-</u>	<u>130,700</u>	<u>3,072</u>	<u>-</u>	<u>1,804</u>	<u>2,685,970</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(139,295)</u>	<u>144</u>	<u>(539,829)</u>	<u>1,053</u>	<u>-</u>	<u>(130,682)</u>	<u>(2,698)</u>	<u>15</u>	<u>231,742</u>	<u>(2,275,552)</u>
OTHER FINANCING SOURCES (USES)										
Transfers in	139,307	-	679,242	-	-	124,089	1,223,071	1,172,585	-	6,054,397
Transfers out	-	-	(139,307)	-	-	-	(1,063,915)	(1,172,632)	(202,888)	(3,702,823)
Sale of capital assets	-	-	-	-	-	-	-	-	-	2,631
Issuance of refunding bonds	-	-	-	-	-	-	-	-	-	5,245,676
Refunding of long-term debt	-	-	-	-	-	-	-	-	-	(5,217,927)
Bond discount	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>139,307</u>	<u>-</u>	<u>539,935</u>	<u>-</u>	<u>-</u>	<u>124,089</u>	<u>159,156</u>	<u>(47)</u>	<u>(202,888)</u>	<u>2,381,954</u>
Net Change in Fund Balances	<u>12</u>	<u>144</u>	<u>106</u>	<u>1,053</u>	<u>-</u>	<u>(6,593)</u>	<u>156,458</u>	<u>(32)</u>	<u>28,854</u>	<u>106,402</u>
Fund Balances - Beginning of Year	<u>3</u>	<u>69,014</u>	<u>2</u>	<u>507,103</u>	<u>-</u>	<u>4,103</u>	<u>334,395</u>	<u>50,106</u>	<u>27,301</u>	<u>2,707,918</u>
Fund Balances - End of Year	<u>\$ 15</u>	<u>\$ 69,158</u>	<u>\$ 108</u>	<u>\$ 508,156</u>	<u>\$ -</u>	<u>\$ (2,490)</u>	<u>\$ 490,853</u>	<u>\$ 50,074</u>	<u>\$ 56,155</u>	<u>\$ 2,814,320</u>

CITY OF BRENTWOOD, MISSOURI
Budgetary Comparison Schedule - Capital Improvements Capital Projects Fund
For the Year Ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES				
Taxes	\$ 2,637,781	\$ 2,637,781	\$ 2,497,228	\$ (140,553)
Intergovernmental	661,156	387,156	497,043	109,887
Investment Income	5,500	8,000	9,043	1,043
Total Revenues	<u>3,304,437</u>	<u>3,032,937</u>	<u>3,003,314</u>	<u>(29,623)</u>
EXPENDITURES				
Current:				
Capital outlay	2,578,234	1,789,234	1,455,958	(333,276)
Debt service:				
Principal	125,824	125,824	41,706	(1,873,352)
Interest and fiscal charges	-	-	141,277	141,277
Total Expenditures	<u>2,704,058</u>	<u>1,915,058</u>	<u>1,638,941</u>	<u>(2,065,351)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>600,379</u>	<u>1,117,879</u>	<u>1,364,373</u>	<u>2,035,728</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	150,000	150,000	150,000	-
Transfers out	(730,000)	(730,000)	(664,584)	65,416
Sale of capital assets	15,000	40,000	40,137	137
Total Other Financing Sources (Uses)	<u>(565,000)</u>	<u>(540,000)</u>	<u>(474,447)</u>	<u>65,553</u>
Net Change in Fund Balances	35,379	577,879	889,926	<u>\$ 2,101,281</u>
Fund Balances - Beginning of Year	2,930,221	2,930,221	2,930,221	
Fund Balances - End of Year	<u>\$ 2,965,600</u>	<u>\$ 3,508,100</u>	<u>\$ 3,820,147</u>	

CITY OF BRENTWOOD, MISSOURI
Budgetary Comparison Schedule - Stormwater and Park Improvements Capital Projects Fund
For the Year Ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES				
Taxes	\$ 3,051,567	\$ 3,051,567	\$ 2,949,469	\$ (102,098)
Intergovernmental	370,000	370,000	371,305	1,305
Charges for services	921,878	921,878	1,002,629	80,751
Investment Income	7,000	7,000	4,405	(2,595)
Miscellaneous	31,100	31,100	53,761	22,661
Total Revenues	<u>4,381,545</u>	<u>4,381,545</u>	<u>4,381,569</u>	<u>24</u>
EXPENDITURES				
Current:				
Recreation	2,560,401	2,560,401	2,317,108	(243,293)
Capital outlay	1,049,288	1,049,288	1,559,568	510,280
Debt service:				
Principal	465,000	465,000	465,000	-
Interest and fiscal charges	123,330	123,330	123,270	(60)
Total Expenditures	<u>4,198,019</u>	<u>4,198,019</u>	<u>4,464,946</u>	<u>266,927</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>183,526</u>	<u>183,526</u>	<u>(83,377)</u>	<u>(266,903)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	-
Sale of capital assets	5,000	5,000	1,964	(3,036)
Total Other Financing Sources (Uses)	<u>5,000</u>	<u>5,000</u>	<u>1,964</u>	<u>(3,036)</u>
Net Change in Fund Balances	188,526	188,526	(81,413)	<u>\$ (269,939)</u>
Fund Balances - Beginning of Year	<u>2,523,844</u>	<u>2,523,844</u>	<u>2,523,844</u>	
Fund Balances - End of Year	<u>\$ 2,712,370</u>	<u>\$ 2,712,370</u>	<u>\$ 2,442,431</u>	

CITY OF BRENTWOOD, MISSOURI
Budgetary Comparison Schedule - Sewer Improvements Capital Projects Fund
For the Year Ended December 31, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES				
Assessments	\$ 193,750	\$ 193,750	\$ 171,532	\$ (22,218)
Investment Income	100	100	-	(100)
Total Revenues	<u>193,850</u>	<u>193,850</u>	<u>171,532</u>	<u>(22,318)</u>
EXPENDITURES				
Current:				
Public works	208,884	208,884	253,286	44,402
Total Expenditures	<u>208,884</u>	<u>208,884</u>	<u>253,286</u>	<u>44,402</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(15,034)</u>	<u>(15,034)</u>	<u>(81,754)</u>	<u>(66,720)</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	2,631	2,631
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>2,631</u>	<u>2,631</u>
Net Change in Fund Balances	<u>(15,034)</u>	<u>(15,034)</u>	<u>(79,123)</u>	<u>\$ (64,089)</u>
Fund Balances - Beginning of Year	<u>111,243</u>	<u>111,243</u>	<u>111,243</u>	
Fund Balances - End of Year	<u>\$ 96,209</u>	<u>\$ 96,209</u>	<u>\$ 32,120</u>	

Statistical Section

CITY OF BRENTWOOD, MISSOURI
STATISTICAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2017

Statistical Section

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	65-70
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue sources.	71-75
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	76-78
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	79-80
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	81-83

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

CITY OF BRENTWOOD, MISSOURI
Net Position by Component
Last Ten Years

	Year Ended December 31,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities:										
Net investment										
in capital assets	\$ 8,117,462	\$ 7,884,982	\$ 7,996,822	\$ 8,134,831	\$ 11,034,693	\$ 11,862,148	\$ 12,783,938	\$ 17,848,325	\$ 20,081,402	\$ 21,901,831
Restricted	13,151,844	11,836,588	10,343,659	10,325,273	11,450,167	12,421,486	11,215,614	9,812,977	9,891,423	11,613,621
Unrestricted (deficit)	(47,272,208)	(42,857,757)	(37,993,625)	(35,351,204)	(30,933,568)	(28,678,532)	(24,087,693)	(25,027,633)	(22,296,942)	(18,546,028)
Total Governmental										
Activities Net Position										
(Deficiency)	\$ (26,002,902)	\$ (23,136,187)	\$ (19,653,144)	\$ (16,891,100)	\$ (8,448,708)	\$ (4,394,898)	\$ (88,141)	\$ 2,633,669	\$ 7,675,883	\$ 14,969,424

Source: Basic financial statements

GASB 63 was implemented in 2012.

GASB 65 was implemented in 2013.

GASB 68 and 71 were implemented in 2015.

CITY OF BRENTWOOD, MISSOURI
Changes in Net Position
Last Ten Years

	For The Years Ended December 31,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
EXPENSES										
Administrative	\$ 763,156	\$ 750,933	\$ 760,031	\$ 746,291	\$ 929,489	\$ 785,282	\$ 991,716	\$ 851,028	\$ 903,378	\$ 893,464
Police	3,323,557	2,876,285	2,855,746	3,033,671	3,594,149	4,009,774	3,694,914	3,373,045	3,578,691	2,956,027
Fire	2,216,998	2,220,259	2,366,479	2,490,644	2,488,522	2,612,406	2,754,306	2,991,755	2,926,075	2,710,256
Public works (1)	1,386,933	1,493,376	1,535,504	1,519,616	2,538,295	2,472,375	2,253,397	2,045,447	2,610,879	3,212,469
Planning and development	239,884	245,588	237,800	174,035	442,018	402,054	384,604	349,731	482,704	554,561
Sanitation (1)	729,200	598,759	588,226	591,958	585,821	583,024	613,417	596,743	665,548	542,689
Building maintenance	74,547	108,606	55,873	38,798	52,943	57,981	69,515	75,698	73,084	44,243
Recreation	1,509,618	1,580,558	1,570,275	1,570,895	1,170,385	1,499,688	1,547,630	1,511,526	2,140,276	2,104,842
Community services	325,956	213,624	186,282	147,958	143,418	52,891	54,243	56,435	73,784	84,911
Legislative	88,119	88,578	95,529	86,169	119,321	113,493	108,236	108,962	128,039	145,438
Judicial	126,462	127,974	136,829	132,504	173,606	189,680	201,870	138,129	186,216	197,786
Municipal operating	3,691,067	3,872,819	4,362,816	5,783,676	2,412,638	3,094,627	2,808,251	3,186,242	3,066,113	2,618,364
Library	490,083	401,591	467,842	449,961	465,225	580,847	591,209	551,718	563,710	582,771
Intergovernmental	-	-	-	-	302,593	309,149	1,274,853	-	-	-
Economic development	1,420,383	1,125,420	360,547	32,038	-	-	-	-	-	-
Interest on long-term debt	3,008,476	2,952,632	3,660,623	3,322,565	2,891,325	2,392,095	2,248,694	1,090,116	697,164	1,479,071
Total Expenses	19,394,439	18,657,002	19,240,402	20,120,779	18,309,748	19,155,366	19,596,855	16,926,575	18,095,661	18,126,892
PROGRAM REVENUES										
Charges for services:										
Administrative	8,581	7,508	7,453	4,258	7,500	29,420	30,596	31,871	19,754	45,156
Police	685,811	547,740	491,157	557,679	509,435	520,312	365,160	245,660	205,513	170,592
Fire	220,091	225,733	213,333	178,178	264,635	212,609	212,478	99,178	257,764	228,400
Public works	106,666	108,953	155,333	155,299	-	-	-	-	-	-
Planning and development	201,373	236,236	143,728	141,035	633	320,218	246,502	185,748	179,896	179,897
Sanitation	46,069	25,211	26,433	59,195	34,070	26,947	25,991	28,588	29,264	24,690
Recreation	880,718	888,962	929,629	876,594	827,991	829,729	870,729	619,258	859,435	998,204
Library	12,909	13,383	15,080	15,314	15,299	15,256	17,700	18,290	15,258	12,795
Operating grants and contributions	647,787	671,668	617,104	586,348	177,287	259,555	257,191	363,955	443,735	627,098
Capital grants and contributions	553,616	-	195,896	334,358	2,481,974	1,058,773	956,976	1,378,301	409,382	196,960
Total Program Revenues	3,363,621	2,725,394	2,795,146	2,908,258	4,318,824	3,272,819	2,983,323	2,970,849	2,420,001	2,483,792
NET REVENUES (EXPENSES)	(16,030,818)	(15,931,608)	(16,445,256)	(17,212,521)	(13,990,924)	(15,882,547)	(16,613,532)	(13,955,726)	(15,675,660)	(15,643,100)

CITY OF BRENTWOOD, MISSOURI
Changes in Net Position (concluded)
Last Ten Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
GENERAL REVENUES AND OTHER										
CHANGES IN NET POSITION										
Taxes:										
Sales	11,942,998	11,192,330	12,431,043	12,758,890	13,878,437	13,668,966	13,547,391	13,809,326	13,930,412	13,873,959
Property	3,811,368	4,015,531	4,475,610	4,077,026	5,326,556	4,089,973	4,124,973	4,014,673	3,647,920	5,657,664
Utility	1,938,343	1,641,926	1,628,957	1,471,643	1,516,978	1,621,043	1,565,491	1,477,505	1,355,732	1,747,625
Gross receipts tax	1,238,410	1,274,169	1,281,887	1,404,188	1,574,991	1,458,591	1,496,224	1,529,925	1,542,714	1,491,738
Investment income	320,919	119,082	21,795	19,993	14,564	18,066	22,637	27,032	30,263	29,064
Intergovernmental	-	401,833	-	-	-	-	-	-	-	-
Gain on sale of assets	460,117	102,244	20,098	150	-	15,131	21,946	54,623	22,944	22,820
Miscellaneous	48,434	51,208	68,248	242,672	121,790	183,465	141,627	150,929	187,889	113,771
Total General Revenues										
And Other Changes In Net Position										
	19,760,589	18,798,323	19,927,638	19,974,562	22,433,316	21,055,235	20,920,289	21,064,013	20,717,874	22,936,641
CHANGES IN NET POSITION	\$ 3,729,771	\$ 2,866,715	\$ 3,482,382	\$ 2,762,041	\$ 8,442,392	\$ 5,172,688	\$ 4,306,757	\$ 7,108,287	\$ 5,042,214	\$ 7,293,541

Source: Basic Financial Statements

(1) Beginning in 2009, sewer lateral expenses were moved from Sanitation to Public Works.

**CITY OF BRENTWOOD, MISSOURI
Fund Balances of Governmental Funds
Last Ten Years**

	December 31,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 181,733	\$ 182,963	\$ 199,399	\$ 72,655	\$ 55,928	\$ 57,519
Reserved	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	7,296	11,450	6,833	84,933	69,600	93,286
Unreserved	2,048,529	1,218,651	1,232,762	-	-	-	-	-	-	-
Unassigned	-	-	-	491,985	1,342,852	1,917,375	3,358,922	4,543,893	4,900,703	4,955,618
Total General Fund	\$ 2,048,529	\$ 1,218,651	\$ 1,232,762	\$ 491,985	\$ 1,531,881	\$ 2,111,788	\$ 3,565,154	\$ 4,701,481	\$ 5,026,231	\$ 5,106,423
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 48,337	\$ 46,668	\$ 50,867	\$ 4,241	\$ 2,422	\$ 3,979
Restricted	-	-	-	10,611,442	11,687,631	11,813,098	14,818,348	9,203,175	8,903,868	10,949,896
Reserved	11,137,090	11,119,539	8,193,688	-	-	-	-	-	-	-
Unreserved, reported in:										
Special Revenue Funds	372,305	357,871	347,417	-	-	-	-	-	-	-
Capital Projects Funds	1,880,051	4,722,731	2,261,627	-	-	-	-	-	-	-
Unassigned	-	-	-	(103,962)	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 13,389,446	\$ 16,200,141	\$ 10,802,732	\$ 10,507,480	\$ 11,735,968	\$ 11,859,766	\$ 14,869,215	\$ 9,207,416	\$ 8,906,290	\$ 10,953,875

Source: Basic financial statements

GASB 54 was implemented in 2011.

Table 4

CITY OF BRENTWOOD, MISSOURI
Changes in Fund Balances, Governmental Funds
Last Ten Years

	Year Ended December 31,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Taxes	\$ 18,273,192	\$ 17,391,632	\$ 19,129,211	\$ 18,885,925	\$ 20,534,712	\$ 19,357,527	\$ 19,222,491	\$ 19,366,139	\$ 18,789,112	\$ 21,138,994
Licenses and permits	1,439,783	1,510,405	1,425,615	1,545,223	1,574,991	1,818,370	1,788,303	1,762,659	1,766,991	1,710,860
Fines and forfeiture	635,936	506,884	411,575	474,487	509,435	459,007	338,198	236,784	194,635	167,253
Intergovernmental (1)	44,526	673,504	739,973	50,855	650,190	1,344,591	1,199,400	1,158,840	328,507	890,196
Charges for services	1,150,290	1,140,982	1,175,409	1,109,125	1,147,558	1,103,110	1,145,565	784,068	1,180,289	1,287,082
Assessments	106,666	108,953	155,137	154,932	194,831	192,753	194,466	194,299	192,996	171,532
Investment income	320,919	119,082	21,795	19,993	14,564	18,066	22,637	27,037	30,263	29,064
Miscellaneous (1)	380,058	186,794	189,204	350,645	273,508	230,314	162,598	242,252	208,532	250,513
Total Revenues	22,351,370	21,638,236	23,247,919	22,591,185	24,899,789	24,523,738	24,073,658	23,772,078	22,691,325	25,645,494
Expenditures										
Administrative	690,212	736,796	762,683	694,223	701,546	707,698	705,948	737,796	727,199	692,774
Police	2,711,338	2,729,172	2,874,144	2,733,322	3,424,133	3,581,071	3,580,545	3,260,069	3,347,802	3,276,948
Fire	2,010,594	2,075,667	2,158,369	2,267,011	2,444,529	2,418,383	2,444,115	2,440,164	2,539,607	2,555,960
Public works	746,138	743,362	773,885	732,027	1,728,116	1,808,222	1,869,713	1,665,637	1,111,069	1,557,010
Planning and development	228,180	228,482	256,447	176,026	413,387	412,142	392,343	373,397	437,125	541,105
Sanitation	530,023	518,944	519,751	526,150	539,626	549,363	555,563	572,813	590,018	526,412
Building maintenance	39,982	29,037	7,375	-	-	-	-	-	-	-
Community services	325,956	213,624	186,282	147,958	143,418	52,891	54,243	56,435	73,784	84,911
Legislative	88,119	88,578	95,529	86,169	119,321	109,839	107,870	112,182	114,371	121,822
Judicial	124,619	127,974	135,786	131,432	170,254	192,848	193,581	183,683	169,600	168,985
Municipal operating	4,110,858	3,856,305	4,403,677	5,869,592	2,413,155	2,972,326	2,680,272	2,666,821	3,066,113	2,618,364
Library	461,906	373,822	433,534	428,497	431,196	546,483	574,107	559,637	510,283	511,042
Recreation	-	1,377,656	1,395,083	1,433,796	1,208,916	1,442,485	1,442,421	1,455,152	2,039,293	2,317,108
Economic development	1,252,910	1,128,914	-	-	-	-	-	-	-	-
Intergovernmental	403,664	212,621	885,266	32,038	854,521	1,029,106	1,572,657	-	-	-
Capital outlay	2,873,000	1,251,992	4,880,332	847,874	1,108,529	2,467,776	3,022,525	9,587,644	3,284,646	3,061,168
Debt service:										
Principal	6,550,000	6,692,229	5,452,333	4,287,983	4,175,000	3,635,000	4,425,617	3,589,110	3,975,208	4,526,706
Interest and fiscal charges	2,424,213	2,759,751	3,543,957	3,233,266	2,767,262	2,507,312	2,109,678	819,817	735,670	1,037,355
Debt issuance costs	474,952	123,315	-	-	-	-	157,851	256,717	-	-
Total Expenditures	26,046,664	25,268,241	28,764,433	23,627,364	22,642,909	24,432,945	25,889,049	28,337,074	22,721,788	23,597,670
Revenues Over										
(Under) Expenditures	(3,695,294)	(3,630,005)	(5,516,514)	(1,036,179)	2,256,880	90,793	(1,815,391)	(4,564,996)	(30,463)	2,047,824
Other Financing Sources (Uses)										
Capital lease	-	-	-	-	-	533,460	193,933	-	-	-
Issuance of long-term debt	8,785,000	7,960,000	90,173	-	-	-	5,760,000	6,135,000	-	5,245,676
Refunding of long-term debt	(5,910,414)	(2,468,514)	-	-	-	-	-	(6,135,000)	-	(5,217,927)
Bond discount	(87,850)	(11,476)	-	-	-	-	-	(39,575)	-	-
Bond premium	-	-	-	-	-	-	287,479	-	-	-
Transfers in	24,124,820	18,793,373	14,173,063	11,812,094	14,580,060	10,814,307	8,520,102	14,999,000	7,408,067	8,568,313
Transfers out	(24,124,820)	(18,793,373)	(14,173,063)	(11,812,094)	(14,580,060)	(10,814,307)	(8,520,102)	(14,999,000)	(7,408,067)	(8,568,313)
Sale of capital assets	464,740	130,812	43,043	150	11,500	79,452	36,794	79,099	54,087	52,204
Total Other Financing Sources (Uses)	3,251,476	5,610,822	133,216	150	11,500	612,912	6,278,206	39,524	54,087	79,953
NET CHANGES IN FUND BALANCES	\$ (443,818)	\$ 1,980,817	\$ (5,383,298)	\$ (1,036,029)	\$ 2,268,380	\$ 703,705	\$ 4,462,815	\$ (4,525,472)	\$ 23,624	\$ 2,127,777
Debt Service As A Percentage of Noncapital Expenditures	37.7%	38.9%	36.9%	32.3%	31.7%	27.5%	27.8%	22.6%	23.0%	25.9%

Source: Basic financial statements

(1) Beginning in 2009, TIF refunds were reclassified from miscellaneous revenues to intergovernmental revenue

CITY OF BRENTWOOD, MISSOURI
Program Revenues by Functions/Programs
Last Ten Years

	Year Ended December 31,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
FUNCTIONS/PROGRAMS										
Governmental Activities										
Administrative	\$ 8,581	\$ 7,508	\$ 7,453	\$ 4,258	\$ 22,511	\$ 29,420	\$ 34,596	\$ 31,871	\$ 19,754	\$ 45,156
Police	685,811	568,561	491,157	559,691	648,272	563,346	649,717	394,830	283,658	245,529
Fire	220,091	225,733	255,704	179,778	264,635	365,509	231,328	99,178	267,764	228,400
Public works	1,277,637	750,114	753,079	759,508	2,300,643	995,431	887,260	1,155,390	757,732	739,797
Planning and development	201,373	236,236	143,728	141,035	3,579	322,103	248,977	186,908	181,726	182,679
Sanitation	46,069	25,211	101,434	59,195	34,070	36,947	25,991	28,588	29,264	24,690
Building maintenance	-	-	-	-	194,831	-	-	-	-	-
Recreation	880,718	888,962	1,008,814	1,176,594	827,991	932,924	870,729	1,036,468	859,435	998,204
Municipal operating	-	-	-	-	289	-	-	-	-	-
Library	43,341	23,069	34,438	28,199	22,003	27,139	34,725	37,616	30,668	19,337
Total Governmental Activities	\$ 3,363,621	\$ 2,725,394	\$ 2,795,807	\$ 2,908,258	\$ 4,318,824	\$ 3,272,819	\$ 2,983,323	\$ 2,970,849	\$ 2,430,001	\$ 2,483,792

CITY OF BRENTWOOD, MISSOURI
Property Tax Rates - Direct and All Overlapping Governments (1)
Last Ten Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
City of Brentwood:										
General operating	\$ 0.0995	\$ 0.0974	\$ 0.1014	\$ 0.0947	\$ 0.1024	\$ 0.1051	\$ 0.1097	\$ 0.1074	\$ 0.0973	\$ 0.1051
Pension	0.3626	0.3895	0.4056	0.4024	0.4101	0.4168	0.4140	0.3942	0.3488	0.3797
Library	0.1422	0.1498	0.1560	0.1736	0.2238	0.2291	0.2276	0.2191	0.2746	0.2997
Debt service	0.1067	0.1123	0.1170	0.1183	-	-	-	-	-	-
Overlapping Governments:										
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
County general	0.1900	0.1900	0.2000	0.2000	0.2000	0.2000	0.2090	0.2062	0.2062	0.1950
County park maintenance	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0492	0.0492	0.0460
County bond retirement	0.0630	0.0280	0.0280	0.0280	0.0280	0.0280	0.0190	0.0190	0.0190	0.0190
Roads and bridges	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1033	0.1033	0.0980
County health	0.1500	0.1500	0.1400	0.1400	0.1400	0.1400	0.1400	0.1381	0.1381	0.1310
St. Louis Community College	0.2013	0.2136	0.2179	0.2200	0.2200	0.2200	0.2200	0.2176	0.2185	0.2112
Special School District	0.9184	0.9384	0.9950	1.0125	1.0123	1.2400	1.2609	1.2348	1.2409	1.1912
Metro Zoo	0.2344	0.2493	0.2546	0.2671	0.2671	0.2797	0.2797	0.2777	0.2795	0.2694
Sheltered workshop	0.0690	0.0833	0.0853	0.0885	0.0840	0.0890	0.0900	0.0888	0.0888	0.0840
Brentwood School District	3.2672	3.3571	3.6289	3.9020	4.1423	4.6453	4.6526	4.6650	4.4458	4.4249
Metro Sewer District	-	-	0.0790	0.0818	0.0635	0.0874	0.0879	0.0876	0.1196	0.1159
Deer Creek Sewer	-	-	0.0830	0.0845	0.0840	0.0860	0.0916	-	-	-
Black Creek Sewer	-	-	0.0900	-	-	-	-	-	-	-

(1) Source: St. Louis County Collector (rates stated per \$100 assessed valuation)

CITY OF BRENTWOOD, MISSOURI
Assessed and Estimated Actual Value of Taxable Property (1)
Last Ten Years

For The Years Ended December 31,	Real Property	Personal Property	Railroads & Utilities	Total Assessed Value	Estimated Actual Value	Ratio Of Total Assessed Value to Total Estimated Actual Value	Total Direct Tax Rate
2008	287,242,450	37,536,440	2,177,938	326,956,828	1,343,901,534	24.3%	0.7110
2009	275,653,480	34,996,880	2,316,275	312,966,635	1,280,981,294	24.4%	0.7490
2010	277,263,580	31,394,730	2,368,922	311,027,232	1,276,237,984	24.4%	0.7800
2011	269,976,710	30,901,400	2,563,810	303,441,920	1,255,512,904	24.2%	0.7890
2012	267,673,410	31,329,810	2,532,884	301,536,104	1,249,723,043	24.1%	0.7363
2013	256,685,350	32,834,120	2,633,972	292,153,442	1,200,800,882	24.3%	0.7510
2014	257,341,490	33,884,730	2,687,201	293,913,421	1,207,011,848	24.4%	0.7513
2015	262,906,050	35,208,990	2,967,838	301,082,878	1,236,328,826	24.4%	0.7844
2016	262,383,560	35,259,630	2,762,106	300,405,296	1,234,834,948	24.3%	0.7844
2017	283,724,110	35,136,630	2,685,048	321,545,788	1,332,279,327	24.1%	0.7845

(1) Source: St. Louis County Assessor

Table 8

CITY OF BRENTWOOD, MISSOURI
Principal Taxpayers (1)
Current Year and Nine Years Ago

<u>Taxpayer</u>	<u>2017</u>			<u>2008</u>		
	<u>Taxable Assessed Valuation</u>	<u>Rank</u>	<u>Percentage Of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Valuation</u>	<u>Rank</u>	<u>Percentage Of Total City Taxable Assessed Value</u>
GS Brentwood LLC	\$ 10,937,210	1	3.64%	\$ 7,560,870	2	2.31%
Pace Brentwood Partners LLC	8,697,600	2	2.90%	6,700,600	4	2.05%
Eager Road Associates North LLC	8,682,790	3	2.89%	-	-	-
Eager Road Associates West LLC	7,144,450	4	2.38%	13,899,630	1	4.25%
St. Louis Brentwood Associates Ltd.	6,055,130	5	2.02%	7,423,070	3	2.27%
DP Brentwood LLC	4,698,460	6	1.56%	-	-	-
Drury Center 40 LLC	3,140,250	7	1.05%	-	-	-
Villas at Brentwood, LP	3,077,990	8	1.02%	-	-	-
Home Depot USA Inc	2,924,450	9	0.97%	3,928,340	8	1.20%
Dierbergs Brentwood LLC	2,615,590	10	0.87%	6,412,720	5	1.96%
Margulis, Jeanne Marie, Trustee	-	-	-	2,193,190	9	0.67%
Hanley Station Property Owners Assn	-	-	-	2,833,800	10	0.87%
Target Corporation	-	-	-	4,364,800	6	1.33%
Center 40 LLC	-	-	-	4,162,020	7	1.27%
	<u>\$ 57,973,920</u>		<u>19.30%</u>	<u>\$ 59,479,040</u>		<u>18.18%</u>

(1) Source: St. Louis County Assessor

CITY OF BRENTWOOD, MISSOURI
Property Tax Levies and Collections (1)
Last Ten Years

For The Years Ended December 31,	Original Tax Levy	Net Tax Levy (2)	Current Tax Collections	Percent Collected As Current	Delinquent Tax Collections (Refunds)	Total Tax Collections	Total Collections As Percent Of Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes As Percent Of Levy
2008	1,873,148	1,876,225	1,548,510	82.5%	327,715	1,876,225	100.0%	-	0.00%
2009	1,880,743	1,883,575	1,517,861	80.6%	365,714	1,883,575	100.0%	-	0.00%
2010	2,039,554	2,046,205	1,665,179	81.4%	378,288	2,043,467	99.9%	2,738	0.13%
2011	2,014,279	2,015,021	1,641,662	81.5%	369,297	2,010,959	99.8%	4,062	0.20%
2012	1,873,567	1,873,567	1,553,299	82.9%	312,741	1,866,040	99.6%	7,527	0.40%
2013	1,881,499	1,881,499	1,475,371	78.4%	385,452	1,860,823	98.9%	20,676	1.10%
2014	1,967,088	1,967,499	1,575,423	80.1%	360,838	1,936,261	98.4%	31,238	1.59%
2015	2,034,105	2,034,105	1,743,716	85.7%	-	1,743,716	85.7%	290,389	14.28%
2016	2,278,272	2,278,272	1,888,736	82.9%	-	1,888,736	82.9%	389,536	17.10%
2017	2,326,242	2,326,242	1,806,431	77.7%	491,868	2,298,299	98.8%	27,943	1.20%

(1) Source: St. Louis County Collector's office.

(2) Originally adjusted for strike offs and additions by St. Louis Board of Equalization after 1978.

Not for CAFR

Original charge report from STL county Collector

CITY OF BRENTWOOD, MISSOURI
Sales Tax Rates and Taxable Sales
Last Ten Years

For The Years Ended December 31,	City Direct Rate	St. Louis County	State Of Missouri	Direct And Overlapping	Taxable Sales (1)
2008	1.50%	1.850%	4.225%	7.575%	473,242,216
2009	1.50%	2.100%	4.225%	7.825%	447,562,678
2010	1.50%	2.700%	4.225%	8.425%	521,480,034
2011	1.50%	2.700%	4.225%	8.425%	556,909,602
2012	1.50%	2.700%	4.225%	8.430%	587,449,142
2013	1.50%	2.700%	4.225%	8.430%	597,763,979
2014	1.50%	2.888%	4.225%	8.613%	606,436,844
2015	1.50%	2.888%	4.225%	8.613%	647,041,465
2016	1.50%	2.888%	4.225%	8.613%	652,079,142
2017	1.50%	3.388%	4.225%	9.113%	633,484,707

(1) Taxable sales reported by the Missouri Department of Revenue. State Law prohibits the disclosure of specific taxpayer information.

Note: The City participates in the county-wide sales tax sharing pool, which is generally distributed based on population.

Note: The City's direct rate is made up of the following:

- 0.500% Capital improvements sales tax
- 0.500% Parks and stormwater sales tax
- 0.250% Fire sales tax
- 0.250% Local option sales tax

CITY OF BRENTWOOD, MISSOURI
Ratios of Outstanding Debt by Type
Last Ten Years

For The Years Ended December 31,	Governmental Activities						Total Primary Government	Percentage of Personal Income (1)	Per Capita
	Bank Loan Payable	Capital Lease	Tax Increment Revenue Bonds	Tax Increment Revenue Notes	General Obligation Bonds	Certificates of Participation			
2007	\$ -	\$ 449,398	\$ 48,265,000	\$ 5,000,000	\$ 2,105,000	\$ 4,025,000	\$ 59,844,398	23.00%	\$ 8,126
2008	-	436,722	51,285,000	-	1,715,000	3,630,000	57,066,722	21.93%	7,748
2009	422,580	23,163	45,595,000	-	1,310,000	8,520,000	55,870,743	22.02%	7,779
2010	18,323	8,660	41,250,000	-	885,000	8,465,000	50,626,983	15.41%	6,270
2011	-	-	37,365,000	-	435,000	8,410,000	46,210,000	12.75%	5,738
2012	-	-	34,065,000	-	-	7,970,000	42,035,000	11.72%	5,231
2013	-	533,460	30,825,636	-	-	7,514,318	38,873,414	11.19%	4,838
2014	-	656,776	27,668,506	-	-	12,345,123	40,670,405	11.62%	5,064
2015	-	542,666	25,158,723	-	-	11,356,921	37,058,310	9.72%	4,608
2016	-	432,457	22,244,505	-	-	10,381,505	33,058,467	8.63%	4,132
2017	-	319,017	19,240,000	-	-	9,245,000	28,804,017	7.35%	3,601

Note: Details regarding the City's outstanding debt can be found in the notes to financial statements. Beginning in 2013, the outstanding debt is reported net of related premiums, discounts, and adjustments.

(1) See Demographics and Economic Statistics Table.

CITY OF BRENTWOOD, MISSOURI
Direct and Overlapping Governmental Activities Debt
December 31, 2017

Name of Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
St. Louis County	\$ 96,850,000	1.34%	\$ 1,297,790
Brentwood School District	6,588,333	97.33%	6,412,425
	<u>103,438,333</u>		<u>7,710,215</u>
City direct debt	<u>28,804,017</u>	100.00%	<u>28,804,017</u>
Total Direct And Overlapping Debt	<u><u>\$ 132,242,350</u></u>		<u><u>\$ 36,514,232</u></u>

Source: Information was obtained by contacting the Taxing Jurisdiction and the St. Louis County Collector's office. The percentage applicable to the City is based on the jurisdiction's assessed value within the boundaries of the City.

CITY OF BRENTWOOD, MISSOURI
Legal Debt Margin Information
Last Ten Years

	Year Ended December 31,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limit	\$ 32,695,683	\$ 31,296,683	\$ 31,102,723	\$ 30,344,192	\$ 30,153,610	\$ 29,215,344	\$ 29,391,342	\$ 30,108,288	\$ 30,040,530	\$ 32,154,579
Net debt applicable to limit	1,715,000	1,310,000	885,000	435,000	-	-	-	-	-	-
Legal debt margin	\$ 30,980,683	\$ 29,986,683	\$ 30,217,723	\$ 29,909,192	\$ 30,153,610	\$ 29,215,344	\$ 29,391,342	\$ 30,108,288	\$ 30,040,530	\$ 32,154,579
Total net debt applicable to the limit as a percentage of debt limit	5.25%	4.19%	2.85%	1.43%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Note: Bonded indebtedness is limited by Sections 95.111 and 95.120 of the Missouri Revised Statutes (1986) to 10% of the assessed value of taxable tangible property

CITY OF BRENTWOOD, MISSOURI
Demographic and Economic Statistics
Last Ten Years

For The Years Ended December 31,	Population (1)	Median Age (1)	Personal Income (1)	Per Capita Income (1)	Unemployment Rate (2)
2008	7365	35.6	260,234,910	35,334	3.7
2009	7182	35.6	253,768,788	35,334	5.6
2010	8055	37.5	327,662,412	45,276	5.6
2011	8053	36.7	362,376,947	44,999	5.0
2012	8035	37.9	358,688,673	44,541	4.1
2013	8035	37.3	347,304,840	43,224	3.8
2014	8031	36.0	349,873,920	43,560	3.0
2015	8043	35.0	381,350,802	47,414	2.3
2016	8000	36.1	383,008,000	47,876	2.4
2017	7998	34.6	391,686,054	48,973	1.6

(1) Source: U.S. Bureau of Census and Missouri State Data Center

(2) Source: Missouri Department of Economic Development

CITY OF BRENTWOOD, MISSOURI
Principal Employers
Current Year and Nine Years Ago

Employer	2017			2008		
	Employees	Rank	Percent of Total City Employment	Employees	Rank	Percent of Total City Employment
BJC Healthcare	700	1	9.93%	350	1	1.56%
Bi-State Development Agency	413	2	5.86%	-	-	-
Meridian Medical Technologies	325	3	4.61%	160	7	0.71%
Target	272	4	3.86%	235	3	1.04%
Mid-County YMCA	250	5	3.55%	-	-	-
Lutheran Senior Services	200	6	2.84%	-	-	-
Whole Foods Market	190	7	2.70%	250	2	1.11%
Home Depot	164	8	2.33%	113	5	0.80%
Dierbergs Brentwood Pointe	163	9	2.31%	181	4	0.50%
Trader Joe's	122	10	1.73%	70	18	0.31%
Bonefish Grill	-	-	-	-	-	-
Carboline Company	-	-	-	113	6	0.50%
Best Buy	-	-	-	137	8	0.61%
Zip Mail Services	-	-	-	134	9	0.60%
Otis Elevator Company	-	-	-	100	12	0.44%
Tripos Inc.	-	-	-	60	22	0.27%
Total	2,799		39.72%	2,722		8.45%

Source: The City's Planning Department

2017 employment estimate based on business license database.

CITY OF BRENTWOOD, MISSOURI
Full-Time Equivalent City Government Employees by Functions/Programs
Last Ten Years

FUNCTIONS/PROGRAMS	2008	2009	2010	2011 *	2012 *	2013 *	2014 *	2015 *	2016*	2017*
General government:										
Legislative services	9	9	9	9	9	9	9	9	9	9
Administrative services	5	5	5	3	2	2	2	2	3	3
Information services	1	1	1	1	1	1	1	1	1	1
Maintenance of municipal property	1	1	1	-	-	-	-	-	-	-
Municipal court	1	1	1	3.5	3	3	3	3	3	3
Finance	3	3	3	3	3	3	3	3	3	3
Human resources	-	-	-	-	1	1	1	1	1	1
Fire:										
Firefighter/paramedics	-	-	-	23	23	23	23	23	23	23
Civilians	-	-	-	0.5	0.5	0.5	1	1	1	1
Police:										
Officers	27	27	27	26	27	27	27	27	27	26
Civilians	8	8	8	8	8	8	2	2	2	2
Public Works:										
Administration	4	4	4	-	-	-	-	-	2	2
Street maintenance	14	13	14	14	14	14	14	13	13	13
Parks maintenance	7	7	7	10	10	10	10	8	0	0
Sanitation	-	-	-	5	5	5	5	5	5	4
Sewer lateral	-	-	-	2	2	2	2	2	2	2
Community development	1	1	1	4	5	5	5	5	5.5	5.5
Parks and recreation/ice arena	3	3	3	11	10.5	10.5	9	9	21	21

Source: City Payroll Department records

* The data reported in 2011 and thereafter is presented in a revised format from previous years.

Table 17

CITY OF BRENTWOOD, MISSOURI
Operating Indicators by Functions/Programs
Last Ten Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
FUNCTION/PROGRAMS										
Police patrol (1):										
Arrests	912	736	867	780	652	696	499	447	556	519
Traffic citations	5,698	5,752	4,250	5,438	6,557	5,689	4,048	4,258	2,691	2,202
Crime reports	1,558	1,313	1,362	1,254	1,098	1,140	1,112	1,212	1,031	1,213
Accident reports	360	292	303	257	265	272	343	339	330	535
Warrants	NA									
Public works (2):										
Road repair-tons of mix STR	215	172	273	211	287	268	238	239	203	223
Weed violations issued-HW	NA									
Acres mowed and maintained-P	NA	48	26	23	23	23	23	23	23	23
Trees and shrubs planted-P	35	77	504	43	68	61	58	78	26	69
Planning & building (3):										
Site development/concept plans PL	10	6	15	14	16	14	13	18	6	9
Rezoning applications-PL	1	-	-	-	1	2	-	1	1	3
Text amendments-PL	7	6	4	3	5	3	5	1	1	2
Building permits issued-BI	679	350	319	154	170	215	224	236	255	242
Finance and administration (4):										
Merchant licenses issued-F	687	652	576	560	635	663	674	752	697	630
Payroll checks issued-F	5,252	5,265	5,425	4,981	4,882	4,883	4,919	4,528	4,720	4,809
Accounts payable processed-F	3,550	3,651	3,665	3,045	3,724	3,563	3,548	3,550	3,836	3,900
Website visits-AD	397,332	128,608	109,244	109,294	128,128	118,661	127,732	184,874	230,519	234,777
Requests for public records-LEG	5	4	5	113	105	216	93	77	80	240

Sources:

- (1) - City's internal police and court records.
- (2) - City's public works department.
- (1) - City's planning and building department.
- (1) - City's internal financial records.

CITY OF BRENTWOOD, MISSOURI
Capital Asset Statistics by Functions/Programs
Last Ten Years

	2007	2008	2009	2010	2011 *	2012 *	2013 *	2014 *	2015 *	2016 *	2017 *
FUNCTIONS/PROGRAMS											
General government:											
City hall/library	1	1	1	1	1	1	1	1	1	1	1
Other buildings/structures	-	-	-	-	4	4	4	4	1	1	5
Fire:											
Stations	-	-	-	-	1	1	1	1	1	1	1
Fire apparatus	-	-	-	-	4	4	4	4	4	4	4
Other vehicles	-	-	-	-	3	4	4	4	3	3	4
Police:											
Stations	1	1	1	1	1	1	1	1	1	1	1
Marked patrol units	15	15	15	15	17	15	15	15	15	15	15
Public works:											
Miles of streets	44	44	44	44	44	44	44	44	44	44	44
Street lights and signals	629	629	629	629	629	629	629	629	629	629	634
Garage	-	-	-	-	1	1	1	1	1	1	1
Vehicles and equipment	-	-	-	-	31	31	31	31	25	25	19
Community development:											
Vehicles	-	-	-	-	3	3	3	3	3	3	3
Park and recreation:											
Number of parks	7	7	7	7	7	7	7	7	7	7	7
Acres of parks	45	45	45	45	45	45	45	45	47	44	44
Playgrounds	-	-	-	-	8	8	8	8	6	4	5
Trails	-	-	-	-	5	5	5	5	5	5	5
Recreation complex/ice arena	1	1	1	1	1	1	1	1	1	1	1
Other buildings/structures	-	-	-	-	33	33	33	33	33	33	33
Vehicles	-	-	-	-	2	3	3	3	2	2	9

Source: City Finance Department records

* The data reported in 2011 and thereafter is presented in a revised format from previous years.