

CITY OF PERRYVILLE, MISSOURI
Perryville, Missouri

For the Year Ended March 31, 2023

ANNUAL FINANCIAL REPORT

BEUSSINK, HEY, ROE & STRODER, L.L.C.

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

To the Mayor and Board of Aldermen
City of Perryville, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Perryville, Missouri, as of and for the year ended March 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Perryville, Missouri as of March 31, 2023, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Perryville, Missouri and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally

accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 1; and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Perryville, Missouri's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Perryville, Missouri's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 25, 2023, on our consideration of the City of Perryville, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 of Perryville, Missouri'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 Perryville, Missouri's internal control over financial reporting and compliance.

BEUSSINK, HEY, ROE & STRODER, L.L.C.

Beussink, Hey, Roe & Stroder, L.L.C.

Cape Girardeau, Missouri
August 25, 2023

BEUSSINK, HEY, ROE & STRODER, L.L.C.

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

To the Mayor and Board of Aldermen
City of Perryville, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Perryville, Missouri as of and for the year ended March 31, 2023, and the related notes to the financial statements, which collectively comprise the City of Perryville, Missouri's basic financial statements, and have issued our report thereon dated August 25, 2023.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations,

during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

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

BEUSSINK, HEY, ROE & STRODER, L.L.C.

Beussink, Hey, Roe & Stroder, L.L.C.

Cape Girardeau, Missouri
August 25, 2023

BASIC FINANCIAL STATEMENTS

CITY OF PERRYVILLE, MISSOURI

GOVERNMENT-WIDE
STATEMENT OF NET POSITION - MODIFIED CASH BASIS

March 31, 2023

<u>ASSETS</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Current Assets:</u>			
Cash and Cash Equivalents	\$ 7,438,095	\$ 7,609,064	\$ 15,047,159
Restricted Cash and Cash Equivalents	193,349	1,056,179	1,249,528
Prepaid Expenses	169,785	40,356	210,141
Lease Receivable	1,613,744	-	1,613,744
Total Current Assets	<u>\$ 9,414,973</u>	<u>\$ 8,705,599</u>	<u>\$ 18,120,572</u>
<u>Capital Assets:</u>			
Land	\$ 2,914,439	\$ 320,380	\$ 3,234,819
Construction in Progress	11,181,622	31,773,666	42,955,288
Other Capital Assets, Net	30,616,414	20,426,080	51,042,494
Total Capital Assets, Net	<u>\$ 44,712,475</u>	<u>\$ 52,520,126</u>	<u>\$ 97,232,601</u>
<u>Other Assets:</u>			
Right of Use Assets, Net	\$ 25,983	-	\$ 25,983
TOTAL ASSETS	<u>\$ 54,153,431</u>	<u>\$ 61,225,725</u>	<u>\$ 115,379,156</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Outflows	\$ -	-	\$ -
<u>LIABILITIES</u>			
<u>Current Liabilities:</u>			
Utility Refund Payable	\$ -	\$ 273	\$ 273
Accrued Payroll and Fringe Benefits	3,544	917	4,461
Sales Tax Payable	-	15,480	15,480
Gift Card Certificates	16,600	-	16,600
Capital Lease, Current	72,408	-	72,408
Lease Liability	26,742	-	26,742
Revenue Bonds Payable, Current	-	558,000	558,000
General Obligation Bonds Payable, Current	-	235,000	235,000
Capital Improvement Sales Tax Bonds Payable, Current	-	453,000	453,000
Total Current Liabilities	<u>\$ 119,294</u>	<u>\$ 1,262,670</u>	<u>\$ 1,381,964</u>
<u>Long-Term Liabilities:</u>			
Customer Deposits Payable	\$ 5,940	\$ 296,839	\$ 302,779
Capital Lease	59,200	-	59,200
Revenue Bonds Payable	-	7,507,242	7,507,242
General Obligation Bonds Payable	-	4,683,000	4,683,000
Capital Improvement Sales Tax Bonds Payable	-	7,619,000	7,619,000
Total Long-Term Liabilities	<u>\$ 65,140</u>	<u>\$ 20,106,081</u>	<u>\$ 20,171,221</u>
TOTAL LIABILITIES	<u>\$ 184,434</u>	<u>\$ 21,368,751</u>	<u>\$ 21,553,185</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows Related to Leases	\$ 1,449,452	-	\$ 1,449,452
<u>NET POSITION</u>			
Net Investment in Capital Assets	\$ 44,580,867	\$ 37,393,884	\$ 81,974,751
Restricted for Specific Purposes	386,244	1,056,179	1,442,423
Unrestricted	7,552,434	1,406,911	8,959,345
TOTAL NET POSITION	<u>\$ 52,519,545</u>	<u>\$ 39,856,974</u>	<u>\$ 92,376,519</u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF PERRYVILLE, MISSOURI

GOVERNMENT-WIDE
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

Year Ended March 31, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
Primary Government:							
Governmental Activities:							
General Government	\$ 2,329,337	\$ 167,489	\$ -	\$ -	\$ (2,161,848)	\$ -	\$ (2,161,848)
Public Safety	3,365,479	29,482	1,680	-	(3,334,317)	-	(3,334,317)
Public Works	2,902,404	260,008	-	-	(2,642,396)	-	(2,642,396)
Culture and Recreation	2,466,724	594,640	-	-	(1,872,084)	-	(1,872,084)
Capital Outlay	105,910	-	-	6,837,765	6,731,855	-	6,731,855
Debt Service:							
Interest	16,661	-	-	-	(16,661)	-	(16,661)
Total Governmental Activities	\$ 11,186,515	\$ 1,051,619	\$ 1,680	\$ 6,837,765	\$ (3,295,451)	\$ -	\$ (3,295,451)
Business-Type Activities:							
Water and Sewer	\$ 3,905,881	\$ 5,573,976	\$ -	\$ 865,445	\$ -	\$ 2,533,540	\$ 2,533,540
Gas	5,506,878	7,745,674	-	-	-	2,238,796	2,238,796
Refuse	800,215	928,386	-	-	-	128,171	128,171
Total Business-Type Activities	\$ 10,212,974	\$ 14,248,036	\$ -	\$ 865,445	\$ -	\$ 4,900,507	\$ 4,900,507
Total Primary Government	\$ 21,399,489	\$ 15,299,655	\$ 1,680	\$ 7,703,210	\$ (3,295,451)	\$ 4,900,507	\$ 1,605,056
General Revenue:							
Taxes:							
Sales Tax					\$ 5,210,975	\$ -	\$ 5,210,975
Real Estate & Property Tax					1,296,409	-	1,296,409
Railroad and Utility Tax					1,214	-	1,214
Financial Institution Tax					126	-	126
Telecommunication Tax					1,074,868	-	1,074,868
Use Tax					489,029	-	489,029
County Pilot Tax					295,350	-	295,350
Interest Income					258,498	239,536	498,034
Other					1,054,070	45,801	1,099,871
Intergovernmental					745,431	-	745,431
Gain on Disposal of Capital Assets					131,601	7,400	139,001
Transfers - Internal Activities					3,110,194	(3,110,194)	-
Total General Revenues					\$ 13,667,765	\$ (2,817,457)	\$ 10,850,308
Change in Net Position					\$ 10,372,314	\$ 2,083,050	\$ 12,455,364
Net Position - April 1, 2022					41,978,991	37,773,924	79,752,915
PRIOR PERIOD ADJUSTMENT					168,240	-	168,240
Net Position - March 31, 2023					\$ 52,519,545	\$ 39,856,974	\$ 92,376,519

See Accompanying Notes to the Basic Financial Statements.

CITY OF PERRYVILLE, MISSOURI
BALANCE SHEET -
GOVERNMENTAL FUNDS - MODIFIED CASH BASIS

March 31, 2023

<u>ASSETS</u>	<u>General Fund</u>	<u>Perry Park Center Fund</u>	<u>Economic Development Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>CURRENT ASSETS:</u>					
Cash and Cash Equivalents	\$ 2,808,513	\$ 625,138	\$ 393,490	\$ 3,610,954	\$ 7,438,095
Restricted Cash and Cash Equivalents	193,349	-	-	-	193,349
Due from Other Funds	258,371	-	-	-	258,371
Prepaid Expenses	117,494	40,485	-	11,806	169,785
Total Current Assets	<u>\$ 3,377,727</u>	<u>\$ 665,623</u>	<u>\$ 393,490</u>	<u>\$ 3,622,760</u>	<u>\$ 8,059,600</u>
TOTAL ASSETS	<u>\$ 3,377,727</u>	<u>\$ 665,623</u>	<u>\$ 393,490</u>	<u>\$ 3,622,760</u>	<u>\$ 8,059,600</u>
<u>LIABILITIES AND FUND BALANCE</u>					
<u>LIABILITIES:</u>					
Accrued Payroll and Fringe Benefits	\$ 3,539	\$ -	\$ -	\$ 5	\$ 3,544
Due to Other Funds	-	-	-	258,371	258,371
Customer Deposits	-	-	-	5,940	5,940
Gift Card Certificates	-	16,600	-	-	16,600
TOTAL LIABILITIES	<u>\$ 3,539</u>	<u>\$ 16,600</u>	<u>\$ -</u>	<u>\$ 264,316</u>	<u>\$ 284,455</u>
<u>FUND BALANCE:</u>					
Nonspendable	\$ 117,494	\$ 40,485	\$ -	\$ 11,806	\$ 169,785
Restricted	193,349	-	-	192,895	386,244
Committed	-	608,538	-	2,061,858	2,670,396
Assigned	-	-	393,490	1,091,885	1,485,375
Unassigned	3,063,345	-	-	-	3,063,345
TOTAL FUND BALANCE	<u>\$ 3,374,188</u>	<u>\$ 649,023</u>	<u>\$ 393,490</u>	<u>\$ 3,358,444</u>	<u>\$ 7,775,145</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 3,377,727</u>	<u>\$ 665,623</u>	<u>\$ 393,490</u>	<u>\$ 3,622,760</u>	<u>\$ 8,059,600</u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF PERRYVILLE, MISSOURIRECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
SHEET TO THE STATEMENT OF NET POSITION - MODIFIED CASH BASIS

March 31, 2023

Total fund balance - total governmental funds (Statement 3)	\$	7,775,145
Amounts reported for governmental activities in the statement of net position are different because:		
Lease receivables are not financial resources and therefore are not reported in the governmental funds balance sheet.		1,613,744
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet, net of accumulated depreciation of \$32,593,869.		44,712,475
Right of use assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet, net of accumulated amortization of \$136,293.		25,983
Long-term liabilities are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet.		
Lease Liability	\$ (26,742)	
Capital Lease Payable	<u>(131,608)</u>	(158,350)
Deferred inflows relating to leases are reported in the government activities of the statement of net position but are not included in the governmental funds because they do not provide current financial resources.		<u>(1,449,452)</u>
Net position of governmental activities (Statement 1)	\$	<u>52,519,545</u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF PERRYVILLE, MISSOURISTATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS - MODIFIED CASH BASIS

Year Ended March 31, 2023

	General Fund	Perry Park Center Fund	Economic Development Fund	Other Governmental Funds	Total Governmental Funds
<u>REVENUES:</u>					
Taxes	\$ 4,123,711	\$ 1,503,182	\$ -	\$ 2,741,078	\$ 8,367,971
Licenses and Permits	67,330	-	-	-	67,330
Charges for Services	97,704	514,057	-	-	611,761
Intergovernmental	208,157	33,276	6,837,765	505,678	7,584,876
Fines	29,482	-	-	-	29,482
Rental	2,990	82,103	-	276,100	361,193
Interest Income	120,329	10,308	947	93,353	224,937
Other	30,040	6,887	-	1,017,143	1,054,070
TOTAL REVENUES	<u>\$ 4,679,743</u>	<u>\$ 2,149,813</u>	<u>\$ 6,838,712</u>	<u>\$ 4,633,352</u>	<u>\$ 18,301,620</u>
<u>EXPENDITURES:</u>					
General Government	\$ 2,189,705	\$ -	\$ -	\$ -	\$ 2,189,705
Public Safety	4,207,138	-	-	-	4,207,138
Public Works	132,307	-	-	2,598,925	2,731,232
Culture and Recreation	-	2,447,814	-	22,446	2,470,260
Capital Outlay	37,662	-	6,681,673	2,072,406	8,791,741
Debt Service:					
Interest and Fees	-	-	-	19,241	19,241
TOTAL EXPENDITURES	<u>\$ 6,566,812</u>	<u>\$ 2,447,814</u>	<u>\$ 6,681,673</u>	<u>\$ 4,713,018</u>	<u>\$ 20,409,317</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (1,887,069)</u>	<u>\$ (298,001)</u>	<u>\$ 157,039</u>	<u>\$ (79,666)</u>	<u>\$ (2,107,697)</u>
<u>OTHER FINANCING SOURCES (USES):</u>					
Transfers In	\$ 4,500,154	\$ 600,000	\$ 423,590	\$ 1,326,727	\$ 6,850,471
Transfers Out	(2,190,317)	-	-	(1,549,960)	(3,740,277)
Sale of Capital Assets	165,513	-	-	27,225	192,738
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 2,475,350</u>	<u>\$ 600,000</u>	<u>\$ 423,590</u>	<u>\$ (196,008)</u>	<u>\$ 3,302,932</u>
NET CHANGE IN FUND BALANCES	\$ 588,281	\$ 301,999	\$ 580,629	\$ (275,674)	\$ 1,195,235
FUND BALANCE, April 1, 2022	2,785,907	347,024	(187,139)	3,634,118	6,579,910
FUND BALANCE, March 31, 2023	<u>\$ 3,374,188</u>	<u>\$ 649,023</u>	<u>\$ 393,490</u>	<u>\$ 3,358,444</u>	<u>\$ 7,775,145</u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF PERRYVILLE, MISSOURI

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS

Year Ended March 31, 2023

Net Change in fund balances - total governmental funds (Statement 4)	\$	1,195,235
Amounts reported for governmental activities in the statement of activities are different because:		
The receipt of lease revenue is recorded in the governmental funds, while the collection of lease payments reduces the lease receivable in the governmental statement of net position.		
		(246,379)
Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities and changes in net position, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets expended in the current period.		
		11,146,261
Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net position, but it does not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.		
		(2,056,059)
Amortization expense on right of use assets is reported in the government-wide statement of activities and changes in net position, but it does not require the use of current financial resources. Therefore, amortization expense is not reported as an expenditure in governmental funds.		
		(34,057)
The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance cost, premium, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Lease Liability Payment	\$ 34,576	
Capital Lease Payment	<u>70,944</u>	105,520
When leases in which the City is the lessor are used in governmental activities, a revenue is recorded in the governmental funds for the amount of the present value of the future lease revenue; however in the statement of activities, the present value of the future lease revenue is recognized as deferred inflows and amortized over the lease term.		
		<u>261,793</u>
Change in net position of governmental activities (Statement 2)	\$	<u>10,372,314</u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF PERRYVILLE, MISSOURI

STATEMENT OF NET POSITION -
PROPRIETARY FUNDS - MODIFIED CASH BASIS

March 31, 2023

<u>ASSETS</u>	Combined Waterworks and Sewerage Fund	Gas Operation Fund	Refuse Fund	Total Proprietary Funds
<u>CURRENT ASSETS:</u>				
Cash and Cash Equivalents	\$ 3,346,523	\$ 4,008,471	\$ 254,070	\$ 7,609,064
Restricted Cash and Cash Equivalents	1,055,451	728	-	1,056,179
Prepaid Expenses	18,033	10,460	11,863	40,356
Total Current Assets	<u>\$ 4,420,007</u>	<u>\$ 4,019,659</u>	<u>\$ 265,933</u>	<u>\$ 8,705,599</u>
<u>CAPITAL ASSETS:</u>				
Land	\$ 173,750	\$ 139,630	\$ 7,000	\$ 320,380
Construction in Progress	31,773,666	-	-	31,773,666
Plant and System Improvements	36,257,740	10,857,783	-	47,115,523
Machinery and Equipment	2,379,784	1,885,892	1,487,854	5,753,530
Accumulated Depreciation	(24,508,816)	(6,546,619)	(1,387,538)	(32,442,973)
Total Capital Assets, Net	<u>\$ 46,076,124</u>	<u>\$ 6,336,686</u>	<u>\$ 107,316</u>	<u>\$ 52,520,126</u>
TOTAL ASSETS	<u>\$ 50,496,131</u>	<u>\$ 10,356,345</u>	<u>\$ 373,249</u>	<u>\$ 61,225,725</u>
<u>LIABILITIES</u>				
<u>CURRENT LIABILITIES:</u>				
Utility Refund Payable	\$ 273	\$ -	\$ -	\$ 273
Accrued Payroll and Fringe Benefits	898	6	13	917
Sales Tax Payable	198	15,282	-	15,480
Revenue Bonds Payable, Current	558,000	-	-	558,000
General Obligation Bonds Payable, Current	235,000	-	-	235,000
Capital Improvement Sales Tax Bonds Payable, Current	453,000	-	-	453,000
Total Current Liabilities	<u>\$ 1,247,369</u>	<u>\$ 15,288</u>	<u>\$ 13</u>	<u>\$ 1,262,670</u>
<u>LONG-TERM LIABILITIES:</u>				
Customer Deposits Payable	\$ 108,638	\$ 188,201	\$ -	\$ 296,839
Revenue Bonds Payable	7,507,242	-	-	7,507,242
General Obligation Bonds Payable	4,683,000	-	-	4,683,000
Capital Improvement Sales Tax Bonds Payable	7,619,000	-	-	7,619,000
Total Long-Term Liabilities	<u>\$ 19,917,880</u>	<u>\$ 188,201</u>	<u>\$ -</u>	<u>\$ 20,106,081</u>
TOTAL LIABILITIES	<u>\$ 21,165,249</u>	<u>\$ 203,489</u>	<u>\$ 13</u>	<u>\$ 21,368,751</u>
<u>NET POSITION</u>				
Net Investment in Capital Assets	\$ 38,910,124	\$ 6,336,686	\$ 107,316	\$ 45,354,126
Restricted	1,055,451	728	-	1,056,179
Unrestricted	(10,634,693)	3,815,442	265,920	(6,553,331)
TOTAL NET POSITION	<u>\$ 29,330,882</u>	<u>\$ 10,152,856</u>	<u>\$ 373,236</u>	<u>\$ 39,856,974</u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF PERRYVILLE, MISSOURI

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS - MODIFIED CASH BASIS

Year Ended March 31, 2023

	Combined Waterworks and Sewerage Fund	Gas Operation Fund	Refuse Fund	Total Proprietary Funds
<u>OPERATING REVENUES:</u>				
Charges for Services	\$ 5,573,976	\$ 7,745,674	\$ 928,386	\$ 14,248,036
Miscellaneous Income	18,416	24,886	2,499	45,801
TOTAL OPERATING REVENUES	<u>\$ 5,592,392</u>	<u>\$ 7,770,560</u>	<u>\$ 930,885</u>	<u>\$ 14,293,837</u>
<u>OPERATING EXPENSES:</u>				
General Operating Expense	\$ 2,651,909	\$ 5,157,199	\$ 639,299	\$ 8,448,407
Depreciation and Amortization	1,139,896	349,679	160,916	1,650,491
TOTAL OPERATING EXPENSES	<u>\$ 3,791,805</u>	<u>\$ 5,506,878</u>	<u>\$ 800,215</u>	<u>\$ 10,098,898</u>
NET OPERATING INCOME (LOSS)	<u>\$ 1,800,587</u>	<u>\$ 2,263,682</u>	<u>\$ 130,670</u>	<u>\$ 4,194,939</u>
<u>NONOPERATING REVENUES (EXPENSES):</u>				
Interest Income	\$ 123,896	\$ 105,819	\$ 9,821	\$ 239,536
Interest and Fees	(57,014)	-	-	(57,014)
Bond Administration Fees	(57,062)	-	-	(57,062)
Grants	865,445	-	-	865,445
Gain (Loss) on Disposal of Assets	5,900	1,500	-	7,400
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>\$ 881,165</u>	<u>\$ 107,319</u>	<u>\$ 9,821</u>	<u>\$ 998,305</u>
NET INCOME (LOSS) BEFORE OPERATING TRANSFERS	<u>\$ 2,681,752</u>	<u>\$ 2,371,001</u>	<u>\$ 140,491</u>	<u>\$ 5,193,244</u>
<u>OPERATING TRANSFERS IN (OUT):</u>				
Transfers In	\$ 1,172,059	\$ -	\$ -	\$ 1,172,059
Transfers Out	(1,619,499)	(2,206,807)	(455,947)	(4,282,253)
TOTAL TRANSFERS IN (OUT)	<u>\$ (447,440)</u>	<u>\$ (2,206,807)</u>	<u>\$ (455,947)</u>	<u>\$ (3,110,194)</u>
CHANGE IN NET POSITION	\$ 2,234,312	\$ 164,194	\$ (315,456)	\$ 2,083,050
TOTAL NET POSITION, April 1, 2022	<u>27,096,570</u>	<u>9,988,662</u>	<u>688,692</u>	<u>37,773,924</u>
TOTAL NET POSITION, March 31, 2023	<u>\$ 29,330,882</u>	<u>\$ 10,152,856</u>	<u>\$ 373,236</u>	<u>\$ 39,856,974</u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF PERRYVILLE, MISSOURI

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS - MODIFIED CASH BASIS

Year Ended March 31, 2023

	Combined Waterworks and Sewerage Fund	Gas Operation Fund	Refuse Fund	Total Proprietary Fund
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>				
Receipts from Customers	\$ 5,573,976	\$ 7,745,674	\$ 928,386	\$ 14,248,036
Receipts from Other Sources	18,416	24,886	2,499	45,801
Payments to Suppliers	(1,868,360)	(4,826,992)	(343,747)	(7,039,099)
Payments to Employees	(1,022,690)	(360,575)	(307,163)	(1,690,428)
Receipt of Customer Utility Deposits	(512)	2,151	-	1,639
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 2,700,830</u>	<u>\$ 2,585,144</u>	<u>\$ 279,975</u>	<u>\$ 5,565,949</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u>				
Operating Transfers from (to) Other Funds	<u>\$ (447,440)</u>	<u>\$ (2,206,807)</u>	<u>\$ (455,947)</u>	<u>\$ (3,110,194)</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u>				
Retirement of Bonds	\$ (640,000)	\$ -	\$ -	\$ (640,000)
Interest Paid on Bonds	(57,014)	-	-	(57,014)
Acquisition of Capital Assets	(20,782,949)	(197,604)	(13,000)	(20,993,553)
Bond Proceeds	17,753,846	-	-	17,753,846
Bond Administration Fees	(57,062)	-	-	(57,062)
Grants	865,445	-	-	865,445
Proceeds from Sale of Capital Assets	5,900	1,500	-	7,400
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>\$ (2,911,834)</u>	<u>\$ (196,104)</u>	<u>\$ (13,000)</u>	<u>\$ (3,120,938)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>				
Interest on Cash	<u>\$ 123,896</u>	<u>\$ 105,819</u>	<u>\$ 9,821</u>	<u>\$ 239,536</u>
NET CHANGE IN CASH	<u>\$ (534,548)</u>	<u>\$ 288,052</u>	<u>\$ (179,151)</u>	<u>\$ (425,647)</u>
CASH, April 1, 2022	<u>4,936,522</u>	<u>3,721,147</u>	<u>433,221</u>	<u>9,090,890</u>
CASH, March 31, 2023	<u>\$ 4,401,974</u>	<u>\$ 4,009,199</u>	<u>\$ 254,070</u>	<u>\$ 8,665,243</u>
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</u>				
Operating Income (Loss)	\$ 1,800,587	\$ 2,263,682	\$ 130,670	\$ 4,194,939
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation and Amortization	1,139,896	349,679	160,916	1,650,491
Changes in Assets and Liabilities:				
Prepaid Expenses	(8,434)	(10,460)	(11,611)	(30,505)
Accrued Payroll and Fringe Benefits	145	(4)	-	141
Sales Tax Payable	198	(19,904)	-	(19,706)
Customer Deposits	(512)	2,151	-	1,639
Due to Other Funds	(231,050)	-	-	(231,050)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 2,700,830</u>	<u>\$ 2,585,144</u>	<u>\$ 279,975</u>	<u>\$ 5,565,949</u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF PERRYVILLE, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

March 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Perryville, Missouri (the “City”) was incorporated in 1856 under the provisions of the State of Missouri.

The City operates by ordinance as a fourth-class city under a Mayor – Council form of government and provides the following services: public safety (police and fire), highways and streets, sanitation, health and social services, culture – recreation, public improvements, planning and zoning, and general administrative services.

As discussed further in Note 1.C, these financial statements are presented on a modified cash basis of accounting. This modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

A. Financial Reporting Entity:

The City’s reporting entity includes the City’s governing board and the operations of all related organizations for which the City exercises financial oversight. Oversight responsibility is derived from the governmental unit’s authority and includes, but is not limited to, financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. There are no component units to be included with the City of Perryville, Missouri.

B. Basis of Presentation:

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within

the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

1. Total assets, liabilities, revenues, or expenditures of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
2. Total assets, liabilities, revenues, or expenditures of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund –The General Fund is the primary operating fund of the City and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are either legally restricted to expenditures for specified purposes or designated to finance particular functions or activities of the City. The reporting entity includes the following Special Revenue Funds, which are reported as major funds:

<u>Fund</u>	<u>Description</u>
Perry Park Center Fund	Accounts for all of the revenues and expenditures related to the operation of the Perry Park Center.

The reporting entity also includes the following Special Revenue Funds, which are reported as nonmajor funds:

<u>Fund</u>	<u>Description</u>
Airport Fund	Accounts for revenues received and expenditures related to the operation of the airport.
Transportation Fund	Accounts for the transportation sales tax received by the City. Funds are expended for street maintenance, airport maintenance, stormwater, and sidewalks.
Veterans Memorial Field Fund	Accounts for sponsorships and donations received for work on the Veterans Memorial ball field.
Street Improvement Fund	Accounts for revenues received and expenditures paid for major street improvements.

Capital Project Funds – Capital Project Funds are used to account for resources restricted for the acquisition or construction of specific capital projects or items. The reporting entity includes the following Capital Projects Fund, which is reported as a major fund:

<u>Fund</u>	<u>Description</u>
Economic Development Fund	Accounts for monies set aside for economic development in the City.

The reporting entity also includes the following Capital Projects Funds, which are reported as nonmajor funds:

<u>Fund</u>	<u>Description</u>
Capital Improvement Sales Tax Fund	Accounts for the City-enacted sales tax and expenditures for principal and interest of the Capital Improvement Sales Tax Bonds.
Hwy 51/61 TIF Fund	Accounts for financial resources allocated to the Highway 51/61 TIF activities of expansion in the industrial park.
2012 Downtown TIF Fund	Accounts for financial resources allocated to the “Redevelopment Plan for the I-55/Perryville Boulevard Tax Increment Financing District, Perryville, Missouri, 2012.”

Debt Service Funds – Debt Service Funds are used to account for the accumulation of resources for, and the repayment of, general long-term debt principal and interest. The reporting entity includes the following Debt Service Fund, which is reported as a nonmajor fund:

<u>Fund</u>	<u>Description</u>
Debt Service Fund	Accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Proprietary Fund Types

Enterprise Funds – Enterprise Funds are used to account for business-type activities provided to the general public. These activities are financed primarily by user charges, and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the following Enterprise Funds:

<u>Fund</u>	<u>Description</u>
Combined Waterworks and Sewer System (CWSS) Fund (Major)	Accounts for the billing and collection of charges for water and sewer service for City residents. Revenues are used to pay for both the operating expenses and capital expenditures to maintain these services.
Gas Fund (Major)	Accounts for the billing and collection of charges for gas service for City residents. Revenues are used to pay for both the operating expenses and capital expenditures to maintain these services.
Refuse Fund	Accounts for the billing and collection of charges for trash disposal service for City residents. Revenues are used to pay for both the operating expenses and capital expenditures to maintain these services.

C. Measurement Focus and Basis of Accounting:

Measurement focus is a term used to describe “how” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting, as defined in item 2 below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus, as applied to the modified cash basis of accounting, is used as appropriate:

1. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
2. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

3. Fiduciary funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using a modified cash basis of accounting. The basis recognizes assets, liabilities, net position/fund equity, revenues, and expenditures when they result from cash transactions with a provision for depreciation in the government-wide statement and the proprietary fund statements. This basis is a comprehensive basis of accounting other than principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the City utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

D. Assets, Liabilities, and Equity:

Cash and Cash Equivalents

The City maintains several cash pools for various funds. Each fund's portion of the pool is displayed on the Balance Sheet and Statement of Net Position as "Cash and Cash Equivalents."

For the purpose of financial reporting, including the Proprietary Fund Statement of Cash Flows, "cash and cash equivalents" include all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less.

Capital Assets

The City's modified cash basis of accounting reports capital assets resulting from cash transactions and reports depreciation where appropriate. The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-Wide Statements

In the government-wide financial statements, capital assets arising from cash transactions are accounted for as assets in the Statement of Net Position. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets, which are recorded at their estimated fair market value at the date of donation. Prior to January 1, 2004, governmental funds' infrastructure assets were not capitalized. Infrastructure assets acquired since January 1, 2004 are recorded at cost.

Depreciation of all exhaustible capital assets arising from cash transactions is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. A capitalization threshold of \$5,000 is used to report capital assets. The range of estimated useful lives by type of asset is as follows:

Gas, water, sewer lines	40-50 years
Site improvements	10-20 years
Buildings	25-50 years
Furniture and equipment	3-10 years
Vehicles	5-10 years

Fund Financial Statements

In the fund financial statements, capital assets arising from cash transactions acquired for use in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets acquired for use in proprietary fund operations are accounted for in the same way as the government-wide statements.

Restricted Assets

Restricted assets include cash and investments that are restricted as to their use.

Long-Term Debt

All long-term debt arising from cash basis transactions to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements.

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

Equity Classification

Government-Wide Statements – Equity is classified as net position and displayed in three components:

1. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
2. Restricted net position – Consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net position – All other net resources that do not meet the definition of “restricted” or “net investment in capital assets.”

It is the City’s policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

Fund Financial Statements – The City uses clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

1. Non-spendable fund balance-amounts that are not in a spendable form (such as prepaids) or are required to be maintained intact;
2. Restricted fund balance-amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
3. Committed fund balance-amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;
4. Assigned fund balance-amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
5. Unassigned fund balance-amounts that are available for any purpose; positive amounts are reported only in the general fund.

The City Board of Alderman establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by City Council through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

E. Revenues, Expenditures, and Expenses:

Program Revenues

In the Statement of Activities, revenues that are derived directly from each activity or from parties outside the City’s taxpayers are reported as program revenues. The City has the following program revenues in each activity:

General Government	Licenses, Building Permits, and Fees
Public Safety	Court Cost and Fines
Public Works	Fuel and Rental Receipts
Culture and Recreation	Admission Fees, Concessions Receipts, and Rental Receipts
Water and Sewer	Water and Sewer Revenues
Gas	Gas Revenues
Refuse	Refuse Revenues

All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds result from providing services and producing and delivering goods and/or services. They also include all revenues and expenses not related to capital and related financing, noncapital financing, or investing activities.

F. Internal and Interfund Balances and Activities:

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Fund Financial Statements

Interfund activity, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

1. Interfund loans – Amounts provided with a requirement for repayment are reported as interfund receivables and payables.
2. Interfund services – Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
3. Interfund reimbursements – Repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
4. Interfund transfers – Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

Government-Wide Financial Statements

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

1. Internal balances – Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
2. Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities, except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers - Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.

G. Use of Estimates:

The preparation of financial statements in conformity with the modified cash basis of accounting used by the City requires management to make estimates and assumptions that affect certain reported amounts and disclosures (such as estimated useful lives in determining depreciation expense); accordingly, actual results could differ from those estimates.

H. Restricted Net Position:

A portion of net position has been reserved to represent the value of assets restricted for specific purposes as listed below.

Governmental

General Fund:

Taxes Paid Under Protest	\$ 40,516
Police Training	1,978
Judicial Ed	933
Inmate Security	(78)
Fire Truck Escrow	150,000
Debt Service Fund	182,058
Veterans Memorial Field Fund	<u>10,837</u>
Total Restricted Net Position	<u>\$ 386,244</u>

Proprietary

CWSS -	\$ 71,405
CWSS – 2021 Debt Service	984,046
Gas - 2006 Certificates of Participation	<u>728</u>
Total Restricted Net Position	<u>\$1,056,179</u>

The following Government Fund Balance constraints are also in effect:

Nonspendable

General Fund	\$ 117,494
Airport Fund	1,076
Perry Park Central Fund	40,485
Transportation Fund	<u>10,730</u>
Total Nonspendable	<u>\$ 169,785</u>

Committed

Airport Fund	\$ (264,316)
Transportation Fund	572,232
Street Improvement Fund	521,392
Capital Improvement Sales Tax Fund	1,232,550
Perry Park Center Fund	<u>608,538</u>
Total Committed	<u>\$2,670,396</u>

Assigned

Highway 51/61 TIF Fund	\$ 337,390
Economic Development Fund	393,490
2012 Downtown TIF Fund	183,911
Rand Ave Extension TIF Fund	<u>570,584</u>
Total Assigned	<u>\$1,485,375</u>

I. Accumulated Compensated Absences:

It is the City's policy to permit employees to accumulate a limited amount of earned but unused paid time off, which will be paid to employees upon separation from the City's service. It is unlikely all employees would terminate at one time. At March 31, 2023, the liability is a contingency in the maximum amount of \$363,945.

J. Revenue Recognition – Property Taxes:

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and are due and payable at that time. All unpaid taxes become delinquent January 1 of the following year. Property tax revenues are recognized when they are collected.

K. Post – Employment Health Care Benefits:

COBRA Benefits – Under the Consolidate Omnibus Budget Reconciliation Act (COBRA), the City provides health care benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium plus an administration fee is paid to the City's health care provider by the insured on or before the tenth (10th) day of the month for the actual month covered. This program is offered for a duration of 19 months after the termination date. There is no associated cost to the City under this program, and there are currently no participants in the program.

L. Pensions:

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 paid.

M. Subsequent Events:

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through August 25, 2023, the date the financial statements were available to be issued.

2. DEPOSITS

At March 31, 2023, the carrying amount of the City's deposits was \$16,296,687 and the bank balances totaled \$16,552,357. Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned, or the City will not be able to recover collateral securities in the possession of an outside party. The City's policy requires that deposits be 100% secured by collateral valued at market, less the amount of Federal Deposit Insurance Corporation (FDIC) Insurance. The City's deposits at March 31, 2023 are not exposed to custodial credit risk.

3. PROPERTY TAXES

Property taxes attach as an enforceable lien on property. Taxes are levied on September 1, 2022, for collection during this year. The tax rates assessed at the time were as follows:

City Revenue	\$.3696/100.00 assessed valuation
Park Maintenance	\$.1571/100.00 assessed valuation
Debt Service	\$.2000/100.00 assessed valuation

4. CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2023 was as follows:

	Primary Government			Balance March 31, 2023
	Balance March 31, 2022	Additions	Deletions	
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 2,974,439	\$ -	\$ (60,000)	\$ 2,914,439
Construction in Progress	2,827,195	10,904,013	(2,549,586)	11,181,622
Total	5,801,634	10,904,013	(2,609,586)	14,096,061
Capital Assets Being Depreciated:				
Buildings	\$ 15,031,406	\$ 1,497,811	\$ -	\$ 16,529,217
Improvements Other Than Buildings	38,073,639	1,137,247	-	39,210,886
Machinery and Equipment	6,420,965	217,913	(83,294)	6,555,584
Pool and Bathhouse	914,586	-	-	914,586
Total	60,440,596	2,852,971	(83,294)	63,210,273

	Primary Government			Balance March 31, 2023
	Balance March 31, 2022	Additions	Deletions	
Governmental Activities				
Less Accumulated Depreciation for:				
Buildings	\$ (4,876,893)	\$ (490,402)	-	\$ (5,367,295)
Improvements Other than Buildings	(19,952,034)	(1,173,218)	-	(21,125,252)
Machinery and Equipment	(4,931,524)	(380,562)	82,157	(5,229,929)
Pool and Bathhouse	(859,506)	(11,877)	-	(871,383)
Total	<u>(30,619,957)</u>	<u>(2,056,059)</u>	<u>82,157</u>	<u>(32,593,859)</u>
Capital Assets Being Depreciated, Net	<u>29,820,639</u>	<u>796,912</u>	<u>(1,137)</u>	<u>30,616,414</u>
Governmental Activities				
Capital Assets, Net	<u>\$ 35,622,273</u>	<u>\$ 11,700,925</u>	<u>\$ (2,610,723)</u>	<u>\$ 44,712,475</u>
Business-Type Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 320,380	\$ -	\$ -	\$ 320,380
Construction in Progress	<u>11,424,992</u>	<u>20,640,675</u>	<u>(292,001)</u>	<u>31,773,666</u>
Total	<u>11,745,372</u>	<u>20,640,675</u>	<u>(292,001)</u>	<u>32,094,046</u>
Capital Assets Being Depreciated:				
Plant and System Improvements	\$ 46,617,789	\$ 497,734	\$ -	\$ 47,115,523
Machinery and Equipment	<u>5,614,278</u>	<u>147,145</u>	<u>(7,893)</u>	<u>5,753,530</u>
Total	<u>52,232,067</u>	<u>644,879</u>	<u>(7,893)</u>	<u>52,869,053</u>
Less Accumulated Depreciation for:				
Plant and System Improvements	\$ (26,535,158)	\$ (1,172,216)	\$ -	\$ (27,707,374)
Machinery and Equipment	<u>(4,265,217)</u>	<u>(478,275)</u>	<u>7,893</u>	<u>(4,735,599)</u>
Total	<u>(30,800,375)</u>	<u>(1,650,491)</u>	<u>7,893</u>	<u>(32,442,973)</u>
Capital Assets Being Depreciated, Net	<u>21,431,692</u>	<u>(1,005,612)</u>	<u>-</u>	<u>20,426,080</u>
Business-Type Activities				
Capital Assets, Net	<u>\$ 33,177,064</u>	<u>\$ 19,635,063</u>	<u>\$ (292,001)</u>	<u>\$ 52,520,126</u>

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

<u>Governmental Activities</u>	
General Government	\$ 169,211
Public Safety	273,165
Public Works	1,174,998
Culture and Recreation	<u>438,685</u>
Total	<u>\$ 2,056,059</u>
 <u>Business-Type Activities</u>	
Combined Waterworks and Sewerage System Fund	\$ 1,139,896
Gas Operation Fund	349,679
Refuse Fund	<u>160,916</u>
Total	<u>\$ 1,650,491</u>

5. LONG-TERM OBLIGATIONS

Article VI, Section 26(b), Constitution of Missouri limits the outstanding amount of authorized general obligation bonds of a city to 5.0 percent of the assessed valuation of the City. At March 31, 2023, the City's remaining legal debt margin was \$3,560,393.

A. Governmental Funds Long-Term Debt:

The following is a summary of changes in long-term debt for the year ended March 31, 2023:

Long-Term Debt, April 1, 2022	\$ 202,552
Additions	-0-
Retirements	<u>(71,017)</u>
Long-Term Debt, March 31, 2023	<u>\$ 131,535</u>

In January 2015, the City entered into a capital lease agreement for the use of real estate. Principal payments of \$2,580 are due annually. Following are the annual requirements to amortize the capital lease at March 31, 2023:

Ending	
<u>March 31,</u>	<u>Principal</u>
2024	\$ 2,580
2025	<u>59,200</u>
Total	<u>\$ 61,780</u>

In April 2021, the City entered into a capital lease agreement for the use of six 2021 Ford Explorers. Principal and interest payments of \$71,099 are due annually at 1.90 percent interest. Amortization of assets under the capital lease is included in depreciation expense. Following are the annual requirements to amortize the capital lease at March 31, 2023:

Ending			
<u>March 31</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
2024	<u>\$ 1,344</u>	<u>\$ 69,828</u>	<u>\$ 71,172</u>

B. Enterprise Funds Long-Term Debt:

The following is a summary of changes in long-term debt for the year ended March 31, 2023:

	Capital Improvement Sales Tax Revenue Bonds	General Obligation Bonds	Waterworks & Sewerage Revenue Bonds	Total
Balance at April 1, 2022	\$ 105,470	\$ 3,690,706	\$ 145,220	\$ 3,941,396
Additions	8,389,530	1,444,294	7,920,022	17,753,846
Retirements	<u>(423,000)</u>	<u>(217,000)</u>	-0-	<u>(640,000)</u>
Balance at March 31, 2023	<u>\$ 8,072,000</u>	<u>\$ 4,918,000</u>	<u>\$ 8,065,242</u>	<u>\$ 21,055,242</u>

On September 24, 2021, the City of Perryville, Missouri issued \$8,495,000 of Capital Improvement Sales Tax Revenue Bonds (State of Missouri – Direct Loan Program) Series 2021C. The bonds bear interest at 0.75%. Principal maturities begin on July 1, 2022 and will continue until 2039. Proceeds from the issuance of these bonds are for the purpose of constructing a new Wastewater Treatment Plant. The bonds are secured by a pledge of tax revenues.

On September 24, 2021, the City of Perryville, Missouri issued \$5,135,000 of General Obligation Bonds (State of Missouri – Direct Loan Program) Series 2021B. The bonds bear interest at 0.75%. Principal maturities begin on July 1, 2022 and will continue until 2041. Proceeds from the issuance of these bond are for the purpose of constructing a new Wastewater Treatment Plant. The bonds are secured by a pledge of tax revenues.

On September 24, 2021, the City of Perryville, Missouri issued \$12,370,000 of Combined Waterworks and Sewerage System Revenue Bonds (State of Missouri – Direct Loan Program) Series 2021A. The bonds bear interest at 0.75%. Principal maturities begin on July 1, 2023 and will continue until 2042. Proceeds from the issuance of these bond are for the purpose of constructing a new Wastewater Treatment Plant. The bonds are secured by a pledge of net revenues.

At March 31, 2023, the annual cash flow requirements of bond principal and interest are as follows:

Year Ended	Principal	Interest	Total
March 31,			
2024	\$ 1,246,000	\$ 187,871	\$ 1,433,871
2025	1,264,000	178,493	1,442,493
2026	1,281,000	168,982	1,449,982
2027	1,299,000	159,341	1,458,341
2028	1,315,000	149,569	1,464,569
2029-2033	6,852,000	596,584	7,448,584
2034-2038	6,171,242	288,705	6,459,947
2039-2041	<u>1,627,000</u>	<u>19,309</u>	<u>1,646,309</u>
Total	<u>\$ 21,055,242</u>	<u>\$ 1,748,854</u>	<u>\$ 22,804,096</u>

C. Conduit Debt:

During the year ended March 31, 2015, the City authorized the issuance of a ten-year, \$110,000,000 Industrial Development Revenue Bond to provide economic financial assistance to TG Missouri Corporation, a private entity. The debt service of these issues is paid solely from the private entity through lease agreements; therefore, the issues do not constitute a debt of the City and, accordingly, are not included in the City's Statement of Net Position. The principal balance outstanding as of March 31, 2023 is \$110,000,000.

During the year ended March 31, 2019, the City authorized the issuance of a ten-year, \$150,000,000 Industrial Development Revenue Bond to provide economic financial assistance to TG Missouri Corporation, a private entity. The debt service of these issues is paid solely from the private entity through lease agreements; therefore, the issues do not constitute a debt of the City and, accordingly, are not included in the City's Statement of Net Position. The principal balance outstanding as of March 31, 2023 is \$149,965,248.

6. LEASES

Lease (Lessor) agreements are summarized as follows:

Description	Date	Terms	Amount	Interest Rate	Total Deferred Inflow	March 31, 2023 Balance
Helicopter Transport	7/19/2017	120 Months	1,500	1.900%	144,786	\$ 61,534
Riverside Library	3/3/2022	60 Months	2,800	1.900%	160,400	125,646
St. Vincent Building	4/1/2008	240 Months	230	1.900%	45,966	11,492
LRN Tower Hosting	9/1/2021	5 Years	1,950	1.900%	9,385	5,631
Airport Ground	1/1/2021	5 Years	64,097	1.900%	305,945	183,567
Building 3 Airport	3/1/2018	146 Months	13,261	1.900%	1,823,422	<u>1,061,582</u>
Total Lease Revenue						<u>\$1,449,452</u>

The City leases ground and building space to several businesses at different locations throughout the City. The interest rate for all leases were calculated based on the City's recent lease rates.

The City will recognize annual rental and interest revenue as follows:

Year Ending	Rental Revenue	Interest Revenue
<u>June 30,</u>		
2024	\$ 261,793	\$ 28,797
2025	261,793	23,815
2026	261,794	18,580
2027	196,054	13,300
2028	155,788	9,373
2029-2033	<u>312,230</u>	<u>8,262</u>
	<u>\$ 1,449,452</u>	<u>\$ 102,127</u>

Lease (Lessee) agreements are summarized as follows:

<u>Description</u>	<u>Date</u>	<u>Terms</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Total Liability</u>	<u>Balance March 31, 2023</u>
GFI Printers	10/18/2018	60 Months	1,780	1.900%	96,888	\$ 11,783
GPS Trackers	3/16/2021	3 Years	15,113	1.900%	44,040	<u>14,959</u>
Total Lease Payments						<u>\$ 26,742</u>

The City entered into a lease agreement with GFI Digital on October 18, 2018. The interest rate was based on the City’s recent lease rates. The lease has a term of 60 months at the end of which the City enter into a new lease agreement and receive new equipment.

The City entered into a lease agreement with LB Technology Inc. on January 14th, 2021. The interest rate was based on the City’s recent lease rates. The lease has a term of 3 years.

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>
<u>June 30,</u> 2024	<u>\$ 26,742</u>	<u>\$ 229</u>

7. PENSION PLAN

General Information about the Pension Plan

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

Benefits provided. LAGERS provides retirement, death, and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for Police) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for Police) and receive a reduced allowance.

February 28, 2022 Valuation

Benefit Multiplier:	2% for Life
Final Average Salary:	3 Years
Member Contributions:	0%

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 15.5% (General) and 11.4% (Police) of annual covered payroll. Contributions to the pension plan from the City were \$464,483 (General) and \$180,673 (Police) for the year ended March 31, 2023.

8. INTEREST EXPENSE

Interest cost totaling \$-0- was incurred during the year ended March 31, 2023. No interest was capitalized as part of the cost of assets constructed during the period.

9. INTERFUND TRANSFERS

The following is a summary of the amounts transferred from and to other funds:

	<u>Transferred From</u>	<u>Transferred To</u>
General Fund	\$2,190,317	\$4,500,154
Airport Fund	163,168	168,762
Transportation Fund	380,725	-0-
Perry Park Fund	-0-	600,000
Economic Development Fund	-0-	423,590
Debt Service Fund	405,383	55,000
Capital Improvement Sales Tax Fund	600,684	-0-
2012 Downtown TIF Fund	-0-	186,500
Rand Ave Extension TIF Fund	-0-	916,465
Refuse Fund	455,947	-0-
CWSS Fund	1,619,499	1,172,059
Gas Fund	<u>2,206,807</u>	<u>-0-</u>
	<u>\$8,022,530</u>	<u>\$8,022,530</u>

Transfers within the reporting entity are substantially for the purposes of subsidizing operating functions, funding capital projects and asset acquisitions, or maintain debt service on a routine basis.

10. INTERFUND RECEIVABLES AND PAYABLES

The following is a summary of the amount due from and to other funds:

	<u>Due to</u>	<u>Due From</u>
General Fund	\$258,371	\$ -0-
Airport Fund	<u>-0-</u>	<u>258,371</u>
	<u>\$258,371</u>	<u>\$ 258,371</u>

These interfund accruals are to account for expenses paid out of the Airport Fund, which will be reimbursed by the General Fund in the following fiscal year.

11. RISK OF LOSS

The City is exposed to risks of loss through claims on property owned, damage to property owned, official and employee liability, workers’ compensation claims, and risk of loss of employee or individual injury. The City handles these risks of loss through the purchase of commercial insurance policies. No significant reduction in insurance coverage occurred during the year. Also, there have been no settlement amounts that have exceeded insurance coverage.

12. TAX ABATEMENT

The City is authorized under the provisions of Article VI, Section 27(b) of the Missouri Constitution and Sections 100.010 through 100.200, RSMo to purchase and improve projects and to issue industrial development revenue bonds for the purpose of providing funds to pay the costs of the projects. So long as the City owns title to the project, the project will be exempt from ad valorem taxes on real property. The City has issued such bonds for three separate projects on behalf of one taxpayer within the City. During the 10-year periods of tax abatements (2013 through 2022, 2015 through 2024, and 2019 through 2028) the lessee of the property has agreed to pay payments in lieu of taxes (PILOTS) equal to 50% for the first two projects, and 25% for the third project, of the actual real property taxes that would have otherwise been payable with respect to the project. In exchange for these considerations, the company agreed to create 200 new jobs by 2012 and another 150 new jobs by 2020. The agreements also establish a “job floor” of 1,910 jobs by December 31, 2021, sets a “tax floor” of \$1,304,884, requires significant donations to District #32 and prohibits the company from protesting their tax assessments while the agreements are in effect.

During the year ended March 31, 2023, the taxes applicable to the City that were abated totaled \$62,706 under the agreements noted above. This lessee is the only company or individual with taxable property located within the City that received an abatement during 2022.

13. SUBSEQUENT EVENTS

In May 2023, the City sold real estate for the amount of \$33,965.

In July 2023, the City approved the purchase of a John Deere 333G Track Loader and attachments in the amount of \$133,700.

14. COMMITMENTS

At March 31, 2023, the City was committed to the following significant projects:

<u>Project</u>	<u>Amount Committed</u>	<u>Expended by March 31, 2023</u>	<u>Remaining Commitment as of March 31, 2023</u>
Hwy E Sewer Trunk	\$5,000,000	\$ 4,901,473	\$ 98,527
Wastewater Facility Improvement	30,000,000	26,222,335	3,777,665
Technical Education Center	8,830,000	7,667,941	1,162,059
Progress Drive	3,500,000	18,066	3,481,934
Southeast Taxiway & East Apron Taxi Lane	3,955,709	188,392	3,767,317

The City also had several smaller projects that were ongoing as of March 31, 2023.

15. DEFICIT FUND BALANCE

As of March 31, 2023, the Airport Fund had operations that resulted in a current year fund balance deficit of \$263,240.

16. PRIOR PERIOD ADJUSTMENT

A. Change in Accounting Principles and Restatement:

For 2023, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated in the City's 2023 financial statements and had an effect on the beginning net position. The City recognized \$60,040 in net book value for the intangible right to use asset and lease liabilities of \$61,318.

The implementation of GASB Statement No. 87 had the following effect on net position as reported March 31, 2022:

Net Position March 31, 2022	\$ 41,978,991
Adjustments:	
Lease receivable	1,860,123
Deferred inflows – leases	(1,711,245)
Net Book Value Leased Asset	60,040
Lease liability	<u>(61,318)</u>
Restated Net Position March 31, 2022	<u>\$ 42,126,591</u>

B. Prior Period Adjustment:

The beginning capital asset and capital lease balances were understated in the Government-Wide Statement of Net Position due to a capital asset and the capital lease related to the asset not being included in the financial statements. The Government-Wide Net Position was increased by \$20,640.

SUPPLEMENTARY INFORMATION

CITY OF PERRYVILLE, MISSOURIBUDGETARY COMPARISON SCHEDULE - GENERAL FUND

Year Ended March 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Amended</u>		
<u>REVENUES:</u>				
Taxes and Special Assessments:				
Real Estate and Personal Property Tax	\$ 642,000	\$ 642,000	\$ 662,556	\$ 20,556
Railroad and Utility Tax	1,095	1,095	852	(243)
Gross Receipts Tax	1,118,000	1,118,000	1,074,868	(43,132)
Intangible Tax	2,000	2,000	126	(1,874)
Sales Tax	1,810,000	1,810,000	2,120,962	310,962
Local Use Tax	165,000	165,000	259,185	94,185
Tax Under Protest	5,800	5,800	5,162	(638)
Licenses and Permits:				
City Vehicle Licenses	20,000	20,000	21,366	1,366
Occupational Licenses	15,500	15,500	15,810	310
Liquor Licenses	13,000	13,000	13,465	465
Mobile Home Licenses	850	850	930	80
Building and Other Permits	10,200	10,200	15,759	5,559
Charges for Services:				
Fees and Services	16,000	16,000	20,951	4,951
Penalties	2,500	2,500	2,647	147
Cable TV Franchise Fees	70,000	70,000	74,106	4,106
Intergovernmental:				
Road District Contributions	105,000	105,000	128,181	23,181
Grants	1,750	1,750	1,680	(70)
County Business Surtax	70,000	70,000	78,296	8,296
Fines:				
Court Fines, Costs, and Police Training Fund	38,000	38,000	28,810	(9,190)
Inmate Security Fund	1,000	1,000	582	(418)
Parking Tickets	100	100	90	(10)
Rental	2,800	2,800	2,990	190
Interest Income	55,100	55,100	120,329	65,229
Miscellaneous	13,200	13,200	26,015	12,815
Donations	4,000	4,000	4,025	25
TOTAL REVENUES	\$ 4,182,895	\$ 4,182,895	\$ 4,679,743	\$ 496,848

(Continued)

See Accompanying Notes to the Basic Financial Statements.

CITY OF PERRYVILLE, MISSOURIBUDGETARY COMPARISON SCHEDULE - GENERAL FUND

Year Ended March 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Amended		
<u>EXPENDITURES:</u>				
General Government:				
Mayor and Board	\$ 197,704	\$ 197,704	\$ 195,050	\$ 2,654
City Administrator's Office	223,181	223,181	259,874	(36,693)
Clerk/Finance	554,083	554,083	534,235	19,848
Municipal Court	38,550	38,550	3,451	35,099
Community Development	239,788	239,788	146,593	93,195
General Services	873,013	873,013	886,338	(13,325)
Port Authority/Economic Development	76,275	76,275	119,700	(43,425)
Cable Access/Levee District	45,000	45,000	44,464	536
Total General Government	<u>\$ 2,247,594</u>	<u>\$ 2,247,594</u>	<u>\$ 2,189,705</u>	<u>\$ 57,889</u>
Public Safety:				
Police Department	\$ 2,677,038	\$ 2,677,038	\$ 3,182,578	\$ (505,540)
Fire Department	976,125	976,125	1,024,243	(48,118)
Emergency Response	8,950	8,950	317	8,633
Total Public Safety	<u>\$ 3,662,113</u>	<u>\$ 3,662,113</u>	<u>\$ 4,207,138</u>	<u>\$ (545,025)</u>
Public Works:				
Stormwater	\$ 224,258	\$ 224,258	\$ 132,307	\$ 91,951
Total Public Works	<u>\$ 224,258</u>	<u>\$ 224,258</u>	<u>\$ 132,307</u>	<u>\$ 91,951</u>
Capital Outlay	\$ -	\$ -	\$ 37,662	\$ (37,662)
TOTAL EXPENDITURES	<u>\$ 6,133,965</u>	<u>\$ 6,133,965</u>	<u>\$ 6,566,812</u>	<u>\$ (432,847)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<u>\$ (1,951,070)</u>	<u>\$ (1,951,070)</u>	<u>\$ (1,887,069)</u>	<u>\$ 64,001</u>
Other Financing Sources (Uses)				
Transfers In	\$ 5,615,856	\$ 5,615,856	\$ 4,500,154	\$ (1,115,702)
Transfers Out	(2,996,614)	(3,470,204)	(2,190,317)	1,279,887
Sale of Capital Assets	-	-	165,513	165,513
Total Other Financing Sources (Uses)	<u>\$ 2,619,242</u>	<u>\$ 2,145,652</u>	<u>\$ 2,475,350</u>	<u>\$ 329,698</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES				
	<u>\$ 668,172</u>	<u>\$ 194,582</u>	<u>\$ 588,281</u>	<u>\$ 393,699</u>
FUND BALANCE, April 1, 2022			<u>2,785,907</u>	
FUND BALANCE, March 31, 2023			<u>\$ 3,374,188</u>	

See Accompanying Notes to the Basic Financial Statements.

CITY OF PERRYVILLE, MISSOURI

BUDGETARY COMPARISON SCHEDULE -
PERRY PARK CENTER FUND

Year Ended March 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Amended		
REVENUES:				
Taxes and Special Assessments:				
Real Estate and Personal Property Tax	\$ 255,000	\$ 255,000	\$ 269,454	\$ 14,454
Railroad and Utility Tax	500	500	362	(138)
Sales Tax	1,013,000	1,013,000	1,233,366	220,366
Charges for Services:				
Concessions and Vending Machines	95,100	95,100	98,875	3,775
Tournament and Sports Fees	69,450	69,450	74,384	4,934
Admission Fees and Passes	269,550	269,550	334,823	65,273
Arcade, Fun Club, and Senior Olympics	6,500	6,500	5,975	(525)
Intergovernmental:				
County Business Tax	30,000	30,000	33,276	3,276
Trans. Alternative Program	421,500	421,500	-	(421,500)
Interest Income	1,000	1,000	10,308	9,308
Rental:				
Library Lease	31,000	31,000	33,600	2,600
Theater Rent	14,500	14,500	15,530	1,030
Pool and Gymnasium	9,500	9,500	13,336	3,836
Pavilions, Ball Fields, Community Center, and Meeting Room	16,600	16,600	19,637	3,037
Miscellaneous	2,150	2,150	6,887	4,737
TOTAL REVENUES	\$ 2,235,350	\$ 2,235,350	\$ 2,149,813	\$ (85,537)
EXPENDITURES:				
Leagues	\$ 109,780	\$ 109,780	\$ 106,203	\$ 3,577
Administration	619,827	619,827	434,692	185,135
Capital Projects	816,570	816,570	419,855	396,715
Community Center Maintenance	3,150	3,150	806	2,344
Concessions	113,878	113,878	123,216	(9,338)
Fitness Center	31,668	31,668	11,974	19,694
Activities and Marketing	103,755	103,755	172,759	(69,004)
Maintenance and Housekeeping	440,425	440,425	433,314	7,111
Park Maintenance	553,529	553,529	314,502	239,027
Performing Arts Center	132,592	132,592	127,510	5,082
Pool	278,493	278,493	302,983	(24,490)
TOTAL EXPENDITURES	\$ 3,203,667	\$ 3,203,667	\$ 2,447,814	\$ 755,853
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	\$ (968,317)	\$ (968,317)	\$ (298,001)	\$ 670,316
OTHER FINANCING SOURCES (USES):				
Transfers In	\$ 921,675	\$ 921,675	\$ 600,000	\$ (321,675)
TOTAL OTHER FINANCING SOURCES (USES)	\$ 921,675	\$ 921,675	\$ 600,000	\$ (321,675)
TOTAL REVENUES OVER (UNDER) OTHER FINANCING SOURCES (USES)				
	\$ (46,642)	\$ (46,642)	\$ 301,999	\$ 348,641
FUND BALANCE, April 1, 2022			347,024	
FUND BALANCE, March 31, 2023			<u>\$ 649,023</u>	

See Accompanying Notes to the Basic Financial Statements.

CITY OF PERRYVILLE, MISSOURI

NOTES TO BUDGETARY COMPARISON SCHEDULES

March 31, 2023

1. BUDGETARY INFORMATION

The Budgetary Comparison Schedules are presented as required supplementary information to present comparisons of legally adopted budgets with the actual data. Budgetary data is developed using the cash basis of accounting, which is an accounting basis other than accounting principles generally accepted in the United States of America.

On March 15, 2022, a public hearing was held in connection with adoption of the proposed budget for 2023. The budget was amended on April 18, 2023.

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

1. Prior to February 1, the City Administrator submits to the Board of Aldermen a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to April 1, the budget is legally enacted through passage of an ordinance.
4. The City Administrator is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Aldermen.
5. Formal budgetary integration is employed as a management control device during the year for all funds.

ADDITIONAL SUPPLEMENTARY INFORMATION

CITY OF PERRYVILLE, MISSOURI
 COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS - MODIFIED CASH BASIS

March 31, 2023

	<u>Special Revenue</u>				<u>Capital Projects</u>				Debt Service Fund	Total Nonmajor Governmental Funds
	Airport Fund	Transportation Fund	Veterans Memorial Field Fund	Street Improvement Fund	Capital Improvement Sales Tax Fund	Hwy 51/61 TIF Fund	2012 Downtown TIF Fund	Rand Ave Extension TIF Fund		
<u>ASSETS</u>										
<u>CURRENT ASSETS:</u>										
Cash and Cash Equivalents	\$ -	\$ 572,232	\$ 10,837	\$ 521,392	\$ 1,232,550	\$ 337,390	\$ 183,911	\$ 570,584	\$ 182,058	\$ 3,610,954
Prepaid Expenses	<u>1,076</u>	<u>10,730</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,806</u>
TOTAL CURRENT ASSETS	<u>\$ 1,076</u>	<u>\$ 582,962</u>	<u>\$ 10,837</u>	<u>\$ 521,392</u>	<u>\$ 1,232,550</u>	<u>\$ 337,390</u>	<u>\$ 183,911</u>	<u>\$ 570,584</u>	<u>\$ 182,058</u>	<u>\$ 3,622,760</u>
<u>LIABILITIES AND FUND BALANCE</u>										
<u>LIABILITIES:</u>										
Payroll Liabilities	\$ 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5
Customer Deposits	5,940	-	-	-	-	-	-	-	-	5,940
Due to Other Funds	<u>258,371</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>258,371</u>
TOTAL LIABILITIES	<u>\$ 264,316</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 264,316</u>
<u>FUND BALANCE:</u>										
Nonspendable	\$ 1,076	\$ 10,730	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,806
Restricted	-	-	10,837	-	-	-	-	-	182,058	192,895
Committed	(264,316)	572,232	-	521,392	1,232,550	-	-	-	-	2,061,858
Assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>337,390</u>	<u>183,911</u>	<u>570,584</u>	<u>-</u>	<u>1,091,885</u>
TOTAL FUND BALANCE	<u>\$ (263,240)</u>	<u>\$ 582,962</u>	<u>\$ 10,837</u>	<u>\$ 521,392</u>	<u>\$ 1,232,550</u>	<u>\$ 337,390</u>	<u>\$ 183,911</u>	<u>\$ 570,584</u>	<u>\$ 182,058</u>	<u>\$ 3,358,444</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,076</u>	<u>\$ 582,962</u>	<u>\$ 10,837</u>	<u>\$ 521,392</u>	<u>\$ 1,232,550</u>	<u>\$ 337,390</u>	<u>\$ 183,911</u>	<u>\$ 570,584</u>	<u>\$ 182,058</u>	<u>\$ 3,622,760</u>

See Independent Auditors' Report.

CITY OF PERRYVILLE, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS - MODIFIED CASH BASIS

Year Ended March 31, 2023

	Special Revenue				Capital Projects				Debt Service Fund	Total Nonmajor Governmental Funds
	Airport Fund	Transportation Fund	Veterans Memorial Field Fund	Street Improvement Fund	Capital Improvement Sales Tax Fund	Hwy 51/61 TIF Fund	2012 Downtown TIF Fund	Rand Ave Extension TIF Fund		
REVENUES:										
Taxes	\$ -	\$ 1,193,508	\$ -	\$ -	\$ 892,984	\$ -	\$ 6,468	\$ 288,881	\$ 359,237	\$ 2,741,078
Intergovernmental	-	-	-	408,274	-	97,404	-	-	-	505,678
Rental	276,100	-	-	-	-	-	-	-	-	276,100
Interest Income	4,012	14,777	363	12,826	35,935	6,564	3,698	11,986	3,192	93,353
Other	786,388	7,073	10,242	27,945	-	-	84,868	100,627	-	1,017,143
TOTAL REVENUES	\$ 1,066,500	\$ 1,215,358	\$ 10,605	\$ 449,045	\$ 928,919	\$ 103,968	\$ 95,034	\$ 401,494	\$ 362,429	\$ 4,633,352
EXPENDITURES:										
Public Works										
Airport Improvements	\$ 515,628	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 515,628
Airport Maintenance	906,133	-	-	-	-	-	-	-	-	906,133
Sidewalks	-	8,789	-	-	-	-	-	-	-	8,789
Stormwater	-	123	-	-	-	-	-	-	-	123
Street Maintenance	-	789,390	-	378,862	-	-	-	-	-	1,168,252
Culture and Recreation	-	-	22,446	-	-	-	-	-	-	22,446
Capital Outlay	-	-	-	-	-	-	180,518	1,877,403	14,485	2,072,406
Debt Service										
Interest and Fees	-	-	-	-	-	-	2,580	-	16,661	19,241
TOTAL EXPENDITURES	\$ 1,421,761	\$ 798,302	\$ 22,446	\$ 378,862	\$ -	\$ -	\$ 183,098	\$ 1,877,403	\$ 31,146	\$ 4,713,018
REVENUES OVER (UNDER) EXPENDITURES	\$ (355,261)	\$ 417,056	\$ (11,841)	\$ 70,183	\$ 928,919	\$ 103,968	\$ (88,064)	\$ (1,475,909)	\$ 331,283	\$ (79,666)
OTHER FINANCING SOURCES (USES):										
Transfers In	\$ 168,762	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 186,500	\$ 916,465	\$ 55,000	\$ 1,326,727
Transfers Out	(163,168)	(380,725)	-	-	(600,684)	-	-	-	(405,383)	(1,549,960)
Sale of Capital Assets	15,400	11,825	-	-	-	-	-	-	-	27,225
TOTAL OTHER FINANCING SOURCES (USES)	\$ 20,994	\$ (368,900)	\$ -	\$ -	\$ (600,684)	\$ -	\$ 186,500	\$ 916,465	\$ (350,383)	\$ (196,008)
TOTAL REVENUES OVER (UNDER) EXPENDITURES	\$ (334,267)	\$ 48,156	\$ (11,841)	\$ 70,183	\$ 328,235	\$ 103,968	\$ 98,436	\$ (559,444)	\$ (19,100)	\$ (275,674)
FUND BALANCE, April 1, 2022	71,027	534,806	22,678	451,209	904,315	233,422	85,475	1,130,028	201,158	3,634,118
FUND BALANCE, March 31, 2023	\$ (263,240)	\$ 582,962	\$ 10,837	\$ 521,392	\$ 1,232,550	\$ 337,390	\$ 183,911	\$ 570,584	\$ 182,058	\$ 3,358,444

See Independent Auditors' Report.