

CITY OF DARDENNE PRAIRIE, MISSOURI

***FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2023***

CITY OF DARDENNE PRAIRIE, MISSOURI

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INDEPENDENT AUDITORS' REPORT



The Honorable Mayor and Members of the Board of Aldermen
CITY OF DARDENE PRAIRIE, MISSOURI

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Dardenne Prairie, Missouri, as of and for the year ended December 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, each major fund, and the aggregate remaining fund information of the City of Dardenne Prairie, Missouri, as of December 31, 2023, and the respective changes in modified cash basis financial position 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. 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 City of Dardenne Prairie, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 State of America. Our opinions are not modified with respect to this matter.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 City of Dardenne Prairie, Missouri's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

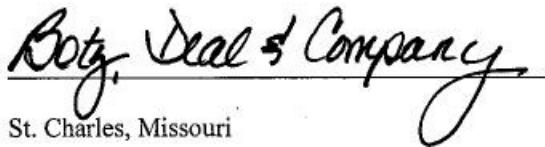
- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Dardenne Prairie, 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 City of Dardenne Prairie, 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Management's Discussion and Analysis, budgetary comparison information, schedule of changes in net pension liability (asset) and related ratios, and schedule of employer contributions but does not include the basic financial statements. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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


St. Charles, Missouri

May 29, 2024

CITY OF DARDENNE PRAIRIE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2023

As management of the City of Dardenne Prairie, Missouri, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2023. We encourage readers to consider the information presented here along with the City's financial statements, including the notes to the financial statements.

FINANCIAL HIGHLIGHTS

- On a government-wide basis the assets of the City exceeded its liabilities for the most recent fiscal year by \$29,756,431. The City has unrestricted net position of 167,097.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balance of \$12,115,120.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$4,865,779.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's financial statements. The City's financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business. Note the government-wide financial statements exclude fiduciary fund activities. For the most part, the effect of interfund activity has been removed from these statements. Individual funds are not displayed but the statements distinguish governmental activities, which normally are supported by taxes and general revenues, from business-type activities, which rely to a significant extent on fees and charges to external customers for support. The City does not have any business-type activities.

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

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year.

The City has elected to utilize a modified cash basis of accounting as explained in Note 1 of the notes to the financial statements.

Fund Financial Statements

Separate financial statements are provided for governmental funds with major individual governmental funds reported as separate columns in the fund financial statements.

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, the governmental fund financial statements do not report long-term assets or liabilities. These funds use fund balance as their measure of available spendable financial resources at the end of the period. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statement, 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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and the government-wide governmental activities.

The City maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Road Fund, Parks and Storm Water Control Fund, Capital Improvement Fund, and Transportation Fund, all of which are considered to be major funds.

The City adopts an annual appropriated budget for all of its funds. Budgetary comparison statements have been provided for the General Fund and major special revenue funds to demonstrate legal compliance with the respective adopted budget.

Notes to the Financial Statements

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

Supplementary Information

In addition to the financial statements and accompanying notes, certain required supplementary information has been provided.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City presents its financial statements under the reporting model pursuant to Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

A condensed version of the statement of net position follows:

	2023	2022	Increase (Decrease)
Current and other assets	\$ 12,350,598	\$ 11,355,184	\$ 995,414
Net pension asset	56,832	170,625	(113,793)
Capital assets	26,602,431	27,422,508	(820,077)
Total assets	<u>39,009,861</u>	<u>38,948,317</u>	<u>61,544</u>
Total deferred outflows of resources	<u>198,029</u>	<u>167,898</u>	<u>30,131</u>
Current and other liabilities	235,478	304,362	(68,884)
Long-term liabilities	9,150,819	9,899,359	(748,540)
Total liabilities	<u>9,386,297</u>	<u>10,203,721</u>	<u>(817,424)</u>
Total deferred inflows of resources	<u>65,162</u>	<u>111,409</u>	<u>(46,247)</u>
Net position:			
Net investment in capital assets	22,703,148	23,084,993	(381,845)
Restricted	6,886,186	6,448,059	438,127
Unrestricted	167,097	(731,967)	899,064
Total net position	<u>\$ 29,756,431</u>	<u>\$ 28,801,085</u>	<u>\$ 955,346</u>

As noted earlier, net position may serve over time as a useful indicator of a city's financial position. As illustrated above, assets and deferred outflows exceeded liabilities and deferred inflows by \$29,756,431 at December 31, 2023.

By far the largest portion of the City's net position (76%) reflects its investment in capital assets (e.g., land, building, and infrastructure) less any related debt used to acquire those assets still outstanding. The City of Dardenne Prairie uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion of the City's net position (23%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position is 167,097.

Governmental Activities

As illustrated below, governmental activities increased the City's net position by \$955,346.

	<u>2023</u>	<u>2022</u>	<u>Increase (Decrease)</u>
Revenues:			
Program revenues:			
Charges for service	\$ 687,030	\$ 670,073	\$ 16,957
Operating grants and contributions	691,963	597,796	94,167
Capital grants and contributions	561,292	1,987,605	(1,426,313)
General revenues:			
Taxes	4,373,414	3,702,662	670,752
NID assessment fees	-	15,797	(15,797)
Franchise fees	116,381	126,825	(10,444)
Lease revenue	55,214	55,197	17
American Rescue Plan Act Funding	-	1,372,671	(1,372,671)
Interest income	446,041	54,603	391,438
Miscellaneous	47,154	105,832	(58,678)
Total revenues	<u>6,978,489</u>	<u>8,689,061</u>	<u>(1,710,572)</u>
Expenses:			
General government	1,614,769	1,380,855	233,914
Road	2,779,429	6,731,893	(3,952,464)
Park and Storm water control activities	516,057	455,091	60,966
Community development	455,355	528,829	(73,474)
Public safety	390,204	335,798	54,406
Interest and fiscal charges	267,329	292,102	(24,773)
Total expenses	<u>6,023,143</u>	<u>9,724,568</u>	<u>(3,701,425)</u>
Increase (decrease) in net position	955,346	(1,035,507)	1,990,853
Net position, beginning of year	<u>28,801,085</u>	<u>29,836,592</u>	<u>(1,035,507)</u>
Net position, end of year	<u>\$ 29,756,431</u>	<u>\$ 28,801,085</u>	<u>\$ 955,346</u>

Total revenue decreased \$1,710,572 from last fiscal year. This is mainly due to road funding and ARPA grants in the prior year. Sales tax revenue increased due to the passage of a retail sales tax for transportation projects in 2022.

Total expenses decreased \$3,701,425 from last fiscal year. This is mainly due to the decrease in slab replacements and road projects throughout the City.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

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

	2023	2022	Increase (Decrease)
Taxes	\$ 5,065,377	\$ 5,047,606	\$ 17,771
Intergovernmental	561,292	1,978,696	(1,417,404)
Licenses and fees	490,937	503,626	(12,689)
Court fines	109,257	72,095	37,162
Charges for service	86,836	94,352	(7,516)
Franchise fees	116,381	126,825	(10,444)
Lease revenue	55,214	55,197	17
Investment income	446,041	54,603	391,438
Other income	50,517	121,629	(71,112)
Total Governmental Revenues	<u>\$ 6,981,852</u>	<u>\$ 8,054,629</u>	<u>(1,072,777)</u>

The decrease in total revenues of \$1,072,777 represents an overall decrease in revenue of 13%. The decrease is due to ARPA grants received in 2022 compared to 2023.

At the close of the City's fiscal year on December 31, 2023, the governmental funds of the City reported a combined fund balance of \$12,115,120. This is an increase in fund balance of \$1,064,298. The primary reason for the increase was a decrease in capital outlays in 2023.

CAPITAL ASSETS

At December 31, 2023, the City has invested in a broad range of capital assets, including land, building, improvements, equipment, and infrastructure. This amount includes a net decrease for the current fiscal year (including additions and deductions) of \$820,077. The City's capital assets, net of accumulated depreciation, consisted of:

	2023	2022
Land	\$ 4,372,320	\$ 4,372,320
Land improvements	3,132,769	3,132,769
Building and improvements	3,691,120	3,662,165
Equipment	784,555	724,872
Infrastructure	26,741,085	26,741,085
Construction in progress	336,053	190,585
Total	39,057,902	38,823,796
Less: Accumulated depreciation	<u>(12,455,471)</u>	<u>(11,401,288)</u>
Total Capital Assets	<u>\$ 26,602,431</u>	<u>\$ 27,422,508</u>

LONG-TERM DEBT

Certificate of Participation, Series 2022 (COPS 2022)

On March 24, 2022, the City issued \$5,440,000 of Certificates of Participation, Series 2022. The proceeds were used for the purpose of providing funds (1) to construct, extend, reconstruct, and resurface various streets and roadways in the City and (2) to pay the costs of executing and delivering the Series 2022 Certificates. Payment of the principal is for varying amounts due each year on March 1st through 2037. Interest is due semi-annually with an interest rate of 3.0%. The outstanding balance on the certificates was \$5,150,000 at December 31, 2023.

Certificate of Participation, Series 2020 (COPS 2020)

On May 28, 2020, the City issued \$3,000,000 of Certificates of Participation, Series 2020. The proceeds were used to (1) to pay a portion of the costs to acquire, construct, renovate, install, improve, and equip certain park and recreational facility improvements within the City and (2) to pay the costs of executing and delivering the Series 2020 Certificates. Interest is due semi-annually with an interest rate ranging from 2.0% to 4.0%. The outstanding balance on the certificates was \$2,540,000 at December 31, 2023.

Certificate of Participation, Series 2016 (COPS 2016)

On May 17, 2016, the City issued \$3,070,000 of Certificates of Participation, Series 2016. The proceeds were used to refund \$3,050,000 of outstanding Series 2008 and Series 2009 Certificates of Participation. Payment of the principal is for varying amounts due each year on August 1st through August 2028. Interest is due semi-annually with an interest rate ranging from 2.0% to 3.0%. The outstanding balance on the certificate was \$1,140,000 at December 31, 2023.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

For the year ending December 31, 2024, the City projects revenue of \$2,494,913 and expenditures of \$5,750,512 in the General Fund. As a result, the City estimates an ending fund balance of \$4,426,577 in the General Fund at December 31, 2024. The City anticipates an ending fund balance of \$1,541,865 in the Parks and Storm Water Control Fund, \$1,200,425 in the Road Fund, \$647,605 in the Transportation Fund and \$1,188,056 in the Capital Improvement Fund. The City is planning to invest approximately \$5,647,653 in capital improvement projects.

Request for Information

This financial report is designed to provide a general overview of the City's finances for all those with and interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Kimberlie Clark, City Clerk/Treasurer
City of Dardenne Prairie
2032 Hanley Road
Dardenne Prairie, MO 63368

CITY OF DARDENNE PRAIRIE, MISSOURI
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
DECEMBER 31, 2023

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 5,386,565
Cash restricted - performance deposits	220,883
Cash restricted - court	19,080
Cash held by St. Charles County	419,987
Cash restricted - American Rescue Plan Act	226,397
Investments	3,487,686
Investments restricted - American Rescue Plan Act	2,590,000
Net pension asset	56,832
Capital assets - net:	
Nondepreciable	4,708,373
Depreciable	21,894,058
TOTAL ASSETS	39,009,861
 DEFERRED OUTFLOWS	
Pension related deferred outflows	96,493
Deferred charges on refunding	101,536
TOTAL DEFERRED OUTFLOWS	198,029
 LIABILITIES	
Lease security deposits	4,009
Performance deposits	212,264
Court liability	19,205
Noncurrent liabilities:	
Due in one year	740,000
Due in more than one year	8,410,819
TOTAL LIABILITIES	9,386,297
 DEFERRED INFLOWS	
Pension related deferred inflows	65,162
 NET POSITION	
Net investment in capital assets	22,703,148
Restricted for:	
Pension	56,832
Road and bridge projects	1,478,523
Park and storm water control improvements	1,282,165
Capital improvements	1,252,269
American Rescue Plan Act costs	2,816,397
Unrestricted	167,097
TOTAL NET POSITION	\$ 29,756,431

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

CITY OF DAR DENNE PRAIRIE, MISSOURI
STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Change in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
General government and court	\$ 1,614,769	\$ 490,937	\$ -	\$ -	\$ (1,123,832)
Road	2,779,429	-	650,406	561,292	(1,567,731)
Park and stormwater control activities	516,057	86,836	41,557	-	(387,664)
Community development	455,355	-	-	-	(455,355)
Public safety	390,204	109,257	-	-	(280,947)
Interest on long-term debt	267,329	-	-	-	(267,329)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 6,023,143	\$ 687,030	\$ 691,963	\$ 561,292	(4,082,858)
General revenues:					
Taxes:					
Sales					3,978,697
Property					394,717
Franchise fees					116,381
Investment income					446,041
Lease revenue					55,214
Miscellaneous					47,154
TOTAL GENERAL REVENUES					5,038,204
CHANGE IN NET POSITION					955,346
NET POSITION - BEGINNING OF YEAR					28,801,085
NET POSITION - END OF YEAR					\$ 29,756,431

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

CITY OF DARDENNE PRAIRIE, MISSOURI
BALANCE SHEET - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
DECEMBER 31, 2023

	General Fund	Road Fund	Parks and Storm Water Control Fund	Capital Improvement Fund	Transportation Fund	Total
ASSETS						
Cash and cash equivalents	\$ 3,621,330	\$ 585,368	\$ 239,165	\$ 347,547	\$ 593,155	\$ 5,386,565
Cash restricted - performance deposits	220,883	-	-	-	-	220,883
Cash restricted - court	19,080	-	-	-	-	19,080
Cash held by St. Charles County	-	419,987	-	-	-	419,987
Cash restricted - American Rescue Plan Act	226,397	-	-	-	-	226,397
Investments	1,239,964	300,000	1,043,000	904,722	-	3,487,686
Investments restricted - American Rescue Plan Act	2,590,000	-	-	-	-	2,590,000
Due from other funds	-	530,947	-	-	-	530,947
TOTAL ASSETS	<u>\$ 7,917,654</u>	<u>\$ 1,836,302</u>	<u>\$ 1,282,165</u>	<u>\$ 1,252,269</u>	<u>\$ 593,155</u>	<u>\$ 12,881,545</u>
LIABILITIES						
Lease security deposits	\$ 4,009	\$ -	\$ -	\$ -	\$ -	\$ 4,009
Performance deposits	212,264	-	-	-	-	212,264
Court liability	19,205	-	-	-	-	19,205
Due to other funds	530,947	-	-	-	-	530,947
TOTAL LIABILITIES	<u>766,425</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>766,425</u>
FUND BALANCES						
Restricted for:						
Road and bridge improvements	-	1,416,315	-	-	593,155	2,009,470
Parks and storm water control	-	-	1,282,165	-	-	1,282,165
Capital improvements	-	-	-	1,252,269	-	1,252,269
American Rescue Plan Act costs	2,816,397	-	-	-	-	2,816,397
Committed:						
Road and bridge improvements	-	419,987	-	-	-	419,987
Unassigned	4,334,832	-	-	-	-	4,334,832
TOTAL FUND BALANCES	<u>7,151,229</u>	<u>1,836,302</u>	<u>1,282,165</u>	<u>1,252,269</u>	<u>593,155</u>	<u>12,115,120</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 7,917,654</u>	<u>\$ 1,836,302</u>	<u>\$ 1,282,165</u>	<u>\$ 1,252,269</u>	<u>\$ 593,155</u>	<u>12,881,545</u>

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

Capital assets of \$39,057,092 net of accumulated depreciation of \$12,455,471 are not financial resources and therefore are not reported in the funds.	26,602,431
Certificates of participation payable and unamortized premium are not reported in the funds.	(9,150,819)
Net pension assets are not a current financial resource and therefore not reported in the funds.	56,832
Deferred outflows of resources related to charges on refundings of debt are not available to pay current expenditures and therefore are not reported in the funds.	101,536
Deferred outflows of resources related to the pension are not available to pay current expenditures and therefore are not reported in the funds.	96,493
Deferred inflows of resources related to the pension are not a current financial resource and therefore are not reported in the funds.	(65,162)
Net position of governmental activities	<u>\$ 29,756,431</u>

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

CITY OF DARDENNE PRAIRIE, MISSOURI

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023

	General Fund	Road Fund	Parks and Storm Water Control Fund	Capital Improvement Fund	Transportation Fund	Total
REVENUES						
Taxes	\$ 1,836,937	\$ 1,023,210	\$ 762,660	\$ 721,110	\$ 721,460	\$ 5,065,377
Intergovernmental	409,604	51,580	-	100,108	-	561,292
Licenses and permits	490,937	-	-	-	-	490,937
Court fines	109,257	-	-	-	-	109,257
Charges for services	86,836	-	-	-	-	86,836
Franchise fees	116,381	-	-	-	-	116,381
Investment income	290,306	44,268	53,915	44,753	12,799	446,041
Lease revenue	55,214	-	-	-	-	55,214
Other revenue	50,517	-	-	-	-	50,517
TOTAL REVENUES	<u>3,445,989</u>	<u>1,119,058</u>	<u>816,575</u>	<u>865,971</u>	<u>734,259</u>	<u>6,981,852</u>
EXPENDITURES						
Current:						
General government	1,436,583	663	-	-	-	1,437,246
Public safety	390,204	-	-	-	-	390,204
Community development	455,355	-	-	-	-	455,355
Public works	-	71,452	-	-	-	71,452
Park	-	-	386,221	-	-	386,221
Capital outlays	1,117,680	705,827	81,960	304,048	-	2,209,515
Debt service:						
Principal, interest, and fiscal charges	-	-	249,700	296,690	449,171	995,561
TOTAL EXPENDITURES	<u>3,399,822</u>	<u>777,942</u>	<u>717,881</u>	<u>600,738</u>	<u>449,171</u>	<u>5,945,554</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>46,167</u>	<u>341,116</u>	<u>98,694</u>	<u>265,233</u>	<u>285,088</u>	<u>1,036,298</u>
OTHER FINANCING SOURCES (USES)						
Sales of capital assets	-	-	-	28,000	-	28,000
Transfer in (out)	-	(4,105)	-	4,105	-	-
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>(4,105)</u>	<u>-</u>	<u>32,105</u>	<u>-</u>	<u>28,000</u>
CHANGE IN FUND BALANCE	46,167	337,011	98,694	297,338	285,088	1,064,298
FUND BALANCES - BEGINNING OF YEAR	<u>7,105,062</u>	<u>1,499,291</u>	<u>1,183,471</u>	<u>954,931</u>	<u>308,067</u>	<u>11,050,822</u>
FUND BALANCES - END OF YEAR	<u>\$ 7,151,229</u>	<u>\$ 1,836,302</u>	<u>\$ 1,282,165</u>	<u>\$ 1,252,269</u>	<u>\$ 593,155</u>	<u>\$ 12,115,120</u>

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

CITY OF DARDEENNE PRAIRIE, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS - MODIFIED CASH BASIS - TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

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

Change in fund balance	\$ 1,064,298
The acquisition of capital assets requires the use of current financial resources but has no affect on net position.	292,199
The cost of capital assets is allocated over their estimated useful lives and is reported as depreciation expense in the statement of activities.	(1,080,913)
In the statement of activities, only the gain or loss on the disposal of capital assets is reported, whereas in the governmental funds financial resources received are reflected as revenue. As a result, the change in net position differs from the change in fund balance by the net book value of the disposed or transferred capital assets.	(31,363)
Expenses related to providing pension benefits are reported using a different measurement focus in the statement of activities compared to the governmental fund statements. Expenses in the statement of activities exceed the expenditures reported in the General Fund.	(17,107)
The amortization of deferred refunding charges on bonds payable does not affect current financial resources to governmental funds but is amortized over the life of the debt in the statement of activities.	(20,308)
The bond premium is reported on the fund financial statements when debt is issued but amortized in the statement of activities.	28,540
Repayment of long-term debt principal is an expenditure in the governmental funds, but reduces long-term liabilities in the statement of net position.	720,000
Change in net position	\$ 955,346

The accompanying notes are integral part of these financial statements.

CITY OF DARDENNE PRAIRIE, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Dardenne Prairie, Missouri, (the City) was incorporated as a fourth-class city on June 21, 2001 and established a Mayor/Board of Aldermen form of government. The City's major operations include general administrative services, road development and maintenance and park development and management.

The financial statements of the City include the financial activities of the City and any component units. The criteria used in determining the scope of the reporting entity are based on the provisions of GASB. The City is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the component unit will provide a financial benefit or impose a financial burden on the City. Based on the criteria identified in GASB 61 there are no significant component units required to be included as part of the reporting entity.

A. GOVERNMENT-WIDE AND FINANCIAL STATEMENTS

Government-wide Financial Statements - the government-wide financial statements include the statement of net position - modified cash basis and the statement of activities - modified cash basis. These statements report information on all of the nonfiduciary activities of the primary government. The material effect of interfund activity has been removed from these statements. Individual funds are not displayed but the statements distinguish governmental activities, which normally are supported by taxes and City general revenues, from business-type activities, which rely a significant extent on fees and charges to external customers for support. The City has no business-type activities.

The government-wide and fund financial statements are presented on the modified-cash basis of accounting which reports revenue when received and expenditures when paid.

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

Fund Financial Statements - Separate financials statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The City has no fiduciary funds.

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

The City reports the following major governmental funds:

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

Road Fund - is used to account for certain tax and intergovernmental revenues legally restricted to expenditures for road improvements.

Park and Recreation and Storm Water Control Fund - is used to account for certain taxes restricted for parks and recreation and storm water control expenditures.

Capital Improvement Fund - is used to account for certain taxes restricted for funding of capital improvements.

Transportation Fund - is used to account for certain taxes restricted for funding of transportation projects.

B. **MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION**

In the government-wide statement of net position - modified cash basis and the statement of activities - modified cash basis, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting.

In the fund financial statements, the governmental funds utilize a "current financial resources" measurement focus as applied to the modified cash basis of accounting. Only current financial assets and liabilities are generally included on the balance sheet - modified cash basis. The operating statements present sources and uses of available spendable financial resources during a given period. Fund balances are used as measures of available spendable financial resources at the end of the period in each fund.

The modified cash basis recognizes assets, liabilities, net position, revenues, and expenses when they result from cash transactions with a provision of depreciation in the government-wide statements. This basis is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. As a result of the use of this modified cash basis of accounting, certain revenues (such as accounts receivable, lease receivables 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 by not yet paid and accrued expenses and liabilities) are not recorded in these financial statements.

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition.

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

C. **DEPOSITS AND INVESTMENTS**

The City is authorized to invest funds not immediately needed for the purposes to which the funds are applicable, in obligations of the United States Treasury, United States Government Agencies, and Repurchase Agreements, Certificates of Deposit, Banker's Acceptance and Commercial Paper. Investments are carried at cost or fair value.

D. **CAPITAL ASSET, DEPRECIATION AND AMORTIZATION**

Capital assets, which include property plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The City elected not to report general infrastructure assets retroactively. Therefore, no general infrastructure assets purchased or constructed prior to January 1, 2004 are included in the statement of net position.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Individual slab replacements are not considered to extend useful life and therefore are not capitalized.

Property, plant and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

<u>Major Group</u>	<u>Life</u>
Land improvements	15 - 40 Years
Buildings and building improvements	10 - 40 Years
Infrastructure	30 - 40 Years
Vehicles and Equipment	3 - 20 Years

E. **LONG-TERM LIABILITIES**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position - modified cash basis. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of applicable bond premium or discount. Debt issuance costs are expensed in the period the debt is issued.

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

In the fund financial statements, governmental funds 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.

F. **PROPERTY TAXES**

Property tax revenues are recorded when received. The City's property taxes are levied each September based on the assessed valuation of property located in the City as of the previous January 1. The City's property tax rate for 2023 was \$.0847 per \$100 of assessed valuation, all of which was allocated to the General Fund. Taxes are due and payable on November 1 and delinquent after December 31.

All property tax assessment, billing, and collection functions are handled by the St. Charles County Collector.

G. **FUND BALANCE**

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The five classifications of fund balance are as follows:

Nonspendable fund balance - This classification includes amounts that cannot be spent because they are either (a) not in spendable form - prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

Restricted - This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board of Aldermen, the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Board of Aldermen removes the commitment by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

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

Assigned - This classification reflects the amounts constrained by the City's "intent" to be used for specific purposes, but are neither restricted nor committed. The City's Board of Aldermen has the authority to assign amounts to be used for specific purposes. Assigned fund balance include all remaining amounts (except negative balances) that are reported in the governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

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

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

H. **USE OF ESTMATES**

The preparation of financial statements in conformity with modified cash basis of accounting requires the City to make estimates and assumptions that affect the reported amounts of assets and liabilities at fiscal year-end and revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

I. **PENSIONS**

For purposes of measuring the net pension liability (assets), 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.

J. **DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

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

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

Pension - Deferred outflows and inflows of resources related to pensions represents the net difference between projected and actual earnings on pension plan investments, changes in assumptions, and the difference between expected and actual plan experience.

Gain/Loss on Refunding - Deferred outflows of resources related to refunding represents the difference between the reacquisition price of a refunded bond and its net carrying amount, which is amortized and recognized as a component of interest expense over the remaining life of the old refunded bonds or the new refunding bonds, whichever is shorter.

K. **LEASES – LESSOR**

The City leases approximately 5,000 square feet of space on the second floor of the City Hall building. As a result of the using of the modified cash basis of accounting, lease revenue is recognized when the cash transaction occurs.

2. **BUDGET POLICY AND PRACTICE**

The Board of Aldermen adopts an annual budget for all funds in accordance with the modified cash basis of accounting. All budget appropriations lapse at year-end.

3. **CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash and cash equivalents

Custodial Credit Risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned, or the City will not be able to recover collateral securities in the possession of an outside party. The City's bank deposits are required by state law to be secured by the deposit for 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, 2023, all deposits were fully insured or collateralized.

Investments

State statutes authorize Missouri local governments to invest in obligations of the U.S. Treasury, U.S. agencies and various state and local governments, FDIC repurchase agreements and certificates of deposit, banker's acceptances, and commercial paper.

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's policy states that they minimize credit risk by prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business and diversifying the portfolio to reduce potential losses on individual securities.

3. **CASH, CASH EQUIVALENTS AND INVESTMENTS** - continued

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City’s investment in a single issuer. The City’s policy states that they minimize concentration of credit risk by diversifying the investment portfolio. At a minimum, diversification standards by security type and issues shall be:

U.S. Treasuries and securities having principal and/or interest guaranteed by the U.S. government	100%
Collateralized time and demand deposits	100
U.S. Government agencies and sponsored enterprises	60
Collateralized repurchase agreements	50
U.S. Government agency callable securities	30

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City’s policy states that they minimize interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing primarily in shorter term securities.

As of December 31, 2023, the City had the following cash and investments

	<u>Maturities</u>	
	Less than one year	<u>Credit risk</u>
Primary Government		
Investments Measured at Cost:		
Negotiable certificates of deposit	\$ 5,383,000	N/A
Investments Measured at Fair Value:		
Negotiable certificates of deposit	239,964	N/A
Government securities:		
U.S. Treasury Bills	454,722	AAA
Total investments	<u>\$ 6,077,686</u>	

4. CAPITAL ASSETS

	Balance Beginning Of Year	Additions	Deletions	Balance End Of Year
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 4,372,320	\$ -	\$ -	\$ 4,372,320
Construction in progress	190,585	174,423	(28,955)	336,053
Total capital assets, not depreciated	<u>4,562,905</u>	<u>174,423</u>	<u>(28,955)</u>	<u>4,708,373</u>
Capital assets, being depreciated				
Land improvements	3,132,769	-	-	3,132,769
Building and improvements	3,662,165	28,955	-	3,691,120
Vehicles and equipment	724,872	117,776	(58,093)	784,555
Infrastructure	26,741,085	-	-	26,741,085
Total capital assets, being depreciated	<u>34,260,891</u>	<u>146,731</u>	<u>(58,093)</u>	<u>34,349,529</u>
Less accumulated depreciation:				
Land improvements	(665,130)	(84,595)	-	(749,725)
Building and improvements	(1,132,485)	(98,898)	-	(1,231,383)
Vehicles and equipment	(546,607)	(22,938)	26,730	(542,815)
Infrastructure	(9,057,066)	(874,482)	-	(9,931,548)
Total accumulated depreciation	<u>(11,401,288)</u>	<u>(1,080,913)</u>	<u>26,730</u>	<u>(12,455,471)</u>
Net capital assets being depreciated	<u>22,859,603</u>	<u>(934,182)</u>	<u>(31,363)</u>	<u>21,894,058</u>
Total governmental activities	<u>\$ 27,422,508</u>	<u>\$ (759,759)</u>	<u>\$ (60,318)</u>	<u>\$ 26,602,431</u>

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

Government activities:	
General government	\$ 160,416
Park	129,836
Road	<u>790,661</u>
Total depreciation expense governmental activities	<u>\$ 1,080,913</u>

5. **LONG-TERM DEBT**

The following is a summary of changes in long-term debt for the year ending December 31, 2023.

	Balance Beginning Of Year	Additions	Reductions	Balance End Of Year	Amounts Due in One Year
Governmental activities:					
Certificates of Participation	\$ 9,550,000	\$ -	\$ 720,000	\$ 8,830,000	\$ 740,000
Issuance premium	349,359	-	28,540	320,819	-
	<u>\$ 9,899,359</u>	<u>\$ -</u>	<u>\$ 748,540</u>	<u>\$ 9,150,819</u>	<u>\$ 740,000</u>

Certificate of Participation, (COP 2022) Series 2022

On March 24, 2022, the City issued \$5,440,000 of Certificates of Participation, Series 2022. The proceeds were used for the purpose of providing funds (1) to construct, extend, reconstruct, and resurface various streets and roadways in the City and (2) to pay the costs of executing and delivering the Series 2022 Certificates. Payment of the principal is for varying amounts due each year on March 1st through 2037. Interest is due semi-annually with an interest rate of 3.0%.

Certificate of Participation, (COP 2020) Series 2020

On May 28, 2020, the City issued \$3,000,000 of Certificates of Participation, Series 2020. The proceeds were used for the purpose of providing funds (1) to pay a portion of the costs to acquire, construct, renovate, install, improve, and equip certain park and recreational facility improvements within the City and (2) to pay the costs of executing and delivering the Series 2020 Certificates. Payment of the principal is for varying amounts due each year on August 1st through 2037. Interest is due semi-annually with an interest rate ranging from 2.0% to 4.0%.

Certificate of Participation, (COP 2016) Series 2016

On May 17, 2016, the City issued \$3,070,000 of Certificates of Participation, Series 2016. The proceeds were used to refund \$3,050,000 of outstanding Series 2008 and Series 2009 Certificates of Participation. Payment of the principal is for varying amounts due each year on August 1st through 2028. Interest is due semi-annually with an interest rate ranging from 2.0% to 3.0%.

6. **LONG-TERM DEBT** - continued

The annual principal and interest requirements to maturity of long-term debt as of December 31, 2023 are as follows:

Year	COP 2016		COP 2020		COP 2022		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 265,000	\$ 26,050	\$ 175,000	\$ 78,100	\$ 300,000	\$ 150,000	\$ 740,000	\$ 254,150
2025	270,000	20,750	180,000	71,100	310,000	140,850	760,000	232,700
2026	275,000	15,350	185,000	63,900	320,000	131,400	780,000	210,650
2027	285,000	8,475	195,000	56,500	330,000	121,650	810,000	186,625
2028	45,000	1,350	200,000	48,700	340,000	111,600	585,000	161,650
2029-2033	-	-	1,120,000	129,900	1,855,000	396,675	2,975,000	526,575
2034-2037	-	-	485,000	14,600	1,695,000	103,725	2,180,000	118,325
	<u>\$ 1,140,000</u>	<u>\$ 71,975</u>	<u>\$2,540,000</u>	<u>\$462,800</u>	<u>\$5,150,000</u>	<u>\$ 1,155,900</u>	<u>\$8,830,000</u>	<u>\$ 1,690,675</u>

The park sales tax deposited into the Parks and Storm Water Control Fund is used to pay the Certificates of Participation, Series 2020 obligations.

The capital improvement sales tax deposited in the Capital Improvement Fund is used to pay the Certificates of Participation, Series 2016 obligations.

The transportation sales tax deposited into the Transportation Fund is used to pay the Certificates of Participation, Series 2022 obligations.

6. **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.

7. **PENSION PLAN** - continued

Benefits Provided

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

Benefit Program	1.50% for life
Final Average Salary	3 years
Member Contribution Rate	0%
Rule of 80 adopted	Yes

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, 2023, the following employees were covered by the benefit terms:

Active employees	8
Inactive employees entitled to but not yet receiving benefits	6
Inactive employees or beneficiaries currently receiving benefits	6
TOTAL	<u>20</u>

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 10.6% of annual covered payroll for the year ended December 31, 2023.

Net Pension Liability (Asset) - The employer’s net pension liability (asset) was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 28, 2023.

Actuarial assumptions - The total pension liability in the February 28, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

7. **PENSION PLAN** - continued

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

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

The actuarial assumptions used in the February 28, 2023 valuation were based on the results of an actuarial experience study for the period March 1, 2015 through February 25, 2020.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Alpha	15%	3.67%
Equity	35	4.78
Fixed Income	31	1.41
Real Assets	36	3.29
Strategic Asset	8	5.25
Cash/Leverage	(25)	(0.29)

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

7. **PENSION PLAN** - continued

Changes in the Net Pension Liability (Asset)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance as of December 31, 2022	\$ 994,711	\$ 1,165,336	\$ (170,625)
Changes for the year:			
Service costs	37,062	-	37,062
Interest	70,226	-	70,226
Difference between expected and actual experience	97,803	-	97,803
Change in assumptions	-	-	-
Contributions - employer	-	60,412	(60,412)
Contributions - employee	-	-	-
Net investment income	-	41,964	(41,964)
Benefit payments	(19,736)	(19,736)	-
Administrative expense	-	(2,436)	2,436
Other (net transfers)	-	(8,642)	8,642
Net changes	185,355	71,562	113,793
Balance as of December 31, 2023	\$ 1,180,066	\$ 1,236,898	\$ (56,832)

Sensitivity of the net pension liability (asset) to changes in the discount rate - The following presents the Net Pension Liability (Asset) of the employer, calculated using the discount rate of 7.00%, as well as what the employer's Net Pension Liability (Asset) 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	Current Discount Rate	1% Increase
Net pension liability (asset)	\$ 106,880	\$ (56,832)	\$ (193,078)

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

For the year ended December 31, 2023 the employer recognized a negative pension expense of \$74,609. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

7. **PENSION PLAN** - continued

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 47,427	\$ (58,013)
Changes in assumptions		(7,149)
Net difference between projected and actual earnings on pension plan investments	21,350	-
Employer contributions subsequent to the measurement date	<u>27,716</u>	<u>-</u>
Total	<u>\$ 96,493</u>	<u>\$ (65,162)</u>

The amount reported as deferred outflows of resources resulting from City contributions subsequent to the measurement date of \$27,716 will be recognized as a reduction in the net pension liability (asset) in the year ending December 31, 2023.

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

<u>Year ended December 31</u>	
2024	\$ 18,952
2025	(35,256)
2026	11,795
2027	8,124

8. **OPERATING LEASES AS LESSOR**

Approximately 5,000 square feet of space on the second floor of the City Hall building is available for lease. This includes approximately 3,000 square feet of actual office space and approximately 2,000 square feet of shared common area. The following is a schedule of future minimum lease payments pursuant to executed leases in place for the years ending December 31:

2024	\$ 25,081
2025	17,860
2026	14,883

9. INTERFUND TRANSFERS

A summary of interfund transfers by fund type for the year ended December 31, 2023 is as follows:

	<u>Transfer To:</u>
	Capital
<u>Transfer From:</u>	<u>Improvements</u>
Road	\$ 4,105

Transfers are used to move revenues from the fund that a statute or the budget requires to collect them to the fund that a statute or the budget requires to expend them. Any transfers within the governmental funds have been eliminated in the government-wide Statement of Activities.

10. EXPENDITURES IN EXCESS OF APPROPRIATIONS

During the year ended December 31, 2023, expenditures of \$777,942 in the Road Fund exceeded appropriations of \$355,738.

11. RISK MANAGEMENT

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

There were no significant reductions in insurance coverage during 2023 and settlement amounts have not exceeded insurance coverage for the current or three prior years.

12. COMMITMENTS AND CONTINGENCIES

Deposits Held by St. Charles County

At December 31, 2023, deposits were held by St. Charles County totaling \$419,987. The City has committed this amount to the County to fund planned road improvements to be completed by St. Charles County on behalf of the City.

Capital Improvements

At December 31, 2023, the City had commitments totaling \$4,996,434 remaining under certain road repairs and improvements construction contracts.

Contingencies

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

13. JOINT VENTURE

Pursuant to a March 1, 2005 Transportation Development Agreement between the City and OPUS Northwest LLC (developer), a commercial real estate development known as Dardenne Town Square, significant State of Missouri roadway and infrastructure improvements and significant City roadway improvements were constructed. A transportation development district (TDD) was created to provide funding for the roadway and infrastructure improvements.

The City agreed to contribute 50% of the city sales tax received from business and other activities on the property within the TDD. This amount equaled ½ of 1% of all retail sales within the TDD through May 31, 2008.

During 2008, the City received \$3,000,000 from the State of Missouri as additional funding for the TDD City roadway improvements. As a result, effective April 1, 2008, in lieu of remitting the \$3,000,000 to the TDD, the City elected to increase its monthly contribution to the TDD to 59.5% of the city sales tax generated within the TDD. Amounts remitted to the TDD during 2023 totaled \$455,355.

14. TAX ABATEMENTS

As of December 31, 2023, the City provides tax abatements through the following programs:

Chapter 353 Tax Abatement Program, under Missouri Revised Statutes

Chapter 353 tax abatement is an incentive to encourage the redevelopment of blighted areas by providing real property tax abatement. These abatements are under the authority of Chapter 353 of the Revised Statutes of Missouri (the “Urban Redevelopment Corporation Law”). To be eligible for tax abatement, either the City or a private entity must form an Urban Redevelopment Corporation organized for the purpose of clearance, re-planning, reconstruction, or rehabilitation of blighted areas. Tax abatement is only extended to real property that has been found to be a “blighted area” by the City. Under Chapter 353, the City may grant tax abatements up to 100% of annual property taxes for the first 10 years for the increased assessed value over the base land value and up to 50% of annual property taxes on the newly assessed value for the next 15 years for a maximum 25-year abatement. The length of time abatements are permitted and the amount of abatement allowed is outlined within the guidelines developed for each area or project designated.

For the year ended December 31, 2023, the City abated property taxes of the Dardenne Prairie Redevelopment Project of 100% totaling \$177,804 under this program.

Chapter 100 Industrial Development Financing under Missouri Revised Statutes

Industrial Development Financing under Chapter 100 of the Revised Statutes of Missouri authorize municipalities to issue revenue bonds to finance industrial development projects. Under this type of financing, the company passes title in the real or personal property involved to the City pursuant to a lease-purchase agreement. Because title to the property is held in the name of the City during the lease term, the property acquired with the bond proceeds is tax exempt, which effectively results in tax abatement for the company. It provides 100% property tax abatement but the payment of PILOTS and other performance measures (such as maintaining certain employment levels) may be required by agreement between the company receiving the benefit and the City. The City currently has the following Chapter 100 agreements in effect:

14. TAX ABATEMENTS - continued

- During 2021, as part of the issuance of \$31,000,000 City of Dardenne Prairie, Missouri Taxable Industrial Revenue Bond Series 1B, the City agreed to lease certain land to Dardenne Luxury Apartments on the Prairie, LLC (Company). The Company simultaneously purchased the bonds. The bonds were issued for the purpose of acquiring, constructing, and equipping a certain Company project within the City of Dardenne Prairie, Missouri. The Company unconditionally and absolutely is obligated to perform all its obligations under the lease which provides funding for the debt service on the outstanding bonds which totaled \$92,811 at December 31, 2023.

The Company remitted \$7,037 in 2023 to the City pursuant to certain agreements to provide resources for bond issuance costs incurred by the City.

The City has no financial obligation beyond the resources provided by the related lease.

- During 2022, as part of the issuance of \$15,000,000 and \$2,500,000 City of Dardenne Prairie, Missouri Taxable Industrial Revenue Bond Series 1C and 1A, respectively, the City agreed to lease certain land to Bryan 364 Junction LLC Project (Company). The Company simultaneously purchased the bonds. The bonds were issued for the purpose of acquiring, constructing, and equipping a certain Company project within the City of Dardenne Prairie, Missouri. The Company unconditionally and absolutely is obligated to perform all its obligations under the lease which provides funding for the debt service on the outstanding bonds which totaled \$34,040 at December 31, 2023.

The Company remitted \$50,000 in 2023 to the City pursuant to certain agreements to provide resources for community benefit.

- During 2023, as part of the issuance of \$11,500,000 City of Dardenne Prairie, Missouri, Taxable Industrial Revenue Bond Series 2A/2B, the City agreed to lease certain land to Bryan Junction LLC Project (Company). The Company simultaneously purchased the bonds. The bonds were issued for the purpose of acquiring, constructing, and equipping a certain Company project within the City of Dardenne Prairie, Missouri. The Company unconditionally and absolutely is obligated to perform all its obligations under the lease which provides funding for the debt service on the outstanding bonds which totaled \$17,020 at December 31, 2023.

The Company remitted \$17,020 in 2023 to the City pursuant to certain agreements to provide resources for bond issuance costs incurred by the City.

The City has no financial obligation beyond the resources provided by the related lease.

15. DUE TO/DUE FROM

At December 31, 2023, the City had interfund balances that will be paid back in the next year. The Road Fund is due \$530,947 from the General Fund for reimbursement of ARPA road expenditures.

16. **SUBSEQUENT EVENTS**

Subsequent events have been evaluated through the date of the Independent Auditors' Report, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

CITY OF DARDENNE PRAIRIE, MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 1,705,356	\$ 1,705,356	\$ 1,836,937	\$ 131,581
Licenses and permits	366,520	366,520	490,937	124,417
Court fines	110,000	110,000	109,257	(743)
Charges for services	100,500	100,500	86,836	(13,664)
Franchise fees	122,000	122,000	116,381	(5,619)
Intergovernmental	409,604	409,604	409,604	-
Investment income	100,000	100,000	290,306	190,306
Lease revenue	54,500	54,500	55,214	714
Other revenue	61,230	61,230	50,517	(10,713)
TOTAL REVENUE	<u>3,029,710</u>	<u>3,029,710</u>	<u>3,445,989</u>	<u>416,279</u>
EXPENDITURES				
Current:				
General government	1,686,993	1,686,993	1,436,583	250,410
Community development	415,000	415,000	455,355	(40,355)
Public safety	389,704	389,704	390,204	(500)
Capital outlays	500,000	2,980,351	1,117,680	1,862,671
TOTAL EXPENDITURES	<u>2,991,697</u>	<u>5,472,048</u>	<u>3,399,822</u>	<u>2,072,226</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	38,013	(2,442,338)	46,167	2,488,505
OTHER FINANCING SOURCES (USES)				
Operating transfer in (out)	-	-	-	-
CHANGE IN FUND BALANCE	38,013	(2,442,338)	46,167	<u>\$ 2,488,505</u>
FUND BALANCE - BEGINNING OF YEAR	<u>7,105,062</u>	<u>7,105,062</u>	<u>7,105,062</u>	
FUND BALANCE - END OF YEAR	<u>\$ 7,143,075</u>	<u>\$ 4,662,724</u>	<u>\$ 7,151,229</u>	

CITY OF DARDENNE PRAIRIE, MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
ROAD FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 919,000	\$ 919,000	\$1,023,210	\$ 104,210
Intergovernmental	145,000	65,000	51,580	(13,420)
Investment income	10,000	10,000	44,268	34,268
TOTAL REVENUES	<u>1,074,000</u>	<u>994,000</u>	<u>1,119,058</u>	<u>125,058</u>
EXPENDITURES				
Current expenditures:				
General government	-	-	663	(663)
Public works	-	-	71,452	(71,452)
Capital outlay	1,755,738	355,738	705,827	(350,089)
TOTAL EXPENDITURES	<u>1,755,738</u>	<u>355,738</u>	<u>777,942</u>	<u>(422,204)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(681,738)	638,262	341,116	(297,146)
OTHER FINANCING SOURCES (USES)				
Transfer in (out)	-	-	(4,105)	(4,105)
CHANGE IN FUND BALANCE	(681,738)	638,262	337,011	<u>\$ (301,251)</u>
FUND BALANCE - BEGINNING OF YEAR	<u>1,499,291</u>	<u>1,499,291</u>	<u>1,499,291</u>	
FUND BALANCE - END OF YEAR	<u>\$ 817,553</u>	<u>\$ 2,137,553</u>	<u>\$1,836,302</u>	

CITY OF DARDENNE MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
PARKS AND STORM WATER CONTROL FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 719,500	\$ 719,500	\$ 762,660	\$ 43,160
Investment income	525	525	53,915	53,390
TOTAL REVENUES	<u>720,025</u>	<u>720,025</u>	<u>816,575</u>	<u>96,550</u>
EXPENDITURES				
Current expenditures:				
Park	496,702	496,702	386,221	110,481
Capital outlay	60,362	60,362	81,960	(21,598)
Debt service	249,700	249,700	249,700	-
TOTAL EXPENDITURES	<u>806,764</u>	<u>806,764</u>	<u>717,881</u>	<u>88,883</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(86,739)	(86,739)	98,694	185,433
OTHER FINANCING SOURCES (USES)				
Transfer in (out)	-	-	-	-
CHANGE IN FUND BALANCE	(86,739)	(86,739)	98,694	<u>\$ 185,433</u>
FUND BALANCE - BEGINNING OF YEAR	<u>1,183,471</u>	<u>1,183,471</u>	<u>1,183,471</u>	
FUND BALANCE - END OF YEAR	<u>\$ 1,096,732</u>	<u>\$ 1,096,732</u>	<u>\$ 1,282,165</u>	

CITY OF DARDENNE MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 670,000	\$ 670,000	\$ 721,110	\$ 51,110
Intergovernmental	270,778	120,000	100,108	(19,892)
Investment income	7,500	7,500	44,753	37,253
TOTAL REVENUES	<u>948,278</u>	<u>797,500</u>	<u>865,971</u>	<u>68,471</u>
EXPENDITURES				
Current expenditures:				
Capital outlays	798,436	468,741	304,048	164,693
Debt service	296,350	296,350	296,690	(340)
TOTAL EXPENDITURES	<u>1,094,786</u>	<u>765,091</u>	<u>600,738</u>	<u>164,353</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(146,508)</u>	<u>32,409</u>	<u>265,233</u>	<u>144,461</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	28,000	28,000
Operating transfer in (out)	-	-	4,105	4,105
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>-</u>	<u>32,105</u>	<u>32,105</u>
CHANGE IN FUND BALANCE	(146,508)	32,409	297,338	<u>\$ 264,929</u>
FUND BALANCE - BEGINNING OF YEAR	<u>954,931</u>	<u>954,931</u>	<u>954,931</u>	
FUND BALANCE - END OF YEAR	<u>\$ 808,423</u>	<u>\$ 987,340</u>	<u>\$ 1,252,269</u>	

CITY OF DARDENNE MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
TRANSPORTATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2023

	BUDGET		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 670,000	\$ 670,000	\$ 721,460	\$ 51,460
Investment income	5,000	5,000	12,799	7,799
TOTAL REVENUES	<u>675,000</u>	<u>675,000</u>	<u>734,259</u>	<u>59,259</u>
EXPENDITURES				
Current expenditures:				
Capital outlay	475,428	36,957	-	36,957
Debt service	448,850	448,850	449,171	(321)
TOTAL EXPENDITURES	<u>924,278</u>	<u>485,807</u>	<u>449,171</u>	<u>36,636</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(249,278)</u>	<u>189,193</u>	<u>285,088</u>	<u>95,895</u>
OTHER FINANCING SOURCES (USES)				
Transfer in (out)	-	-	-	-
CHANGE IN FUND BALANCE	(249,278)	189,193	285,088	<u>\$ 95,895</u>
FUND BALANCE - BEGINNING OF YEAR	<u>308,067</u>	<u>308,067</u>	<u>308,067</u>	
FUND BALANCE - END OF YEAR	<u>\$ 58,789</u>	<u>\$ 497,260</u>	<u>\$ 593,155</u>	

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability									
Service cost	\$ 37,062	\$ 46,780	\$ 48,958	\$ 39,303	\$ 39,179	\$ 38,819	\$ 32,818	\$ 30,543	\$ 37,268
Interest on the total pension liability	70,226	70,870	65,592	56,531	50,623	42,875	36,277	29,631	27,494
Change of benefit terms	-	-	26,761	-	-	-	-	-	-
Difference between expected and actual experience	97,803	(103,788)	4,094	34,881	(1,416)	31,763	27,971	19,474	(30,739)
Changes of assumptions	-	-	(19,929)	-	-	-	-	18,765	-
Benefit payments, including refunds	(19,736)	(16,874)	(16,556)	(4,604)	(9,231)	(4,394)	(13,453)	(2,460)	(75)
Net change in total pension liability	<u>185,355</u>	<u>(3,012)</u>	<u>108,920</u>	<u>126,111</u>	<u>79,155</u>	<u>109,063</u>	<u>83,613</u>	<u>95,953</u>	<u>33,948</u>
Total pension liability - beginning	<u>994,711</u>	<u>997,723</u>	<u>888,803</u>	<u>762,692</u>	<u>683,537</u>	<u>574,474</u>	<u>490,861</u>	<u>394,908</u>	<u>360,960</u>
Total pension liability - ending	<u>\$ 1,180,066</u>	<u>\$ 994,711</u>	<u>\$ 997,723</u>	<u>\$ 888,803</u>	<u>\$ 762,692</u>	<u>\$ 683,537</u>	<u>\$ 574,474</u>	<u>\$ 490,861</u>	<u>\$ 394,908</u>
Plan Fiduciary Net Position									
Contributions-employer	60,412	49,044	67,655	54,582	43,601	43,331	37,887	33,255	34,665
Contributions-employee	-	-	-	-	-	-	-	-	-
Net investment income	41,964	781	230,791	10,141	45,749	72,546	59,323	(1,444)	8,339
Benefit payments, including refunds	(19,736)	(16,874)	(16,556)	(4,604)	(9,231)	(4,394)	(13,453)	(2,460)	(75)
Pension plan administrative expense	(2,436)	(1,879)	(1,336)	(1,614)	(1,450)	(1,025)	(1,012)	(926)	(932)
Other (net transfer)	(8,642)	31,651	(3,549)	(495)	(183)	(658)	(6,678)	(396)	21,964
Net change in plan fiduciary net position	<u>71,562</u>	<u>62,723</u>	<u>277,005</u>	<u>58,010</u>	<u>78,486</u>	<u>109,800</u>	<u>76,067</u>	<u>28,029</u>	<u>63,961</u>
Plan fiduciary net position - beginning	<u>1,165,336</u>	<u>1,102,613</u>	<u>825,608</u>	<u>767,598</u>	<u>689,112</u>	<u>579,312</u>	<u>503,245</u>	<u>475,216</u>	<u>411,255</u>
Plan fiduciary net position - ending	<u>\$ 1,236,898</u>	<u>\$ 1,165,336</u>	<u>\$ 1,102,613</u>	<u>\$ 825,608</u>	<u>\$ 767,598</u>	<u>\$ 689,112</u>	<u>\$ 579,312</u>	<u>\$ 503,245</u>	<u>\$ 475,216</u>
Employer net pension liability (asset)	<u>\$ (56,832)</u>	<u>\$ (170,625)</u>	<u>\$ (104,890)</u>	<u>\$ 63,195</u>	<u>\$ (4,906)</u>	<u>\$ (5,575)</u>	<u>\$ (4,838)</u>	<u>\$ (12,384)</u>	<u>\$ (80,308)</u>
Plan fiduciary net position as a percentage of the									
Total pension liability	104.82 %	117.15 %	110.51 %	92.89 %	100.64 %	100.82 %	100.84 %	102.52 %	120.34 %
Covered employee payroll	\$ 526,898	\$ 344,590	\$ 573,366	\$ 502,701	\$ 390,544	\$ 422,077	\$ 389,497	\$ 304,762	\$ 300,631
Employer's net pension asset as a percentage									
of covered employee payroll	(10.79) %	(49.52) %	(18.29) %	12.57 %	(1.26) %	(1.32) %	(1.24) %	(4.06) %	(26.71) %

Notes to schedule:

Information for years prior to implementation of GASB 68 is not available; amounts presented for the year end were determined as of June 30, the measurement date.

CITY OF DARDENNE PRARIE, MISSOURI

SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST TEN FISCAL YEARS

<u>Year ended December 31,</u>	<u>Actuarial Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2014	\$ 38,729	\$ 38,729	\$ -	\$ 352,081	11.0 %
2015	35,964	35,964	-	336,116	10.7
2016	31,571	31,571	-	343,166	9.2
2017	41,489	41,489	-	419,077	9.9
2018	42,695	42,695	-	410,529	10.4
2019	47,794	47,794	-	446,672	10.7
2020	62,020	62,020	-	558,739	11.1
2021	62,471	62,471	-	514,252	12.1
2022	52,941	52,941	-	456,388	11.6
2023	57,501	57,501	-	542,468	10.6

Notes to Schedule of Contributions

Valuation date: 02/28/23

Notes: The roll-forward of total pension liability from February 28, 2023 to June 30, 2023 reflects expected service cost and interest reduced by actual benefit payments.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal and modified terminal funding
Amortization method	A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.
Remaining amortization period	Multiple bases from 15 to 17 years
Asset valuation method	5-year smoothed market; 20% corridor
Inflation	2.75% wage inflation; 2.25% price inflation
Salary increases	2.75% to 6.75% including wage inflation
Investment rate of return	7.00%, net of investment expenses
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 disabled mortality table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 employees mortality table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of the Police, Fire and Public Safety groups. Mortality rates for a particular calendar years are determined by applying the MP-2020 mortality improvement scale to the above described tables.
Other information:	None