

**THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.**

**NEW ISSUE  
BOOK ENTRY ONLY**

**RATING: S&P: "AA-"  
See "Rating" herein.**

*In the opinion of Gilmore & Bell, P.C., Bond Counsel, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), (1) the interest on the Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax, (2) the interest on the Bonds is exempt from income taxation by the State of Missouri and (3) the Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. See "TAX MATTERS" in this Official Statement.*

## **OFFICIAL STATEMENT**

### **\$20,000,000 CITY OF BELTON, MISSOURI GENERAL OBLIGATION BONDS SERIES 2019**

**Dated: Date of Delivery**

**Due: March 1, as shown on  
the inside cover page**

The Bonds are issuable only as fully registered bonds, without coupons, and, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in authorized denominations. Purchasers will not receive certificates representing their interests in Bonds purchased. So long as Cede & Co. is the registered owner of the bonds, as nominee of DTC, references herein to the Bondowners or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (herein defined) of the Bonds.

The Bonds will be issued in the denomination of \$5,000 or any integral multiple thereof. Semiannual interest will be payable on March 1 and September 1, beginning on March 1, 2020. Principal will be payable upon presentation and surrender of the Bonds by the registered owners thereof at the payment office of UMB Bank, N.A., Kansas City, Missouri, Paying Agent. Interest will be payable by check or draft of the Paying Agent mailed (or by electronic transfer in certain circumstances as described herein) to the persons who are the registered owners of the Bonds as of the close of business on the fifteenth day of the month preceding the interest payment date. So long as DTC or its nominee, Cede & Co., is the Bondowner, such payments will be made directly to such Bondowner. DTC is expected, in turn, to remit such payments to the DTC Participants (herein defined) for subsequent disbursement to the Beneficial Owners.

The Bonds are subject to redemption prior to maturity as described herein.

The Bonds and the interest thereon will constitute general obligations of the City, payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City.

*The Bonds are offered when, as and if issued by the City, subject to the approval of legality by Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel. Certain legal matters related to the Official Statement will be passed upon by Gilmore & Bell, P.C., Kansas City, Missouri. It is expected that the Bonds will be available for delivery at The Depository Trust Company in New York, New York on or about October 8, 2019.*

## **JANNEY MONTGOMERY SCOTT LLC**

The date of this Official Statement is September 25, 2019.

**\$20,000,000**  
**CITY OF BELTON, MISSOURI**  
**GENERAL OBLIGATION BONDS**  
**SERIES 2019**

**MATURITY SCHEDULE**

**Serial Bonds**

<b><u>Maturity</u></b> <b><u>March 1</u></b>	<b><u>Principal</u></b> <b><u>Amount</u></b>	<b><u>Interest</u></b> <b><u>Rate</u></b>	<b><u>Price</u></b>	<b><u>Yield</u></b>
2020	\$500,000	4.00%	101.064%	1.30%
2021	615,000	4.00	103.697	1.32
2022	605,000	4.00	106.278	1.33
2023	140,000	4.00	108.838	1.33
2024	180,000	4.00	111.275	1.35
2025	175,000	4.00	113.580	1.38
2026	195,000	4.00	115.789	1.41
2027	95,000	4.00	115.326*	1.48
2028	255,000	4.00	114.996*	1.53
2029	190,000	4.00	114.733*	1.57
2030	225,000	4.00	114.471*	1.61
2031	260,000	3.00	104.748*	2.20
2032	1,620,000	3.00	104.019*	2.32
2033	1,740,000	3.00	103.657*	2.38
2034	1,855,000	3.00	103.296*	2.44
2035	1,985,000	3.00	102.937*	2.50
2036	2,110,000	3.00	102.579*	2.56
2037	2,260,000	4.00	109.745*	2.35
2038	2,420,000	4.00	109.372*	2.41
2039	2,575,000	3.00	102.341*	2.60

\*Priced to the call date.

**CITY OF BELTON, MISSOURI**  
**506 Main Street, P.O. Box 230**  
**Belton, Missouri 64012**  
**(816) 331-4331**

**MAYOR AND CITY COUNCIL**

Jeff Davis, Mayor  
David Clark, Councilman  
Ryan Finn, Councilman  
Gary Lathrop, Councilman  
Dean Van Winkle, Councilman  
Lorrie Peek, Councilman  
Tim Savage, Councilman  
Chet Trutzel, Councilman  
Stephanie Davidson, Councilman

**CITY ADMINISTRATION**

Alexa Barton, City Manager  
Sheila Erzen, Finance Director  
Andrea Cunningham, City Clerk

**CERTIFIED PUBLIC ACCOUNTANT**

Troutt, Beeman & Co., P.C.  
Harrisonville, Missouri

**BOND COUNSEL**

Gilmore & Bell, P.C.  
Kansas City, Missouri

**MUNICIPAL ADVISOR**

Piper Jaffray & Co.  
Leawood, Kansas

## **REGARDING USE OF THIS OFFICIAL STATEMENT**

No dealer, broker, salesperson or other person has been authorized by the City or the Underwriter to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the City and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation, by the Underwriter. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or others since the date hereof.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of that information.

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**IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOTT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.**

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**THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY STATE SECURITIES OR "BLUE SKY" LAWS. THE BONDS ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION.**

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### **CAUTIONARY STATEMENTS REGARDING FORWARD- LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT**

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "anticipate," "projected," "budget" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. NEITHER THE CITY NOR ANY OTHER PARTY PLANS TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN THEIR EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES UPON WHICH SUCH STATEMENTS ARE BASED OCCUR.

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**OFFICIAL STATEMENT**  
**\$20,000,000**  
**CITY OF BELTON, MISSOURI**  
**GENERAL OBLIGATION BONDS**  
**SERIES 2019**

**INTRODUCTION**

*This introduction is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement.*

**Purpose of the Official Statement**

The purpose of this Official Statement is to furnish information relating to (1) the City of Belton, Missouri (the “City”) and (2) the City’s General Obligation Bonds, Series 2019 (the “Bonds”), to be issued in the aggregate principal amount of \$20,000,000 to fund the costs of projects for the City. The projects include constructing, reconstructing, extending and improving the streets and roads within the City including acquiring any rights-of-way, and for the purpose of constructing, reconstructing, extending and improving the City’s storm sewer system including acquiring any rights-of-way (collectively, the “Projects”); and

**The City**

The City is a constitutional charter city organized and existing under the laws of the State of Missouri. See the caption “**THE CITY**” herein.

**The Bonds**

The Bonds are being issued pursuant to an ordinance (the “Bond Ordinance”) adopted by the governing body of the City for the purpose of funding the costs of the Projects and costs related to the issuance of the Bonds. The Bonds represent \$20,000,000 of a total of \$28,000,000 of the general obligation bonds authorized for the Projects authorized by the required majority of the voters of the City at an election held on April 2, 2019 (the “Voted Authority”). On April 2, 2019 (the “Election”), the voters in the City approved the issuance of:

(a) \$13,750,000 of general obligation bonds for the purpose of constructing, reconstructing, extending and improving the streets and roads within the City; including any rights-of-way;

(b) \$14,250,000 of general obligation bonds for the purpose of constructing, reconstructing, extending and improving the City’s storm sewer system, including acquiring any rights-of way (collectively, the “Projects”).

**Security and Source of Payment**

The Bonds will be general obligations of the City and will be payable from ad valorem taxes which may be levied without limitation as to rate or amount upon all taxable property, real and personal, within the territorial limits of the City. See the caption “**SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**” herein.

**Financial Statements**

Audited financial statements of the City, as of and for the year ended March 31, 2019, are included in **Appendix B** to this Official Statement. These financial statements have been audited by Troutt, Beeman & Co., P.C., independent certified public accountants located in Harrisonville, Missouri, to the extent and for the periods indicated in their report which is also included in **Appendix B** hereto.

## Risk Factors

Payment of the Bonds is subject to certain risks. See the caption “**RISK FACTORS**” herein.

## THE CITY

The City is a constitutional charter city and political subdivision organized and existing under the laws of the State of Missouri. The City is located in the northwestern part of Cass County, Missouri, approximately 20 miles south of Kansas City, Missouri. The City has a current estimated population of 23,299 persons. See “**APPENDIX A: THE CITY**” and “**APPENDIX B: ACCOUNTANT’S REPORT AND AUDITED FINANCIAL STATEMENTS.**”

## PLAN OF FINANCING

### Authorization and Purpose of Bonds

The Bonds are authorized pursuant to and in full compliance with the Constitution and statutes of the State of Missouri, including particularly Article VI, Section 26 of the Missouri Constitution and Chapters 95 and 108 of the Revised Statutes of Missouri, as amended (the “General Obligation Bond Law”).

### The Projects

The Bonds represent the first installment of the Voted Authority authorized by the required majority of voters of the City at an election held April 2, 2019 to fund the costs for the Projects. The City will deposit \$20,924,815.09 of the proceeds of the Bonds in the Project Fund established under the Bond Ordinance to pay the costs of the Projects.

### Sources and Uses of Funds

The following table summarizes the estimated sources of funds and the expected uses of such funds, in connection with the plan of financing:

#### *Sources of Funds:*

Principal Amount of the Bonds .....	\$20,000,000.00
Net Original Issue Premium .....	<u>1,088,873.85</u>
Total.....	<u>\$21,088,873.85</u>

#### *Uses of Funds:*

Deposit for costs of the Projects .....	\$20,924,815.09
Costs of Issuance including Underwriter’s Discount.....	<u>164,058.76</u>
Total.....	<u>\$21,088,873.85</u>

## THE BONDS

*The following is a summary of certain terms and provisions of the Bonds. Reference is hereby made to the Bonds and the provisions with respect thereto in the Bond Ordinance for the detailed terms and provisions thereof.*

### General Description

The Bonds will be issued in the principal amounts stated on the inside cover page of this Official Statement, will be dated their date of delivery, and will consist of fully registered bonds without coupons in the denomination

of \$5,000 or any integral multiple thereof. The Bonds will mature, subject to redemption as described below, on March 1 in the years and in the principal amounts set forth on the inside cover page of this Official Statement. Interest on the Bonds will be payable semiannually on March 1 and September 1 in each year, beginning on March 1, 2020. Principal will be payable upon presentation and surrender of the Bonds by the Registered Owners thereof at the payment office of UMB Bank, N.A., Kansas City, Missouri, Paying Agent. Interest shall be paid to the Registered Owners of the Bonds as shown on the Bond Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Registered Owners shown on the Bond Register, (b) at such other address as is furnished to the Paying Agent in writing by any Registered Owner or (c) in the case of an interest payment to any Registered Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such Registered Owner upon written notice given to the Paying Agent by such Registered Owner, not less than 5 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank (which shall be in the continental United States), ABA routing number and account name and account number to which such Registered Owner wishes to have such transfer directed.

### **Redemption Provisions**

*Optional Redemption.* At the option of the City, Bonds may be called for redemption and payment prior to maturity on March 1, 2026 and thereafter, in whole or in part at any time at the redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.

*Selection of Bonds to be Redeemed.* Bonds shall be redeemed only in \$5,000 principal amounts or multiples thereof. When less than all of the Outstanding Bonds are to be redeemed and paid prior to maturity, such Bonds shall be redeemed from the maturities selected by the City, and Bonds of less than a full maturity shall be selected by the Paying Agent in \$5,000 units of face value by lot or in such other equitable manner as the Paying Agent may determine.

*Notice and Effect of Call for Redemption.* In the event of any such redemption, the Paying Agent will give written notice of the City's intention to redeem and pay said Bonds by first-class mail to the State Auditor of Missouri, to the original purchaser of the Bonds, and to the Registered Owner of each Bond, said notice to be mailed not less than 20 days prior to the redemption date. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall become due and payable on the redemption date, at the redemption price therein specified, and from and after the redemption date (unless the City defaults in the payment of the redemption price) such Bonds or portion of Bonds shall cease to bear interest.

So long as DTC is effecting book-entry transfers of the Bonds, the Paying Agent shall provide the notices specified above to DTC. It is expected that DTC will, in turn, notify the DTC Participants and that the DTC Participants, in turn, will notify or cause to be notified the Beneficial Owners. Any failure on the part of DTC or a DTC Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Paying Agent, a DTC Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

### **Registration, Transfer and Exchange of Bonds**

Each Bond when issued shall be registered by the Paying Agent in the name of the owner thereof on the Bond Register. Bonds are transferable only upon the Bond Register upon presentation and surrender of the Bonds, together with instructions for transfer. Bonds may be exchanged for Bonds in the same aggregate principal amount and maturity upon presentation to the Paying Agent, subject to the terms, conditions and limitations set forth in the Bond Ordinance and upon payment of any tax, fee or other governmental charge required to be paid with respect to any such registration, transfer or exchange.



## SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

### General Obligations

The Bonds will constitute general obligations of the City and will be payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City.

### The Bond Ordinance

*Pledge of Full Faith and Credit.* The full faith, credit and resources of the City are irrevocably pledged under the Bond Ordinance for the prompt payment of the Bonds as the same become due.

*Levy and Collection of Annual Tax.* Under the Bond Ordinance, there will be levied upon all of the taxable tangible property within the City a direct annual tax sufficient to produce the amounts necessary for the payment of the principal of and interest on the Bonds as the same become due and payable in each year. Such taxes shall be extended upon the tax rolls in each year, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the City are levied and collected. The proceeds derived from said taxes shall be deposited in the Debt Service Fund, shall be kept separate and apart from all other funds of the City and shall be used for the payment of the principal of and interest on the Bonds as and when the same become due and the fees and expenses of the Paying Agent.

All references herein to the Bond Ordinance are qualified in their entirety by reference to the Bond Ordinance. Copies of the Bond Ordinance and the Official Statement may be viewed at the office of Piper Jaffray & Co., 11635 Rosewood Street, Leawood, Kansas 66211, (913) 345-3300, or will be provided to any prospective purchaser requesting the same, upon payment by such prospective purchaser of the cost of complying with such request.

## RISK FACTORS

The following is a discussion of certain risks that could affect the payments to be made by the City with respect to the Bonds. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement (including its appendices) in order to make a judgment as to whether the Bonds are an appropriate investment. Prospective purchasers of the Bonds should consider carefully all possible factors that may result in a default in the payment of the Bonds, the redemption of the Bonds prior to maturity, a determination that the interest on the Bonds might be deemed taxable for purposes of federal and Missouri income taxation, or that may affect the market price or liquidity of the Bonds. **This discussion of risk factors is not, and is not intended to be, comprehensive or exhaustive.**

### Ad Valorem Property Taxes

The Bond Ordinance levies a direct annual tax on all taxable tangible property within the City sufficient to produce amounts necessary for the payment of the principal of and interest on the Bonds each year. Declining property values in the City, whether caused by national or global financial crises, natural disasters, local economic downturns, or other reasons, may require higher levy rates, which may increase the burden on local taxpayers and affect certain taxpayers' willingness or ability to continue timely paying property taxes. See **"FINANCIAL INFORMATION CONCERNING THE CITY – Property Valuations – History of Property Valuations"** in *Appendix A* of this Official Statement. In addition, the issuance of additional general obligation bonds by the City or other indebtedness by other political subdivisions in, or overlapping the boundaries of, the City would increase the tax burden on taxpayers in the City. See **"DEBT STRUCTURE OF THE CITY – Overlapping Indebtedness"** in *Appendix A* of this Official Statement. Missouri law limits the amount of general obligation debt issuable by the City to 20% of the assessed valuation of taxable tangible property in the City. See **"DEBT STRUCTURE OF THE CITY – Legal Debt Capacity"** in *Appendix A* of this Official Statement. Other political subdivisions in the City are subject to similar limitations on general obligation debt imposed by Missouri law, including school districts, counties and certain other political subdivisions, which are

limited to general obligation debt of 15%, 10% and 5% of assessed valuation of taxable tangible property, respectively.

Concentration of property ownership in the City would expose the City's ability to collect ad valorem property taxes to the financial strength and ability and willingness of major taxpayers to pay property taxes. In fiscal year 2018, no single property owner owned more than 3.50% of the total taxable property in the City. See **"PROPERTY TAX INFORMATION CONCERNING THE CITY – Property Valuations – Current Assessed Valuation"** and **"PROPERTY TAX INFORMATION CONCERNING THE CITY – Major Property Taxpayers"** in *Appendix A* of this Official Statement.

### **Secondary Market Prices and Liquidity**

The Underwriter will not be obligated to repurchase any of the Bonds, and no representation is made concerning the existence of any secondary market for the Bonds. No assurance is given that any secondary market will develop following the completion of the offering of the Bonds and no assurance is given that the initial offering price for the Bonds will continue for any period of time.

Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and changes in the operating performance or tax collection patterns of issuers. Particularly, prices of outstanding municipal securities should be expected to decline if prevailing market interest rates rise. Municipal securities are generally viewed as long-term investments, subject to material unforeseen changes in the investor's or the issuer's circumstances, and may require commitment of the investor's funds for an indefinite period of time, perhaps until maturity.

### **No Reserve Fund or Credit Enhancement**

No debt service reserve fund will be funded and no financial guaranty insurance policy, letter of credit or other credit enhancement will be issued to insure payment of the Bonds. Accordingly, any potential purchaser of the Bonds should consider the financial ability of the City to pay the Bonds. As described under **"SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – The Bond Ordinance"** in this Official Statement, the City has irrevocably pledged its full faith, credit and resources for the prompt payment of the Bonds and levied a direct annual tax, without limitation, on all taxable tangible property in the City in an amount sufficient to pay principal and interest on the Bonds.

### **Rating**

The rating agency has assigned the Bonds the rating set forth under **"RATING"** in this Official Statement. Such rating reflects only the view of such rating agency, and an explanation of the significance of such rating may be obtained therefrom. There is no assurance that the rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, by said rating agency if, in its judgment, circumstances warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

### **Bankruptcy**

In addition to the limitations on remedies contained in the Bond Ordinance, the rights and remedies provided by the Bonds may be limited by and are subject to (i) bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws affecting creditors' rights, (ii) the application of equitable principles, and (iii) the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against political subdivisions in the State of Missouri. Section 108.180 of the Revised Statutes of Missouri, as amended, requires that any interest and sinking fund moneys only be used to pay principal and interest on the Bonds. The City, like all other Missouri political subdivisions, is specifically authorized by Missouri law to institute proceedings under Chapter 9 of the Federal Bankruptcy Code. Such proceedings, if commenced, are likely to have an adverse effect on the market price of the Bonds.

## **Pensions and Other Postemployment Benefits**

The City contributes to an agent multiple-employer defined-benefit pension plan on behalf of its employees. See “**THE CITY – GENERAL – Pension and Employee Retirement Plans**” in *Appendix A* of this Official Statement. See “**FINANCIAL INFORMATION CONCERNING THE CITY – Pension and Employee Retirement Plans**” in *Appendix A* of this Official Statement. Future required contribution increases beyond the current fiscal year may require the City to increase its revenues, reduce its expenditures, or some combination thereof, which may impact the City’s operations or limit the City’s ability to generate additional revenues in the future.

For more information specific to the City’s participation, including the City’s past contributions, net pension liability, and pension expense, see Note 5 to the City’s financial statements included in *Appendix B* to this Official Statement.

## **Amendment of the Bond Ordinance**

Certain amendments, effected by ordinance of the City, to the Bonds and the Bond Ordinance may be made with consent of the owners of not less than a majority in principal amount of the Bonds then outstanding. Such amendments may adversely affect the security of the owners of the Bonds.

## **Loss of Premium from Redemption**

Any person who purchases the Bonds at a price in excess of their principal amount or who holds such Bonds trading at a price in excess of par should consider the fact that the Bonds are subject to redemption prior to maturity at the redemption prices described herein in the event such Bonds are redeemed prior to maturity. See “**THE BONDS – Redemption Provisions**” in this Official Statement.

## **Tax-Exempt Status and Risk of Audit**

The failure of the City to comply with certain covenants set forth in the Bond Ordinance could cause the interest on the Bonds to become included in gross income for federal and Missouri income tax purposes retroactive to the date of issuance of the Bonds. The Bond Ordinance does not provide for the payment of any additional interest, redemption premium or penalty if the interest on the Bonds becomes included in gross income for federal income tax purposes. See “**TAX MATTERS**” in this Official Statement.

The Internal Revenue Service (the “IRS”) has established an ongoing program to audit tax-exempt obligations to determine whether interest on such obligations should be included in gross income for federal income tax purposes. Owners of the Bonds are advised that, if an audit of the Bonds was commenced, the IRS, in accordance with its current published procedures, is likely to treat the City as the taxpayer, and the owners of the Bonds may not have a right to participate in such audit. Public awareness of any audit could adversely affect the market value and liquidity of the Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

## **Defeasance Risks**

When all Bonds are deemed paid and discharged as provided in the Bond Ordinance, the requirements contained in the Bond Ordinance and the pledge of the City’s faith and credit thereunder and all other rights granted thereby will terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Bond Ordinance if there has been deposited with the Paying Agent, or other commercial bank or trust company moneys and/or Defeasance Obligations that, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the Bonds to the stated maturity or prior redemption date. There is no legal requirement in the Bond Ordinance that Defeasance Obligations be rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets, and that could

include the rating of Bonds defeased with Defeasance Obligations to the extent the Defeasance Obligations have a change or downgrade in rating.

### **THE BOOK-ENTRY ONLY SYSTEM**

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain

that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal or redemption price of and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

**The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.**

### **Transfer Outside Book-Entry Only System**

If the Book-Entry Only System is discontinued the following provisions would apply. The Bonds are transferable only upon the Register upon presentation and surrender of the Bonds, together with instructions for transfer. Bonds may be exchanged for other Bonds of any denomination authorized by the Bond Ordinance in the same aggregate principal amount, series, payment date and interest rate, upon presentation to the Paying Agent, subject to the terms, conditions and limitations and upon payment of any tax, fee or other governmental charge required to be paid with respect to any such registration, exchange or transfer.

## **LEGAL MATTERS**

### **Legal Proceedings**

As of the date hereof, there is no controversy, suit or other proceeding of any kind pending or threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the City or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act in connection with the authorization, issuance and sale of the Bonds, or the

constitutionality or validity of the Bonds or any of the proceedings had in relation to the authorization, issuance or sale thereof, or the levy and collection of a tax to pay the principal and interest thereof, or which might affect the City's financial condition or ability to meet its obligations to pay the Bonds.

### **Approval of Legality**

All legal matters incident to the authorization and issuance of the Bonds are subject to the approval of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel.

## **TAX MATTERS**

*The following is a summary of the material federal and State of Missouri income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Missouri, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.*

### **Opinion of Bond Counsel**

In the opinion of Gilmore & Bell, P.C., Bond Counsel, under the law existing as of the issue date of the Bonds:

*Federal and Missouri Tax Exemption.* The interest on the Bonds is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State of Missouri.

*Alternative Minimum Tax.* Interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

*Bank Qualification.* The Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

Bond Counsel's opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal and State of Missouri income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds but has reviewed the discussion under the section herein captioned "**TAX MATTERS.**"

### **Other Tax Consequences**

*Original Issue Premium.* If a Bond is issued at a price that exceeds the stated redemption price at maturity of the Bond, the excess of the purchase price over the stated redemption price at maturity constitutes "premium" on that Bond. Under Section 171 of the Code, the purchaser of that Bond must amortize the premium over the term of the Bond using constant yield principles, based on the purchaser's yield to maturity. As premium

is amortized, the owner's basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner. This will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on the sale or disposition of the Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

*Sale, Exchange or Retirement of Bonds.* Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

*Reporting Requirements.* In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

*Collateral Federal Income Tax Consequences.* Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

## CONTINUING DISCLOSURE

The City is entering into a Continuing Disclosure Undertaking for the benefit of the owners and Beneficial Owners of the Bonds in order to comply with Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). See "FORM OF CONTINUING DISCLOSURE UNDERTAKING" in *Appendix D* hereto. The City is the only "obligated person" with responsibility for continuing disclosure.

Pursuant to the Continuing Disclosure Undertaking, the City will, not later than the last day of the **sixth month** after the end of the City's fiscal year beginning with the fiscal year ending March 31, 2019, provide to the Municipal Securities Rulemaking Board (the "MSRB") the following financial information and operating data (the "Annual Report"):

- (1) The audited financial statements of the City for the prior fiscal year. If audited financial statements are not available by the time the Annual Report is required to be filed, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in this Official Statement, and the audited financial statements will be filed in the same manner as the Annual Report promptly after they become available. The audited financial statements of the City are currently prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. If the City changes the format of its financial statements, (1) notice of such change shall be

given in the same manner as for a Material Event, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

(2) Updates as of the end of the fiscal year of the financial information and operating data contained in *Appendix A* of this Official Statement under the following sections:

DEBT STRUCTURE OF THE CITY

Authority to Incur Debt

Current Long-Term Indebtedness and Other Obligations

FINANCIAL INFORMATION CONCERNING THE CITY

Sources of Revenue

Retail Sales Taxes

PROPERTY TAX

Assessed Valuation

Tax Rates – *The table showing tax levies*

Tax Collections

Pursuant to the Continuing Disclosure Undertaking, the City also will give notice of the occurrence of any of the following events with respect to the Bonds, no later than 10 business days after the occurrence of such event (“Material Events”):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the City;
- (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
- (15) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.



A Financial Obligation means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under the Continuing Disclosure Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent is not responsible in any manner for the content of any notice or report prepared by the City pursuant to the Continuing Disclosure Undertaking.

Notwithstanding any other provision of the Continuing Disclosure Undertaking, the City may amend the Continuing Disclosure Undertaking and any provision of the Continuing Disclosure Undertaking may be waived, provided Bond Counsel or other counsel experienced in federal securities law matters provides the City with its opinion that the undertaking of the City, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to the Continuing Disclosure Undertaking.

In the event of a failure of the City to comply with any provision of the Continuing Disclosure Undertaking, the Paying Agent, the Underwriter or any owner or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking. A default under the Continuing Disclosure Undertaking will not be deemed an event of default under the Bond Ordinance or the Bonds, and the sole remedy under the Continuing Disclosure Undertaking in the event of any failure of the City to comply with the Continuing Disclosure Undertaking will be an action to compel performance.

The City has engaged in undertakings similar to the Continuing Disclosure Undertaking with respect to certain prior obligations of the City, to provide to the national information repositories (presently, only the MSRB) the City's audited financial statements and certain operating data. Over the last five fiscal years (i.e., fiscal years ended March 31, 2015 through March 31, 2019), the City has substantially complied with its obligation to timely file its audited financial statements. For the fiscal years ended March 31, 2015 through March 31, 2019, the City substantially complied with its requirements to timely file its operating data. The City failed to file notices of underlying rating changes that occurred in August of 2014 until September 2017. In order to promote compliance with the City's obligations under the Continuing Disclosure Undertaking and the City's prior undertakings with respect to the content of Annual Reports, the City engaged the law firm of Gilmore & Bell, P.C. to provide filing reminders and to assist the City in determining the required content of the Annual Reports and in submitting such Annual Reports to the MSRB via EMMA.

### **Electronic Municipal Market Access System (EMMA)**

All Annual Reports and notices of Material Events required to be filed by the City or the Dissemination Agent pursuant to the Continuing Disclosure Undertaking must be submitted to the MSRB through the MSRB's Electronic Municipal Market Access system ("EMMA"). EMMA is an internet-based, online portal for free investor access to municipal bond information, including offering documents, material event notices, real-time municipal securities trade prices and MSRB education resources, available at [www.emma.msrb.org](http://www.emma.msrb.org). Nothing contained on EMMA relating to the City or the Bonds is incorporated by reference in this Official Statement.

### **RATING**

Standard & Poor's Rating Services is expected to give the Bonds a rating of "AA-" which reflects its evaluation of the investment quality of the Bonds. Such rating reflects only the view of such rating agency, and an explanation of the significance of such rating may be obtained therefrom. There is no assurance that the rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, by said rating agency if, in its judgment, circumstances warrant. Any such downward revisions or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

The City has furnished the rating agency with certain information and materials relating to the Bonds and the City that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions made by the rating agencies. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the rating agency originally establishing such rating, circumstances so warrant. The Underwriter has not undertaken any responsibility to bring to the attention of the holders of the Bonds any proposed revision or withdrawal of the ratings of the Bonds or to oppose any such proposed revision or withdrawal. Pursuant to the Continuing Disclosure Undertaking, the City is required to bring to the attention of the holders of the Bonds any revision or withdrawal of the ratings of the Bonds but has not undertaken any responsibility to oppose any such revision or withdrawal. See the section herein captioned **“CONTINUING DISCLOSURE.”** Any such revision or withdrawal of the ratings could have an adverse effect on the market price and marketability of the Bonds.

## **MISCELLANEOUS**

### **Municipal Advisor**

Piper Jaffray & Co. (the “Municipal Advisor”) has acted as Municipal Advisor to the City in connection with the sale of the Bonds. The Municipal Advisor has assisted the City in matters relating to the planning, structuring and issuance of the Bonds and various other debt related matters. The Municipal Advisor will not be a manager or a member of any purchasing group submitting a proposal for the purchase of the Bonds.

### **Underwriting**

Based upon bids received by the City on September 25, 2019, the Bonds were awarded to Janney Montgomery Scott LLC (the “Underwriter”). The Bonds are being purchased for reoffering by the Underwriter. The Underwriter has agreed to purchase the Bonds from the City at a price equal to \$21,041,315.09 (representing the par amount of the Bonds less an underwriters’ discount of \$47,558.76 and plus original issue premium of \$1,088,873.85). The Underwriter is purchasing the Bonds from the City for resale in the normal course of the Underwriter’s business activities. The Underwriter may sell certain of the Bonds at a price greater than such purchase price, as shown on the inside cover page hereof. The Underwriter reserves the right to offer any of the Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine. The Underwriter reserves the right to join with dealers and other purchasers in offering the Bonds to the public. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the public offering prices.

### **Certification and Other Matters Regarding Official Statement**

Information set forth in this Official Statement has been furnished or reviewed by certain officials of the City, certified public accountants, and other sources, as referred to herein, which are believed to be reliable. Any statements made in this Official Statement involving matters of opinion, estimates or projections, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or projections will be realized.

Simultaneously with the delivery of the Bonds, the Mayor of the City, acting on behalf of the City, will furnish to the Underwriter a certificate which shall state, among other things, that to the best knowledge and belief of such officer, this Official Statement (and any amendment or supplement hereto) as of the date of sale and as of the date of delivery of the Bonds does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements herein, in light of the circumstances under which they were made, not misleading in any material respect.

The form of this Official Statement, and its distribution and use by the Underwriter, has been approved by the City. Neither the City nor any of its officers, directors or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the City or the City’s ability to make payments required of it; and further, neither the City nor its officers, directors or

employees assumes any duties, responsibilities or obligations in relation to the issuance of the Bonds other than those either expressly or by fair implication imposed on the City by the Bond Ordinance.

**CITY OF BELTON, MISSOURI**

By: /s/ Jeff Davis  
Mayor

**APPENDIX A**  
**CITY OF BELTON, MISSOURI**

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## APPENDIX A

### THE CITY – GENERAL

#### Size and Location

The City is located in Cass County, Missouri (“Cass County”), approximately 20 miles south of downtown Kansas City, Missouri (“Kansas City”), on Interstate Highway 49 (previously U.S. Highway 71), adjacent on the north to the city limits of Kansas City and the City of Grandview, Missouri. The City is 16 square miles in area and has shown a steady growth in population from a 1960 federal census of 4,897 to an estimated 2017 census of 23,299. This growth can be attributed primarily to the City’s proximity to the Kansas City metropolitan area and its source of land suitable for new home and commercial construction.

#### Government and Organization

The City is a municipal corporation and constitutional charter city, organized and existing under the laws of the State of Missouri. The City was founded in 1872. From 1966 until 2008, the City operated under the City Administrator form of government as a fourth-class city. On November 4, 2008, the voters of the City approved a city charter pursuant to Article VI, Section 19 of the Missouri Constitution. Under the charter, a City Manager is appointed by a majority vote of the City Council. The City Manager serves as chief executive officer responsible for directing the operations of the City in accordance with the policies set forth by the City Council. The City Council consists of eight council members, two elected from each of the City’s four wards, who serve staggered three-year terms and a Mayor, who is elected at-large and serves a four-year term.

#### City Officials

The current elected officials of the City are:

<u>Name</u>	<u>Position</u>	<u>Expiration of Term of Office</u>
Jeff Davis	Mayor	April 2021
David Clark	Councilman	April 2022
Ryan Finn	Councilman	April 2021
Gary Lathrop	Councilman	April 2021
Dean Van Winkle	Councilman	April 2021
Lorrie Peek	Councilman	April 2022
Tim Savage	Councilman	April 2022
Chet Trutzel	Councilman	April 2022
Stephanie Davidson	Councilman	April 2021

Alexa Barton serves as City Manager, Sheila Ernzen serves as Finance Director and Andrea Cunningham serves as City Clerk.

#### Demographic Information

*Municipal Utilities and Services.* The City owns and operates its own water and sewer systems. Electric service is provided by Kansas City Power and Light Company. Natural gas service is provided by Spire Missouri Inc.

*Transportation and Communication Facilities.* The City is located at the intersection of Interstate Highway 49, a major north-south artery in the Kansas City metropolitan area, and Missouri Highway 58. The City is served by The Burlington Northern and Santa Fe Railroad and Kansas City Southern Railroad. Kansas City International Airport, which is within an hour of the City, and Kansas City’s Downtown Airport, within forty minutes of the City, provide commercial and charter flights.

*Educational Institutions and Facilities.* The City is served by Belton School District No. 124 of Cass County, Missouri (“Belton School District”), which is accredited by the Missouri Department of Elementary and Secondary Education. The Belton School District has a preschool, six elementary schools, a middle school, a freshmen center, and a high school and participates with other area school districts in the operation of a school for students with behavioral or emotional disorders. Total district enrollment was 4,877 students for the 2017-18 school year. City residents have easy access to the Kansas City metropolitan area’s numerous colleges, universities, community colleges and technical schools.

*Medical and Health Facilities.* Belton Regional Medical Center, a 71-bed acute care hospital, was completed in 1984. The hospital provides 24-hour emergency care, surgery, internal medicine, pediatrics, intensive care, radiology, laboratory, pharmacy, physical therapy and cardio-pulmonary services. There is a wide variety of doctors, dentists, ophthalmologists and specialists available in Kansas City and the surrounding area.

### *Population*

The following table provides recent and historic population figures for the City and for Cass County.

<b><u>Year</u></b>	<b><u>City of Belton</u></b>	<b><u>Cass County</u></b>
2017*	23,299	101,888
2010	23,116	97,598
2000	21,730	82,092
1990	18,150	63,808
1980	12,708	51,029
1970	12,270	39,448

Source: U.S. Census Bureau.

\* U.S. Census Bureau – 2013-2017 American Community Survey 5-Year Estimates.

### *Housing*

The 2017 estimated median value of owner-occupied housing units in the City and related areas was as follows:

City of Belton	\$125,800
Cass County	165,800
State of Missouri	145,400

Source: U.S. Census Bureau – 2013-2017 American Community Survey 5-Year Estimates.

### *Income Statistics*

The following table sets forth 2017 estimated income statistics for the City, Cass County and the State of Missouri:

	<b><u>Per Capita</u></b>	<b><u>Median Family</u></b>
City of Belton	\$25,534	\$66,015
Cass County	30,618	76,483
State of Missouri	28,282	64,776

Source: U.S. Census Bureau – 2013-2017 American Community Survey 5-Year Estimates.

## Economic Information

*Commerce, Industry and Employment.* The City's location in the Kansas City metropolitan area offers its citizens a wide range of employment opportunities. The following table indicates the major employers within the City.

<u>Major Employers</u>	<u>Product/Service</u>	<u>Employees</u>
Belton School District	Education	686
Quik Trip Distribution	Distribution	654
Hy-Vee Food Stores	Retail grocery	330
Belton Regional Medical Center	Health care	230
City of Belton	Local government	189
ADESA Auto Auction	Vehicle auctions	165
Price Chopper	Retail grocery	158
ROM	Manufacturing	150
Menards	Retail home improvement	136
Kohl's	Retail department store	112

Source: The City's Comprehensive Annual Financial Report for the fiscal year ended March 31, 2019.

### *Labor Statistics*

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019*</u>
Cass County					
Civilian labor force	54,463	55,015	54,254	54,386	54,144
Unemployed	2,602	2,262	1,908	1,660	1,951
Unemployment rate	4.8%	4.1%	3.5%	3.1%	3.6%
State of Missouri					
Civilian labor force	3,113,760	3,111,517	3,061,441	3,052,386	3,036,740
Unemployed	155,584	140,815	115,101	97,578	113,611
Unemployment rate	5.0%	4.5%	3.8%	3.2%	3.8%

Source: Missouri Local Area Unemployment Statistics (LAUS).

\* Average of January through February.

## Building Permits

The following table shows the number, type and estimated construction costs of building permits issued by the City during the ten fiscal years indicated.

	<u>Residential Construction</u>		<u>Commercial Construction</u>	
	<u>No. of Permits</u>	<u>Value</u>	<u>No. of Permits</u>	<u>Value</u>
2019	59	\$10,957,038	5	\$34,332,575
2018	122	24,146,927	5	6,370,972
2017	109	19,082,744	5	10,309,190
2016	106*	17,966,640	8	17,569,190
2015	15	1,841,280	10	9,692,108
2014	11	2,073,235	10	18,570,847
2013	12	2,625,292	6	6,986,000
2012	24	4,450,758	11	33,356,993
2011	54	8,595,122	1	1,700,000
2010	7	1,788,727	4	8,615,970

Source: The City.

\* The increase in residential permits is due to an increase in residential construction.

## **Employee Relations**

The City employs 194 full-time employees and 235 part-time and seasonal employees and, with the exception of its firefighters and police officers, none of the remaining employees are covered by a wage and work agreement between the City and any collective bargaining unit.

The City and the International Association of Firefighters (“IAFF”), Local 42, signed an initial Collective Bargaining Agreement effective May 2012 to March 31, 2015. The IAFF Agreement was renegotiated and renewed on April 1, 2015 to March 31, 2018 subject to annual reopener provisions for wages, staffing, insurance and retirement benefits. The IAFF Agreement was then renegotiated and renewed a second time on January 22, 2019 through March 31, 2021 subject to reopener provisions for wages and insurance.

The City entered into collective bargaining negotiations with its police officers in March 2016. The Labor Agreement presented by the Fraternal Order of Police West Central Missouri Regional (“FOP”), Lodge 50, was approved by the City Council on March 28, 2017. The FOP Labor Agreement is in effect from April 2, 2017 to March 31, 2020 subject to annual reopener provisions for wages and/or hours of work. The key provisions in this FOP Labor Agreement include vacancy bidding procedures, hours of work, wages and overtime and grievance procedures.

The City considers its relations with its employees to be excellent.

## **Pension and Employee Retirement Plans**

The City participates in the Missouri Local Government Employees’ Retirement System (“LAGERS”), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS was created and is governed by state statute, and is a defined-benefit pension plan that provides retirement, disability and death benefits. The plan is qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended, and is tax-exempt. LAGERS is governed by a seven-member Board of Trustees (“LAGERS’ Board”) consisting of three trustees elected by participating employees, three trustees elected by participating employers and one trustee appointed by the Missouri Governor.

LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. The LAGERS Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018 (the “2018 LAGERS CAFR”) is available at <http://www.molagers.org/assets/cafr-2018.pdf>. The link to the 2018 LAGERS CAFR is provided for general background information only, and the information in the 2018 LAGERS CAFR is not incorporated by reference into this Official Statement. The 2018 LAGERS CAFR provides detailed information about LAGERS, including its financial position, investment policy and performance information, actuarial information and assumptions affecting plan design and policies, and certain statistical information about the plan.

For information specific to the City’s participation in LAGERS, including the City’s past contributions, net pension liability, and pension expense, see Note 5 to the City’s financial statements included in **Appendix B** to this Official Statement. For additional information regarding LAGERS, see the 2018 LAGERS CAFR.

## **Other Postemployment Benefits**

In addition to pensions, many state and local governments, including the City, provide other postemployment benefits (“OPEB”) as part of the total compensation offered to attract and retain the services of qualified employees. For information specific to the City’s OPEB obligations, including the City’s past contributions relative to its required contributions, its assumptions as to future healthcare and other costs and its unfunded actuarial accrued liability, see Note 21 to the City’s financial statements included in **Appendix B** to this Official Statement.



## CITY DEBT STRUCTURE

### Financial Overview

The following table summarizes, as of September 1, 2019, unless otherwise noted, certain financial information concerning the City. This information should be reviewed in conjunction with the information contained in this section and, in particular, with the subsection entitled “**FINANCIAL INFORMATION CONCERNING THE CITY**” and the audited financial statements of the City in **Appendix B** to this Official Statement.

2019 Assessed Valuation <sup>(1)</sup>	\$297,863,302
2019 Estimated Actual Valuation	\$1,289,744,723
2017 Estimated Population	23,299
Outstanding General Obligation Debt <sup>(2)</sup>	\$45,795,000
Overlapping General Obligation Debt <sup>(3)</sup>	\$48,338,955
Direct and Overlapping and Underlying General Obligation Debt	\$94,133,955
Ratio of General Obligation Debt to Assessed Valuation	15.37%
Ratio of General Obligation Debt to Estimated Actual Valuation	3.55%
Per Capita General Obligation Debt	\$1,965.54
Ratio of Direct, Overlapping and Underlying General Obligation Debt to Assessed Valuation	31.60%
Ratio of Direct, Overlapping and Underlying General Obligation Debt to Estimated Actual Valuation	7.30%
Per Capita Direct, Overlapping and Underlying General Obligation Debt	\$4,040.26

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- (1) Includes real and personal property and state and local assessed utility valuations. For further details, see “**PROPERTY TAX – Assessed Valuation – Current Assessed Valuation.**”
- (2) Includes the General Obligation Bonds, Series 2019 in the amount of \$20,000,000. For further details, see “**CITY DEBT STRUCTURE – Current Long-Term Indebtedness and Other Obligations.**”
- (3) For further details, see “**CITY DEBT STRUCTURE – Overlapping Indebtedness.**”

### Authority to Incur Debt

Article VI, Sections 26(b) and (c) of the Constitution of the State of Missouri limit the net outstanding amount of authorized general obligation bonds for a city to 10 percent of the assessed valuation of the city. Article VI, Section 26(d) provides that a city may, by a two-thirds (four-sevenths at certain elections) vote of the qualified voters, incur indebtedness in an amount not to exceed an additional 10 percent for the purpose of acquiring rights-of-way, construction, extending and improving streets and avenues, and sanitary or storm sewer systems, provided the total general obligation indebtedness of a city does not exceed 20 percent of the assessed valuation. Article VI, Section 26(e) provides that a City may, by a two-thirds (four-sevenths at certain elections) vote of the qualified voters, incur indebtedness in an amount not to exceed an additional 10 percent for the purpose of purchasing or constructing waterworks, electric or other light plants to be owned exclusively by the city, provided the total general obligation indebtedness of a city does not exceed 20 percent of the assessed valuation. The legal debt limit and margin of the City using the 2019 assessed valuation for an election to be conducted in 2020 is:

Constitutional Debt Limit	
(20% of 2019 assessed valuation)	\$59,573,660
<u>Less Indebtedness Outstanding</u>	<u>50,995,000*</u>
LEGAL DEBT MARGIN	<u>\$8,577,660</u>

\*Indebtedness Outstanding is the unpaid principal of bonds issued plus other general obligation bonds authorized but unissued, reduced by the debt service fund balance as of April 2, 2019 available to pay debt service in the amount of \$2,800,000.

## History of General Obligation Indebtedness

The following table shows the outstanding general obligation debt of the City for each of the five fiscal years shown:

<u>Fiscal Year Ended</u>	<u>Outstanding G.O. Debt</u>	<u>Debt as % of Assessed Valuation</u>
2019	\$25,795,000	9.6%
2018	27,225,000	10.6
2017	27,815,000	11.8
2016	28,980,000	12.3
2015	29,980,000	12.8

\* The assessed valuations used are for the same calendar year as the fiscal year shown (e.g., for the 2019 fiscal year, the 2018 calendar year assessed valuation is used). See “**PROPERTY TAX – Assessed Valuation – History of Property Valuation.**”

## Overlapping Indebtedness

The following table sets forth overlapping general obligation indebtedness of political subdivisions with boundaries overlapping the City as of September 1, 2019, and the percent attributable (on the basis of assessed valuation) to the City. The table was compiled from information furnished by the jurisdictions responsible for the debt and the City has not independently verified the accuracy or completeness of such information. Furthermore, political subdivisions may have ongoing programs requiring the issuance of substantial additional bonds or other long-term obligations such as leases, the amounts of which are not included below.

<u>Taxing Jurisdiction</u>	<u>Net G.O. Debt Outstanding</u>	<u>Percent Applicable to City</u>	<u>Amount Applicable to City</u>
Belton School District	\$49,725,000	89.0%	\$44,255,250
Raymore-Peculiar School District	47,300,000	1.3	614,900
Cass County	16,921,000	20.5	<u>3,468,805</u>
Total			<u>\$48,338,955</u>

Source: Cass County Assessor’s Office; State Auditor of Missouri – Bond Registration Reports.

*[remainder of page intentionally left blank]*

## Current Long-Term Indebtedness and Other Obligations

The following table sets forth, as of the date of the Official Statement, the outstanding long-term indebtedness of the City.

	<u>Issued</u>	<u>Outstanding</u>
<i>General Obligation Bonds</i>		
Series 2011 General Obligation Refunding and Improvement Bonds	14,885,000	2,340,000
Series 2013 General Obligation Refunding Bonds	7,670,000	6,280,000
Series 2017 General Obligation Refunding Bonds Series A	4,350,000	3,135,000
Series 2017 General Obligation Refunding and Improvement Bonds Series B	2,100,000	2,100,000
Series 2017 General Obligation Refunding and Improvement Bonds Series C	11,940,000	<u>11,940,000</u>
Total		<u>\$25,795,000</u>
<i>Certificates of Participation</i>		
Series 2017 Refunding Certificates of Participation	18,170,000	<u>14,660,000</u>
Total		<u>\$14,660,000</u>
<i>System Revenue Bonds</i>		
Series 2010B Taxable Sewerage System Revenue Bonds (Build America Bonds – Direct Pay)	3,065,000	2,970,000
Series 2014 Waterworks Revenue Bonds (DNR) <sup>(1)</sup>	7,039,000	6,026,700
Series 2015 Sewerage System Revenue Bonds (DNR) <sup>(1)</sup>	13,977,000	12,119,000
Series 2015 Waterworks Revenue Bonds (DNR) <sup>(1)</sup>	2,718,000	<u>2,197,100</u>
Total		<u>\$23,312,800</u>
<i>Tax Increment Financing Revenue Bonds</i>		
Series 2012 Tax Increment Revenue Bonds	\$2,155,000	\$290,000
Series 2012 A/B Tax Increment and Community Improvement District Revenue Bonds	5,865,000	3,915,000
Series 2015 Tax Increment Refunding Revenue Bonds	12,045,000	<u>4,185,000</u>
Total		<u>\$8,390,000</u>
<i>Notes Payable</i>		<u>\$32,866</u> <sup>(2)</sup>
<i>Capital Leases</i>		<u>\$941,893</u> <sup>(2)</sup>
TOTAL Long-Term Indebtedness and Other Obligations		<u>\$73,132,559</u>

<sup>(1)</sup> Issued through the State Revolving Fund pooled loan program administered by the Missouri Environmental Improvement and Energy Resources Authority in amounts not to exceed \$7,039,000, \$13,977,000 and \$2,718,000, respectively. These revenue bonds are structured as draw-down bonds and the amounts shown in the Outstanding column reflect the amounts drawn less principal paid as of March 31, 2019.

<sup>(2)</sup> Amount current as of March 31, 2019.

## Defaults on City Indebtedness

The City has never defaulted on the payment of any of its debt obligations.

## Future Financings

The remaining \$8,000,000 of the Voted Authority authorized but unissued from the election on April 2, 2019, is expected to be issued in first half of calendar year 2022.

At an election held on April 2, 2013, the voters of the City authorized the issuance of \$13,925,000 of waterworks revenue bonds for the purpose of extending and improving the City's waterworks system and \$14,475,000 of sewer system revenue bonds for the purpose of extending and improving the City's sewer system. As of the date of this financing, the City has issued through the State Revolving Fund pooled loan program administrated by the Missouri Environmental Improvement and Energy Resources Authority \$9,715,000 of waterworks revenue bonds (leaving \$4,168,000 of bonds authorized but unissued) and \$13,977,000 of sewer system revenue bonds (leaving \$498,000 of bonds authorized but unissued). At this time, the City does not have definitive plans for the issuance of the remaining authorized but unissued revenue bonds.

## FINANCIAL INFORMATION CONCERNING THE CITY

### Accounting, Budgeting and Auditing Procedures

The City begins its budgeting and appropriation process in November of each year for the following fiscal year beginning April 1. The procedure begins with a series of meetings between the City staff members and the City Council. The budgets are presented formally by the City Manager to the City Council prior to March 1 and are incorporated in an appropriation ordinance adopted no later than March 31. The accounts of the City are organized on the basis of funds and account groups, each of which is considered to be a separate accounting entity. The operations of each fund or account group are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equities, revenues and expenditures or expenses. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped by type in the general purpose financial statements. The City's auditor for the fiscal year 2019 was Troutt, Beeman & Co., P.C., Harrisonville, Missouri. The Comprehensive Annual Financial Report of the City for the fiscal year ended March 31, 2019 is included as *Appendix B* to this Official Statement.

### Sources of Revenue

The City finances its operations through the following taxes and other miscellaneous sources as indicated below for the last fiscal year (2019) for which audited financial statements are available:

<u>Source</u>	<u>Amount</u>	<u>Percent</u>
Taxes	\$22,627,413	63.6%
Payments in Lieu of Taxes	1,919,659	5.4
Licenses and Permits	301,668	0.8
Intergovernmental	1,951,821	5.5
Charges for Services	4,498,785	12.6
Fees and Fines	703,898	2.0
Interest	465,056	1.3
Interfund Charges for Support Services	2,686,455	7.6
Other Revenue	<u>417,364</u>	<u>1.2</u>
	<u>\$ 35,572,119</u>	<u>100.0%</u>

*Source:* The City's Comprehensive Annual Financial Report for the fiscal year ended March 31, 2019.

## Retail Sales Taxes

The following table shows the retail sales tax collections for the City for the last ten fiscal years for which audited financial statements are available:

<u>Year</u>	<u>1% General</u>	<u>½% Transportation</u>	<u>½% Capital Improvements</u>	<u>½% Park</u>	<u>¼% Fire</u>	<u>Totals</u>
2019	\$3,243,247	\$1,615,411	\$1,615,432	\$1,615,411	\$810,824	\$8,900,325
2018	2,993,460	1,502,942	1,502,917	1,502,942	748,352	8,250,613
2017	2,940,558	1,470,280	1,470,473	1,470,279	735,237	8,086,827
2016	3,062,277	1,531,139	1,531,139	1,531,138	765,537	8,421,230
2015	2,655,297	1,327,649	1,327,634	1,327,648	663,814	7,302,042
2014	2,262,272	1,131,137	1,130,923	1,131,136	565,527	6,220,995
2013	2,206,390	1,103,197	1,101,994	1,103,197	551,549	6,066,327
2012	2,237,804	1,118,894	1,117,396	1,118,897	559,097	6,152,088
2011	2,074,959	1,037,477	1,037,300	1,037,480	518,694	5,705,910
2010	1,999,843	999,921	1,003,042	999,921	500,787	5,503,514

*Source:* The City.

The transportation sales tax was renewed at an election in November 2005. The transportation sales tax will continue at its current rate and has no sunset provisions.

The capital improvement sales tax was renewed at an election in April 2007. The capital improvement sales tax will continue at its current rate but has a sunset provision for December 31, 2028.

Pursuant to a special election held in the City in November 1997, the City is authorized to impose a sales tax in the amount of ½ of one percent on retail sales in the City to be used for park purposes, a portion of which is used to pay debt service for its community center. The park sales tax was first imposed in April 1998. The park sales tax may only be used for park purposes and has no sunset provisions.

Pursuant to a special election held in the City in April 2006, the City is authorized to impose a sales tax in the amount of 1/4 of one percent on retail sales in the City for a period of twenty years from the date first imposed to provide revenues for the operation of its Emergency Services/Fire Department. This sales tax became effective October 1, 2006 and expires on September 30, 2026.

Pursuant to a special election held in the City in November 2018, the City is authorized to impose a sales tax in the amount of 1/2 of one percent on retail sales in the City to provide revenues solely for the purpose of providing additional funds for public safety for the City. This sales tax has no sunset provisions. The sales tax was first imposed effective as of April 1, 2019.

## Tax Abatement and Tax Increment Financing

Under State law, tax abatement is available for redevelopers of areas determined by the governing body of a city to be “blighted.” The Land Clearance for Redevelopment Authority Law authorizes ten-year tax abatement pursuant to Sections 99.700 to 99.715, Revised Statutes of Missouri, as amended (“RSMo”). In lieu of ten-year tax abatement, a redeveloper that is an urban redevelopment corporation formed pursuant to Chapter 353, RSMo, may seek real property tax abatement for a total period of 25 years. In addition, Chapter 100, RSMo, authorizes real and personal property tax abatement for projects for commercial or industrial development. Currently, there are tax abatement projects located within the City.

In addition, the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, RSMo, makes available tax increment financing for redevelopment projects in certain areas determined by the governing body of a city or county to be a “blighted area,” “conservation area,” or “economic development area,” each as defined in such statute. The City has approved tax increment financing redevelopment areas within the City to assist in the financing of redevelopment projects through the reimbursement of certain redevelopment project costs. These costs are payable solely from moneys on deposit in a “special allocation fund.” The moneys deposited into the special allocation fund may consist of (a) certain payments in lieu of taxes, attributable to the increase in assessed valuation of the real property within the redevelopment areas as a result of development, and (b) fifty percent of the total additional revenue from taxes (including the sales taxes of the City but excluding certain other taxes) of local taxing districts which are generated by economic activities within the redevelopment areas over the amount of such taxes generated by economic activities within the year in the calendar year in which the redevelopment areas were created. As a result, the payments in lieu of taxes attributable to the increase in assessed valuation of the real property within the redevelopment areas and up to fifty percent (50%) of the additional revenues generated by the sales taxes within such redevelopment areas over the amount so generated in the year in which such redevelopment areas were created may not be available to the City but instead might be deposited into the special allocation fund and used to pay redevelopment project costs related to the development. The City does not expect that the amount of such payments in lieu of taxes or sales taxes paid into special allocation funds from these projects will materially affect its ability to pay the Bonds.

## **PROPERTY TAX**

### **Property Assessment**

*Levy and Collection of Property Taxes.* The City’s property tax is levied each September 1 on the assessed value as of the prior January 1 for all real and personal property located within the City. Property taxes are billed in total by the county collector by November 1 and considered delinquent on January 1. Interest is assessed on late payments of real estate, personal property and business personal property taxes at the rate of two percent per month up to a maximum of eighteen percent per year. All lands and lots on which taxes are delinquent and unpaid are subject to sale at public auction in August of each year.

*Assessment Procedure.* Assessed values of real and personal property are established by the Cass County Assessor, subject to review by the County’s Board of Equalization. The Missouri Revised Statutes require property to be assessed at the following percentages of true value: personal property – 33 1/3%; commercial real estate – 32%; residential real estate – 19%; and agricultural real estate – 12%. Reappraisal is required in every odd-numbered year by state law.

*[remainder of page intentionally left blank]*

## Assessed Valuation

### *Current Assessed Valuation*

The following table shows the total assessed valuation, by category, of all taxable tangible property situated in the City according to the assessment for calendar year 2019 for property owned as of January 1, 2019, as adjusted through July 23, 2019:

	<u>Assessed Valuation</u>	<u>Assessment Rate</u>	<u>Estimated Actual Valuation</u>
Real Estate:			
Residential	\$170,165,310	19%	\$895,606,894
Commercial	72,597,048	32	226,865,775
Agricultural	<u>366,150</u>	12	<u>3,051,250</u>
Sub-Total	243,128,508		1,125,523,919
Personal Property	<u>54,734,794</u>	33 1/3*	<u>164,220,804</u>
Total	<u>\$297,863,302</u>		<u>\$1,289,744,723</u>

Source: Cass County Clerk.

\*Assumes all personal property is assessed at 33 1/3%; because certain subclasses of tangible personal property are assessed at less than 33 1/3%, the estimated actual valuation for personal property would likely be greater than that shown above.

### *History of Property Valuation*

The following table shows the assessed valuation of the City as of January 1 for the last five calendar years.

<u>Year</u>	<u>Assessed Value</u>	<u>% Increase</u>
2019	\$297,863,302	11.2%
2018	267,783,196	4.5
2017	256,334,552	8.8
2016	235,616,841	0.3
2015	234,819,454	0.9
2014	232,658,878	1.6

Source: Cass County Clerk; Missouri State Auditor Property Tax Rates for the years 2014 through 2019.

## Tax Rates

*Debt Service Levy.* The current debt service levy (calendar year 2019, fiscal year 2020) is \$1.3305 per \$100 of assessed valuation. Once indebtedness has been approved by the constitutionally required percentage of the voters voting therefor and bonds are issued, the City is required under Article VI, Section 26(f) of the Missouri Constitution to levy an annual tax on all taxable tangible property therein sufficient to pay the interest and principal of the indebtedness as they fall due and to retire the same within 20 years from the date of issue. The City Council may set the tax rate for debt service, without limitation as to rate or amount, at the level required to make such payments.

*Operating Levy.* The current general fund levy of the City (calendar year 2019, fiscal year 2020) is \$0.4883 per \$100 of assessed valuation. The operating levy (consisting of all ad valorem taxes levied except the debt service levy) cannot exceed the “tax rate ceiling” for the current year without voter approval. The tax rate ceiling, determined annually, is the rate of levy which, when charged against the newly assessed valuation of the City for the current year, excluding new construction and improvements, will produce an amount of tax revenues equal to tax revenues for the previous year increased by 5% or the Consumer Price Index, whichever is lower. Without the required percentage of voter approval, the tax rate ceiling cannot at any time exceed the greater of the tax rate in effect in 1980 or the most recent voter-approved tax rate (as adjusted pursuant to the provisions of the Hancock Amendment and SB 711, more fully explained below). The tax levy for debt service on the City’s general

obligation bonds is exempt from the calculations of and limitations upon the tax rate ceiling. Under Article X, Section 11(c) of the Missouri Constitution, any increase in the City’s operating levy above \$1.00 must be approved by two-thirds of the voters voting on the proposition. The corresponding tax rate ceiling for the above general fund levy is \$0.5470 per \$100 of assessed valuation.

Article X, Section 22(a) of the Missouri Constitution (commonly known as the “Hancock Amendment”), approved in 1980, places limitations on total state revenues and the levying or increasing of taxes without voter approval. The Missouri Supreme Court has interpreted the definition of “total state revenues” to exclude voter-approved tax increases. The Hancock Amendment also includes provisions for rolling back tax rates. If the assessed valuation of property, excluding the value of new construction and improvements, increases by a larger percentage than the increase in the Consumer Price Index from the previous year (or 5%, if greater), the maximum authorized current levy must be reduced to yield the same gross revenue from existing property, adjusted for changes in the Consumer Price Index, as could have been collected at the existing authorized levy on the prior assessed value. This reduction is often referred to as a “Hancock rollback.” The limitation on local governmental units does not apply to taxes levied in the debt service fund for the payment of principal and interest on general obligation bonds.

In 2008, through the enactment of Senate Bill 711 (“SB 711”), the Missouri General Assembly approved further limitations on the amount of property taxes that can be imposed by a local governmental unit. Prior to the enactment of SB 711, a Hancock rollback would not necessarily result in a reduction of a city’s *actual* operating tax levy if its current tax levy was less than its current tax levy *ceiling*, due to the city’s voluntary rollback from the maximum authorized tax levy. Under SB 711, in reassessment years (odd-numbered years), the Hancock rollback is applied to a city’s *actual* operating tax levy, regardless of whether that levy is at the city’s tax levy *ceiling*. This further reduction is sometimes referred to as an “SB 711 rollback.” In non-reassessment years (even-numbered years), the operating levy may be increased to the city’s tax levy ceiling (as adjusted by the Hancock rollback), only after a public hearing and adoption of a resolution or policy statement justifying the action.

The City’s current operating levy (all funds except the debt service fund levy) (calendar year 2019, fiscal year 2020) is \$0.7056 per \$100 of assessed valuation, which is equal to the City’s tax rate ceiling for said year. The tax levy for debt service on the City’s general obligation bonds is exempt from the calculations of and limitations upon the tax rate ceiling.

The following table shows the City’s tax levies (per \$100 of assessed valuation) for the following years:

<b><u>Fiscal Year Ended</u></b>	<b><u>General Fund</u></b>	<b><u>Parks Fund</u></b>	<b><u>Debt Service Fund</u></b>	<b><u>Total Levy</u></b>
2020	\$0.4883	\$0.2173	\$1.3305	\$2.0361
2019	0.5261	0.2341	1.1305	1.8907
2018	0.5261	0.2341	1.1310	1.8912
2017	0.5470	0.2434	1.1300	1.9204
2016	0.5455	0.2427	1.1300	1.9182
2015	0.5455	0.2427	1.1300	1.9182

*Source:* Missouri State Auditor Property Tax Rates for the years 2013 through 2018 and the City for 2019 and 2020. The levies shown are from the calendar year immediately preceding the fiscal year (e.g., fiscal year 2019 reflects 2018 calendar year levies).



## Tax Collections

The following table shows the amount of taxes levied by the City and collections from those levies for the City for the last five fiscal years for which audited financial statements are available.

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Total Taxes Levied	\$4,464,804	\$4,502,271	\$4,608,131	\$5,141,696	\$5,255,033
Total Collections From Levy	4,452,987	4,491,019	4,594,246	5,094,640	\$5,061,815
% of Levied Amounts Collected	99.74%	99.75%	99.70%	98.93%	96.32%

Source: The City's Comprehensive Annual Financial Report for the fiscal year ended March 31, 2019.

## Major Taxpayers

The following is a list of the ten largest property taxpayers in the City for the 2019 fiscal year.

<u>Taxpayer</u>	<u>Business</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation*</u>
Midwest Division Research Belton Hospital	Health care	\$8,904,650	3.33%
Quik Trip Corp/Quik & Tasty	Distribution	8,288,390	3.10
Menard Inc	Retail	7,930,220	2.96
Adessa Missouri LLC	Vehicle Auctions	3,582,345	1.34
Carnegie Village	Apartments	3,565,960	1.33
Spire Gas	Natural Gas	3,266,710	1.22
Agree Belton LLC	Retail	2,359,600	0.88
Matran Inc.	Motor Vehicles	2,205,960	0.82
Target Corp	Retail	2,083,210	0.78
Y Belton	Retail	2,059,760	0.77

Source: The City's Comprehensive Annual Financial Report for the fiscal year ended March 31, 2019.

\* Using 2019 assessed valuation as shown above under "Current Assessed Valuation."

*[remainder of page intentionally left blank]*

## **APPENDIX B**

### **ACCOUNTANTS' REPORT AND AUDITED FINANCIAL STATEMENTS**

**CITY OF BELTON, MISSOURI**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE YEAR ENDED  
MARCH 31, 2019**

**Prepared by: Finance Department**

# CITY OF BELTON, MISSOURI

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# City of Belton, Missouri

## Principal Officials

### MAYOR/CITY COUNCIL

Jeff Davis ..... Mayor

Ryan Finn ..... Ward I

Dave Clark ..... Ward I

Chet Trutzel ..... Ward II

Dean VanWinkle ..... Ward II

Lorrie Peek..... Ward III

Stephanie Davidson ..... Ward III

Tim Savage ..... Ward IV

Gary Lathrop..... Ward IV

### OTHER ELECTED OFFICIALS

James Person ..... Police Chief

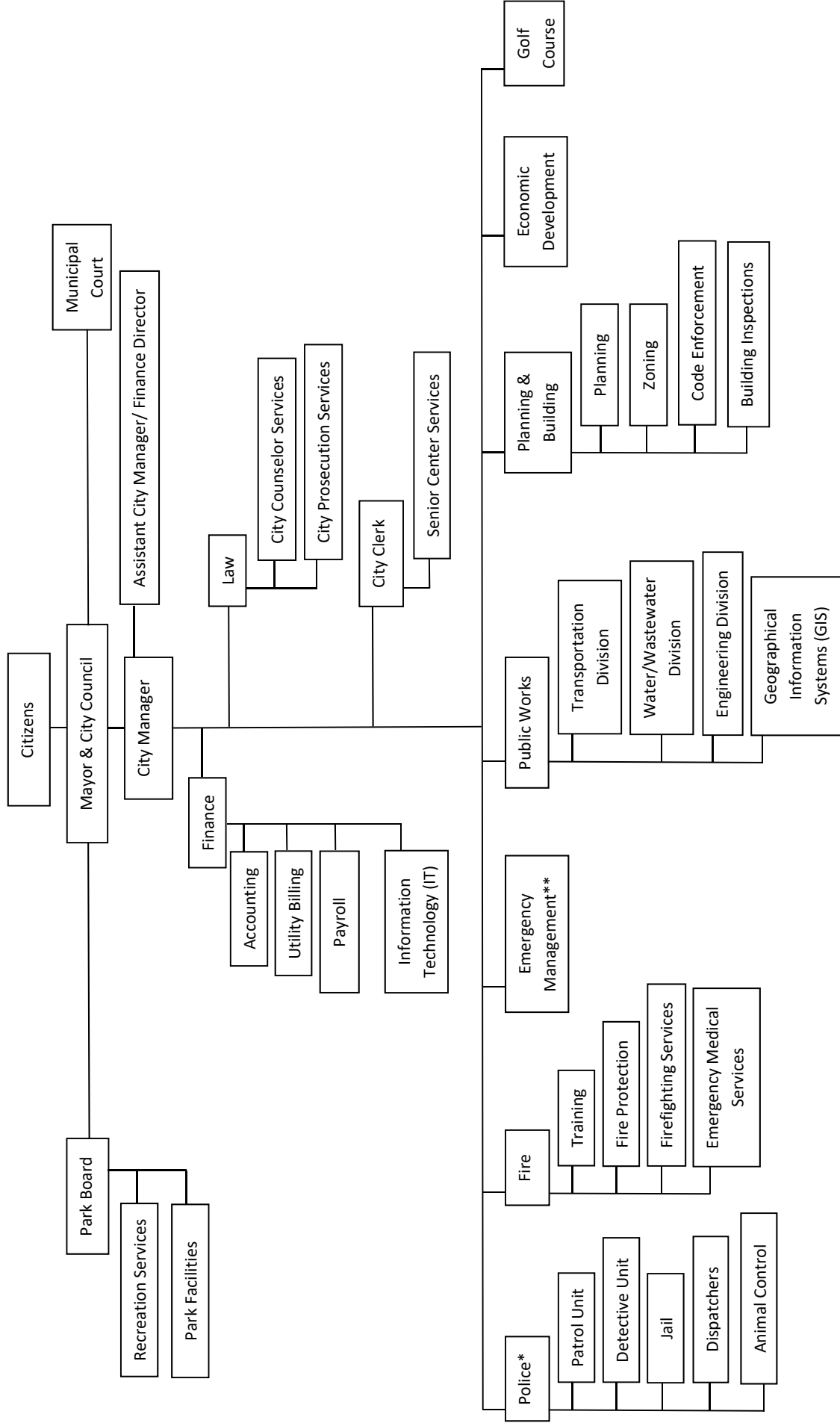
### ADMINISTRATION

Alexa Barton ..... City Manager

Independent Certified Public Accountants ..... Troutt, Beeman & Co., P.C.

# City of Belton, Missouri Organizational Chart

FY2019



\*Police Chief elected per charter

\*\*Co-managed by Police and Fire

Updated 01/08/2018



**CITY OF BELTON**

*506 Main Street  
Belton, MO 64012*

*(816) 331-4331  
Fax (816) 322-4620*

September 26, 2019

To the Honorable Mayor, Members of the City Council,  
City Manager and Citizens of the City of Belton, Missouri:

### **Management Responsibility**

The Comprehensive Annual Financial Report (CAFR) of the City of Belton, Missouri (the City), for the fiscal year ended March 31, 2019, is submitted for your review. This report was prepared by the Finance Department in close cooperation with the external auditor, Troutt, Beeman & Co., P.C. The responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rest with the City. We believe the data, as presented, is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included. Management's Discussion and Analysis ("MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

### **The Financial Reporting Entity**

This report is prepared in accordance with accounting principles generally in conformance with the standards of financial reporting set forth by the Governmental Accounting Standards Board (GASB), and the guidelines recommended by the Government Finance Officers Association (GFOA). This financial report includes all the funds of the City. The City provides a full range of services including police and fire protection; emergency medical services; water and wastewater services; traffic regulation and municipal court services; construction and maintenance of highways, streets and bridges and recreational activities.

### **Accounting Controls**

Management of the City is responsible for establishing and maintaining internal controls designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of



reasonable assurance recognizes that (1) the cost of control should not exceed the benefits derived and (2) the valuation of costs and benefits require estimates and judgments by management.

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

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

### **Budgetary Controls**

The City Manager is responsible for the annual preparation of a budget for the upcoming fiscal year based on estimated revenues and projected service level needs. The major focus of the budget is preparation of a financing plan based on available resources. The revenue forecast identifies the various revenue sources to be used in funding municipal services and forecasts the amount of revenue to be produced. City service levels are then established based on the revenue forecast.

The formal budget document is reviewed by the City Council and is formally adopted by the passage of a budget ordinance each March with the budget to become effective on April 1 of the next year. Once adopted, the finance department monitors the budget on a monthly basis. Operating budgets are monitored on a department level basis. Under this form of budget control, an individual division or department may exceed budgeted amounts for that division or department so long as the fund as a whole does not exceed budgeted funds. Any expenditure that will cause a fund to exceed the total fund budget must be approved by the City Council through a budget amendment ordinance or resolution.

Capital budgets are monitored on a project basis. Any expenditure, which would cause a project to exceed budgeted amounts, must be approved by the City Council through a budget amendment ordinance or resolution.

### **Profile of the City**

Belton, Missouri was incorporated in 1872. It is located in the Northwest corner of Cass County and borders on the Southeastern edge of Kansas City, Missouri. Belton is the largest city in Cass County with an estimated population of 27,109. Belton was named after the man who helped survey it, Marcus Lindsey Belt, and has a history rich in names such as Carrie Nation, the Dalton Gang, the Cole Younger family, the Shawnee Indians, and Dale Carnegie, whose body is buried in the Belton cemetery.

Located in the "Heart of America", Belton offers an excellent residential and business location with Interstate 49 providing access to several major interstate highways just miles to the North and Lake of the Ozarks and Truman Lake to the South. Completed and near

future major road projects in Belton give it tremendous growth potential for businesses wanting good major highway visibility in a solid and growing urban setting on the outskirts of the Greater Kansas City Area.

The City of Belton provides a comprehensive range of municipal services normally associated with a municipality including highly rated police and fire protection, public works services, parks and recreation facilities, and general administrative services. The City also provides trash, water and sanitary sewer services and a public golf course (Eagles' Landing Golf Course), all of which are accounted for in the financial statements as business-type funds.

Utility service in the City is mixed between public and private companies. Water and sanitary sewer utilities are operated by the Water and Wastewater Departments of the City. Water and sewer rates are established to meet the total revenue requirements of the utilities including operating and capital expenditures. Natural gas is supplied by Laclede Gas Company and SPIRE, electricity is supplied by KCP&L and Osage Valley Electric. Both traditional and cellular phone service is provided by several companies. Residential trash service is provided through a city-wide curb-side collection program.

All major commercial television networks, independent local stations as well as public television, provide service to the City. Cable television is provided by Spectrum on which the City information channel is available.

In November 2008 Belton voters approved a charter and Belton became a charter city utilizing a Mayor/Council/Manager form of government. Registered voters elect a mayor and eight council members to serve four and three year terms respectively. The Mayor is a voting member of the City Council making up a nine member City Council. An election for one councilman in each of four wards is conducted as a unit two of every three years. The election for mayor is conducted every four years. The City Manager is appointed by the City Council.

## **Factors Affecting Financial Condition**

**Local economy.** Strong retail development along Highway 58 (South Scott Street) has been the foundation for solid growth in the City's sales and property taxes. This was accomplished in large part with the successful use of Tax Increment Financing (TIF) which funded infrastructure improvements and continues to fund road improvements which should lay the foundation for continued commercial development. Growth in the retail sector has increased with development of parcels in the City's TIF areas. Several new retail stores and restaurants have opened including Cracker Barrel, Ross Dress for Less, Marshall's, 5 Below, Party City, Petco, and Ulta Beauty Salon. Other projects and plans are currently under consideration and the near future appears ripe for growth in the City.

**Long-Term Financial Planning.** The City of Belton prepares a five year Capital Improvement Plan which includes proposed amounts for constructing, maintaining, upgrading and replacing the major components of the City's infrastructure. Funding sources, identified and prospective, are included in this plan giving the City a tool for meeting the needs of the City.

## **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Belton for its Comprehensive Annual Financial Report for the fiscal year ended March 31, 2018. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report was made possible by the hard work of the staff of the City of Belton Finance Department. The contribution made by each staff member is sincerely appreciated. Special thanks are extended to the City's Independent Certified Public Accountants for their assistance and for the professional manner in which the firm accomplished the audit. I would also like to thank Mayor Davis, the City Council and City Manager Alexa Barton for their continued interest and support in planning and conducting the financial operations of the City in a professional and progressive manner.

Respectfully submitted,



Sheila Ernzen, CPA  
Assistant City Manager/ Director of Finance



Government Finance Officers Association

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

Presented to

**City of Belton  
Missouri**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**March 31, 2018**

*Christopher P. Morill*

Executive Director/CEO

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## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Belton, Missouri (the City), as of and for the year ended March 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Belton, Missouri, as of March 31, 2019, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 7 through 19, the Pension Information on page 83 through 84, OPEB information on page 85 through 87, and Budgetary Comparison Schedules on pages 88 through 92 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with managements responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Belton, Missouri's basic financial statements. The combining and individual non-major fund financial statements and other schedules, listed in the table of contents as supplemental information, and the other information, such as the introductory and statistical section are presented for purposes of additional analysis, and are not a required part of the basic financial statements.

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

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

*Troutt, Beeman & Co., P.C.*

Harrisonville, Missouri  
September 26, 2019



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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**CITY OF BELTON**

*506 Main Street  
Belton, MO 64012*

*(816) 331-4331  
Fax (816) 322-4620*

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

This section of The City of Belton's Comprehensive Annual Financial Report provides readers with a narrative overview and analysis of the City's financial performance during the fiscal year that ended on March 31, 2019. We encourage readers to consider the information presented here in conjunction with the letter of transmittal at the front of this report, the City's basic financial statements, and notes to the financial statements, to enhance their understanding of the activities and financial health of the City of Belton.

### **FINANCIAL HIGHLIGHTS**

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$65,775,502 (net position). Of the assets that may be used to meet the City's ongoing obligations to citizens and creditors (unrestricted net position), the City had a deficit amount of \$26,019,237. This is predominantly due to the reporting of Tax Increment Financing (TIF) debt obligations for which the City must record the debt liability, but has no offsetting assets.
- The City's total net position increased approximately \$6.7 million during fiscal year 2019. Of this amount, the City's "governmental" activities net position increased 26.8% or \$4.8 million as a result of the City's total outstanding debt being paid down in accordance with bond repayment schedules. The City's "business-type activities" net position increased 4.5% or \$1.9 million due to the reduction of outstanding debt in accordance with the bond repayment schedules as well.
- The City's governmental funds have a combined fund balance at March 31, 2019 of \$29.2 million; a decrease of \$1.2 million in comparison with the prior year.
- Of the \$29.2 million combined governmental fund balance, approximately \$1.2 million is available for spending at the City's discretion (unassigned fund balance). Of the remaining balance, \$25.2 million is restricted for use in special revenue and capital projects funds, \$2.4 million has been committed by the City Council as an emergency reserve fund and \$410,000 has been assigned by the City Manager for general capital items or projects.
- At the end of the current fiscal year, the General Fund had a fund balance of \$4.0 million, or 25.4% of the total General Fund expenditures.
- The Golf fund required a transfer of funds in the amount of \$246,869 from the General Fund to fund payments related to long-term debt obligations.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is provided as an introduction to the City's *Basic Financial Statements*. The Basic Financial Statements contain three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other *Required Supplementary Information*, a *Supplemental Information* section that presents *combining statements* for non-major governmental funds (along with actual and budget comparison schedules), and a *Statistical Section* which includes supplemental disclosure information.

### Government-wide Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. To assess the overall health of the City, consideration should be given to additional non-financial factors, such as changes in the City's property tax base and the condition of the City's roads.

The statement of activities presents information showing all the government's revenues and expenses for the fiscal year, regardless of the timing of related cash flows. All changes in net position are reported as soon as the underlying event giving rise to the change occurs and may result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include public safety, public works, parks and recreation, community development and general administration. The business-type activities for the City include water, sewer, residential solid waste disposal and Eagles' Landing Golf Course.

### Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant *funds*, not the City as a whole. A fund is a grouping of related accounts that is used to keep track of and segregate specific sources of funding and spending for particular purposes. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City can be divided into the following two categories: governmental funds and proprietary funds.

**Governmental funds:** Most of the City's basic services are reported in governmental funds which focus on how cash flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash.

The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationships or differences of activities reported in the governmental fund financial statement versus that reported in the government-wide financial statements are explained in the reconciliation schedules following the governmental fund financial statements.

***Proprietary funds:*** Services for which the City charges customers a fee to cover the cost of operations are generally reported in proprietary funds. Proprietary fund statements, like the government-wide financial statements, provide both long-term and short-term financial information. The City's proprietary fund Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position is the same as the business-type activities reported in the government-wide financial statements but provides more detail and additional information, such as cash flow information, for proprietary funds.

### **Notes to Financial Statements**

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

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements, including budgetary comparison schedules. In addition to these required components, a section is included with combining statements that provide fund level detail about the City's non-major governmental funds.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Net Position

As discussed earlier, net position may serve as one useful indicator of a government's financial condition. As of March 31, 2019, the City's total net position was \$65,775,502. Table A provides a summary of the City's governmental and business-type net position comparing fiscal years 2018 and 2019.

Table A  
Combined Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2018	2019	2018	2019	2018	2019
<b>Assets</b>						
Current and other assets						
Cash and other assets	\$ 33,179,390	\$ 32,518,265	\$ 19,925,152	\$ 20,480,090	\$ 53,104,542	\$ 52,998,355
Total capital assets	93,392,940	91,646,595	48,300,550	48,729,467	141,693,490	140,376,062
Total assets	\$ 126,572,330	\$ 124,164,860	\$ 68,225,702	\$ 69,209,557	\$ 194,798,032	\$ 193,374,417
Deferred outflows of resources	\$ 7,245,674	\$ 6,190,311	\$ 392,878	\$ 329,371	\$ 7,638,552	\$ 6,519,682
<b>Liabilities</b>						
Current and other liabilities	\$ 6,546,929	\$ 6,082,099	\$ 2,676,601	\$ 2,762,313	\$ 9,223,530	\$ 8,844,412
Long-term debt outstanding	107,397,883	98,068,653	24,833,347	23,613,448	132,231,230	121,682,101
Total liabilities	\$ 113,944,812	\$ 104,150,752	\$ 27,509,948	\$ 26,375,761	\$ 141,454,760	\$ 130,526,513
Deferred inflows of resources	\$ 1,888,764	\$ 3,407,184	\$ 24,383	\$ 184,900	\$ 1,913,147	\$ 3,592,084
<b>Net Position</b>						
Invested in Capital Assets, net of related debt	\$ 36,179,943	\$ 41,738,252	\$ 22,566,885	\$ 24,298,177	\$ 58,746,828	\$ 66,036,429
Restricted:						
Other purposes	8,257,546	6,819,414	87,773	10,606	8,345,319	6,830,020
Debt Service	18,157,571	18,403,467	524,860	524,823	18,682,431	18,928,290
Unrestricted	(44,610,632)	(44,163,898)	17,904,731	18,144,661	(26,705,901)	(26,019,237)
Total net position	\$ 17,984,428	\$ 22,797,235	\$ 41,084,249	\$ 42,978,267	\$ 59,068,677	\$ 65,775,502

At the end of the current fiscal year, the City's total net position of \$65.8 million increased \$6.7 million from the prior year. Of this \$65.8 million, \$22.8 million is attributed to governmental activities and \$43.0 million is attributable to business-type activities.

The City's total unrestricted net position at the end of fiscal year 2019 was negative \$26.0 million. While the unrestricted net position for the City's business-type activities were positive by \$18.1 million, unrestricted net assets for governmental activities were negative \$44.2 million. The negative balance is due to the City having incurred development obligations that must be recorded as liabilities but have no offsetting asset. The majority (89.8%) is the direct result of the City's Tax Increment Financing (TIF) debt and development obligations that are paid with incremental revenue generated within the redevelopment area over the life of the TIF plan. If the life of the TIF plan

expires before the obligations are repaid, there will be no further obligation to the City to continue making payments and the obligations will be written off. The balance is mainly the result of debt issued to make improvements to the Highway Y/71 interchange which is owned by the state. Those improvements benefited the City by helping to encourage development and will be repaid with special purpose sales tax revenues, which will be collected over time and used to retire the debt issuance.

The City has a net position of \$18.9 million which is restricted for debt service. These funds are being held to make required debt service payments and are restricted by bond covenants. Additionally, the City has a net position of \$6.8 million that is to be used for capital projects and other purposes.

The largest category of the City's net position, \$66.0 million, reflects its investment in capital assets (e.g. land, infrastructure, buildings, machinery and equipment), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to its citizens; therefore, they are not available for future spending. Because they are not available for future spending, the resources needed to liquidate the related debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.



## Changes in Net Position

Table B reflects the changes in net position of the City's activities for the years ending March 31, 2018 and 2019.

**Table B**  
**City of Belton, Missouri - Changes in Net Position**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>
<b>Revenues</b>						
<u>Program revenues</u>						
Charges for services	\$ 8,823,068	\$ 7,896,558	\$ 15,554,749	\$ 15,449,297	\$ 24,377,817	\$ 23,345,855
Operating grants and contributions	1,272,110	1,300,793	-	-	1,272,110	1,300,793
Capital grants and contributions	3,423,199	651,028	472,950	129,018	3,896,149	780,046
<u>General Revenues</u>						
Taxes:						
Property taxes-general purposes	1,617,487	1,690,670	-	-	1,617,487	1,690,670
Property taxes-specific purposes	3,705,510	3,910,833	-	-	3,705,510	3,910,833
Franchise taxes and other taxes	5,249,620	5,570,194	-	-	5,249,620	5,570,194
Sales taxes	12,353,332	13,375,375	-	-	12,353,332	13,375,375
Grants and contributions not restricted to specific programs	13,679	15,476	-	-	13,679	15,476
Unrestricted investment earnings	259,508	465,196	82,332	262,033	341,840	727,229
Miscellaneous	1,495,901	411,476	82,783	64,289	1,578,684	475,765
Total revenues	38,213,414	35,287,599	16,192,814	15,904,637	54,406,228	51,192,236
<b>Expenses</b>						
Governmental activities:						
General government	4,858,487	3,789,331	-	-	4,858,487	3,789,331
Public safety	6,274,491	6,095,164	-	-	6,274,491	6,095,164
Public works	7,388,360	5,135,099	-	-	7,388,360	5,135,099
Fire and emergency services	5,782,547	5,415,335	-	-	5,782,547	5,415,335
Emergency management	103,073	47,959	-	-	103,073	47,959
Parks and recreation	4,322,727	3,946,642	-	-	4,322,727	3,946,642
Community development	27,580,886	1,964,883	-	-	27,580,886	1,964,883
Municipal jail	558,153	514,567	-	-	558,153	514,567
Interest on long-term debt	715,007	3,318,943	-	-	715,007	3,318,943
Business-type activities	-	-	11,507,326	14,257,488	11,507,326	14,257,488
Total expenses	57,583,731	30,227,923	11,507,326	14,257,488	69,091,057	44,485,411
<b>Changes in net position before transfers</b>	(19,370,317)	5,059,676	4,685,488	1,647,149	(14,684,829)	6,706,825
<b>Transfers &amp; loss on disp of assets</b>	(244,765)	(246,869)	244,765	246,869	-	-
<b>Changes in net position</b>	(19,615,082)	4,812,807	4,930,253	1,894,018	(14,684,829)	6,706,825
<b>Net position at beginning of year</b>	37,599,510	17,984,428	36,153,996	41,084,249	73,753,506	59,068,677
<b>Net position at end of year</b>	\$ 17,984,428	\$ 22,797,235	\$ 41,084,249	\$ 42,978,267	\$ 59,068,677	\$ 65,775,502

The City's net position increased by \$6.7 million (11.4%) for the fiscal year ended March 31, 2019. To determine the functional cost of the City, the Statement of Activities demonstrates the net cost of each major activity of the City. The purpose of this statement is to measure the gross expenses of \$44.5 million (including depreciation charges), against charges for services and grants and contributions of \$25.4 million. The end result is a net cost of \$19.1 million to taxpayers. In fiscal year 2019 these costs were funded by property taxes in the amount of \$5.6 million, sales taxes in the amount of \$13.4 million, franchise and other taxes in the amount of \$5.6 million and interest earnings and other miscellaneous revenues and transfers totaling \$1.2 million. This resulted in an increase in unrestricted fund balance of \$6.7 million.

**Governmental Activities:** Governmental activities increased the City's net position by \$4.8 million. Total revenues from governmental activities decreased by \$2.9 million and governmental activity expenses decreased \$27.4 million from the prior fiscal year.

Total governmental activities' revenue for the fiscal year was \$35.3 million. Charges for services, (e.g. ambulance fees, street impact fees, membership fees and entrance fees to the City's community center and outdoor water park) account for 22.4% of the governmental activities revenue and decreased \$926,510 (10.5%) from the prior fiscal year. This decrease was due in large part to the receipt of less building permit and street impact fees (\$407,294), changes to the Park's recreation programs (\$322,007), including the elimination of the competitive soccer program, and fewer emergency medical calls for service resulting in less ambulance revenue (\$193,130) in FY2019.

Property taxes account for 15.9% of the total governmental activities' revenue with no change from the prior fiscal year. Revenues from capital grants and contributions decreased \$2.8 million (81.0%) from the prior fiscal year. This decrease was attributable to the prior year completion of transportation projects that were partially funded by grant revenues (\$2.1 million) and developer-built infrastructure that was contributed and dedicated to the City in the prior fiscal year. Franchise and other taxes account for 15.8% of the governmental activities revenue and increased by \$0.3 million (6.1%) because more payments in lieu of taxes were received in FY2019 as building continues in the City's Tax Increment Financing areas.

Sales tax revenue increased 8.3% (\$1.0 million) to \$13.3 million. This increase includes Economic Activity Taxes (EATs) that by state law are collected from the City, County, TDDs and CIDs located within a Tax Increment Financing area. This increase is attributable to sales within the City increasing as a result of a full year of sales tax collections from Hawaiian Bros and Kneaders, as well as the opening of new businesses, including Cracker Barrel, Ross Dress for Less, Marshall's, 5 Below, Party City, Petco, and Ulta Beauty. Sales tax revenue accounts for 37.9% of the total revenues related to governmental activities.

Total governmental activities' expense for the fiscal year was \$30.2 million, a decrease of \$27.4 million (47.5%) as compared to the prior fiscal year. Community Development expense decreased \$25.6 million (92.9%) from the last fiscal year to \$2.0 million as the prior fiscal year included the certification of approved TIF costs. Public Works expense decreased \$2.3 million (30.5%) from the prior fiscal year to \$5.1 million as the 155<sup>th</sup> Street widening project was completed in FY2018. General government expenses decreased from the prior fiscal year by \$1.1 million (22.0%) to \$3.8 million as a result of significant budget cuts including a reorganization of administrative positions

which resulted in the elimination of five general government positions, Public Safety expense decreased by \$0.2 million (2.9%) to \$6.1 million and Fire and Emergency Services expense decreased \$0.4 million (6.4%) to \$5.4 million as a result of a hiring freeze that was in place during FY19 for the Police and Fire departments. As first responders retired or found new employment, those positions remained vacant for the remaining months of the year. Interest expense on long-term debt increased from the prior fiscal year \$2.6 million (364.2%) to \$3.3 million. This is a result of three debt issues that were advance refunded during fiscal year 2018, which created a significant interest savings in the year the refunding occurred, as interest expenses were deferred in the prior fiscal year and are now being amortized over the life of the new debt.

**Business-type Activities:** Business-type activities increased the City's net position by \$1.9 million. Key elements of this increase are as follows:

The Sewer Fund recorded an increase of \$1.3 million in net position for the year. Revenues from user fees increased \$0.2 million (3.7%) as compared with the prior fiscal year due to a City rate increase of 10.8% to sewer rates offset by a reduction to the debt service charge of \$4.10 per monthly sewer bill. Operating expenses increased 13.3% (\$0.6 million) from the prior fiscal year. The increase in operating expenses is due to an increase in depreciation expense of \$0.2 million, franchise tax in the amount of \$0.1 million, and the cost of sewer treatment provided by Little Blue Valley Sewer District \$0.1 million. The Sewer Fund's operating income was \$2.0 million for fiscal year 2019, a 14.5% decrease over operating income of \$2.3 million for fiscal year 2018.

The Water Fund recorded an increase of \$0.6 million in net position for the year. Revenue from customer user fees decreased 16.0% (\$1.3 million) due to a decrease in water usage by customers when compared to the prior year and partially offset by a City rate increase of 1.9%. Operating expenses increased 25.2% (\$1.1 million) over fiscal year 2018 operating expenses due to an increase in water supply costs of \$1.1 million from the city of Kansas City. Operating income for fiscal year 2019 was \$1.2 million which is a 65.8% decrease from the \$3.6 million operating income in fiscal year 2018.

The City's Eagles' Landing Golf Course realized an increase in net position of \$41,184 for the year. Revenues of \$866,985 were relatively flat from fiscal year 2018 revenues of \$885,820. Operating expenses for fiscal year 2019 decreased slightly from the prior year by \$24,327. This decrease is attributable to the decrease in depreciation costs of \$35,373. The loss from operations in fiscal year 2019 was \$169,050, 3.1% less than the loss of \$174,542 in fiscal year 2018.

The City began a new centralized residential trash collection program beginning January 1, 2018. The City entered into a contract with an independent hauler to provide the collection of solid waste, recyclable materials and yard waste for residential properties within the City. The Solid Waste fund realized a decrease in net position of \$9,316 for the year. Fiscal year 2019 was the first full year of centralized residential trash service making operating revenues and expenditures not comparable to the prior year. The operating loss was \$12,247 for fiscal year 2019 which was a 10.2% improvement over the fiscal year 2018 operating loss of \$13,634.

## **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

**Governmental Funds Overview:** As noted earlier, the City of Belton uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City's governmental funds provide information on short-term inflows and outflows, as well as what remains

for future spending. Such information is useful in assessing the City's financing requirements. For example, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of fiscal year 2019, the City of Belton reported a combined fund balance of \$29.2 million in the governmental funds, a decrease of \$1.2 million from the previous year. \$1.2 million of this total amount (4.0%) constitutes unassigned fund balance. Unassigned fund balance is the portion of fund balance which is available for spending at the City's discretion. The majority of fund balance is restricted (\$25.2 million) by externally imposed constraints such as laws and regulations. A small portion of the City's fund balance has been assigned (\$410,780) by the City Manager for the City's future capital needs. Assigned fund balance is the portion of fund balance that reflects the amount constrained by the City's "intent" to use it for a specific purpose. The remaining fund balance, \$2.4 million, has been committed by the City Council with a formal resolution that requires a 15% General Fund minimum fund balance reserve requirement to be used in the case of a catastrophic emergency.

The General Fund, Park Fund, Capital Improvement Sales Tax Fund, Park Sales Tax Fund, Street Fund and Debt Service – General Obligation Bond Fund are the City's six major governmental funds.

General Fund. The General Fund is the chief operating fund of the City and accounts for all transactions not required to be accounted for in other funds. As the City's major operating fund, the General Fund accounts for ordinary operating expenditures financed primarily by taxes and charges for services. At the end of fiscal year 2019, the total fund balance of the General Fund was \$4.0 million, which is no change from the previous fiscal year end fund balance. Overall, General Fund revenues increased by 2.9% (\$457,122). Tax revenues increased \$0.5 million (5.2%) over the prior year due to new retail shopping and restaurants opening throughout the city, which contributed to a growth in sales tax revenue of 9.0% (\$333,931) over the prior year and also due to new commercial and residential construction being built in the City which increased property tax revenues 4.5% (\$73,183). Fees and fines revenues decreased \$82,709 (10.7%) from the prior year as patrol officers spent more time on calls for service and less time on traffic enforcement during fiscal year 2019. The City made a concerted effort to freeze costs at the prior year's level. As such, functional expense by category in the General Fund only changed insignificantly from the prior year. Fire and emergency services expense increased \$0.1 million (1.4%) due to the City partnering with other cities and fire districts in the area to pay for a consolidated fire district feasibility study. Public safety and General government expenses did not change. Public works expense decreased \$50,823 (5.1%) as a result of the City using fewer outside engineering services.

The City recognizes the need for a fund balance that can adequately absorb any short term downturn in economic events to avoid changes and reductions in service levels. The City Council has adopted a formal resolution that commits an amount of fund balance equal to at least 15% of annual revenues to be used in the event of an emergency such as a natural disaster or significant national economic event. Committed fund balance represents 60.3% (\$2.4 million) of total fund balance in the General Fund. The General Fund has a fund balance reserve of 15% at the end of fiscal year 2019. Assigned fund balance represents 10.2% (\$410,780) of total fund balance, this amount is assigned for use to purchase capital items in the future and 29.5% (\$1.2 million) of total fund balance is unassigned and available for use.

Park Fund. The Park Fund accounts for Parks and Recreation property tax collected for the purpose of providing parks services for the City, as well as program revenue and user fees. Expenditures include purchasing land for City parks, constructing and improving City parks and equipping, maintaining, and operating the parks and recreation facilities. The Park Fund's ending fund balance is \$226,598 at the end of fiscal year 2019; an increase of \$181,560 (403.1%) from the prior fiscal year ending balance. This was the result of significant changes in order to reduce costs. In fiscal year 2019, Park reduced the competitive sports program and other minor programs, which resulted in reduction in charges for services revenue of \$322,007 (11.6%) and a reduction in functional expense of \$419,546 (11.9%). Park capital purchases included completing new exercise equipment for High Blue Wellness Center and two new compressors for the indoor pool, with a total fiscal year 2019 cost of \$100,319, which is a decrease of 42.8% compared to fiscal year 2018.

Capital Improvement Sales Tax. The Capital Improvement Sales Tax Fund is used to record receipts from the ½ cent capital improvement sales tax and reimbursements received from the Cornerstone Point TDD. These receipts are used to make principal and interest payments on debt relating to capital improvement projects financed by this tax. These projects include building improvements made to the Police, Court and City Hall Annex buildings, a new interchange at Hwy 71 & Y Highway and Fire and Emergency Services vehicles and equipment. The fund balance at the end of fiscal year 2019 is \$345,731, which is an increase of \$169,515 (96.2%) from the prior year. The increase in fund balance is due to an increase in taxes revenue of \$122,927 (8.2%) and payments of principal and interest on outstanding bonds.

Park Sales Tax. The Park Sales Tax Fund is used to record receipts from the ½ cent park sales tax and principal and interest payments on debt relating to capital improvement projects financed by this tax. These projects include the aquatic center, and community center. The fund balance at the end of fiscal year 2019 is \$812,513, which is an increase of \$111,493 (15.9%) from the prior year. The increase in fund balance is due to an increase in taxes revenue of \$121,138 (8.1%) and payments of principal and interest on outstanding bonds.

Street Fund. The Street Fund accounts for the operations and maintenance of roads and bridges within the City. Financing is provided primarily by a ½ cent transportation sales tax and other intergovernmental revenues from the State and County, along with occasional transfers from the General Fund. The Street Fund ending fund balance is \$2.4 million, which is an increase of \$0.3 million (15.0%) over the prior year's ending fund balance. Revenues decreased by \$0.7 million from the prior fiscal year due to developer built infrastructure that was contributed and dedicated to the City in FY2018. This decrease in revenue was partially offset by the increase in taxes of \$0.1 million. The fund's capital expenditures were 34.2% less (\$0.4 million) than the prior fiscal year due to a decrease in street preservation expenditures. The City Council began to appropriate funds to the street preservation program over a period of two years before beginning projects, to take advantage of cost savings through economies of scale.

Debt Service – General Obligation Bond Fund. The Debt Service – General Obligation Bond Fund accounts for property tax money received for the City's debt service levy and expended for the payments on the City's general obligation debt. The fund for fiscal year 2019 is \$17.2 million, an increase of \$246,576 (1.5%) over the prior fiscal year. This increase is mostly attributed to interest the increase of income to \$277,982 in fiscal year 2019 from \$94,988 in fiscal year 2018. The proceeds from the crossover debt issuance during fiscal year 2018 are being held in a trust account until the crossover date of March 1, 2021.

### **General Fund Budgetary Highlights**

The City Council revised the budget of the General Fund multiple times during the year for an overall increase in appropriations of \$658,732 which was a 4.0% percent increase over the original budget with actual expenditures \$1.1 million less than the final approved budget. The expenditure budget included a contingency reserve that was intended to only be spent in the case of an extraordinary emergency in the amount of \$2.4 million (15% of anticipated revenues). Expenditures came in under budget due to constraint by the City and a hiring freeze that was in effect all year for public safety and fire personnel. General government expense came in under budget by \$626,271 (17.4%), public safety came in under budget by \$361,653 (6.5%), and fire came in under budget by \$211,276 (4.2%).

Actual revenues were more than budgeted revenues by \$14,022. Tax revenue came in over budget by \$370,740 primarily due to an increase in property tax revenues. Charges for services came in under budget by \$351,905 mostly due to a decrease in calls for emergency medical services and reimbursements received by the City for inmate care and housing costs. Fees and fines revenue came in lower than anticipated by \$138,130 due less time being spent on traffic enforcement activities within the City.

### **CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets.** The City of Belton's investment in capital assets for governmental and business-type activities as of March 31, 2019 is \$140.4 million, net of accumulated depreciation. This includes land, buildings, improvements, equipment, roads, bridges, and construction in progress. The total decrease in capital assets was 0.9% under the prior year. The decrease in overall capital assets was due to depreciation and from budget constraints, reducing the number of new projects. Major capital asset projects funded this year are as follows:

- GO Bond Street Improvement Projects (\$1,908,933)
- Sanitary Sewer Intercept Lining (\$1,349,095)
- Mullen & North Cass Project (\$458,884)
- Streambank Stabilization (\$234,698)
- Y Highway & 58 Improvements (\$139,914)

Additional information on the City's capital assets can be found in Note 4 on pages 51 to 53 of this report.

**Debt administration.** The City of Belton had various forms of debt during fiscal year 2019. Table C below shows the City's outstanding debt by type for fiscal years 2018 and 2019.

	<b>Governmental</b>		<b>Business-type</b>		<b>Total</b>	
	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>
TIF Revenue Bonds	\$ 11,335,000	\$ 8,390,000	\$ -	\$ -	\$ 11,335,000	\$ 8,390,000
General Obligation Bonds	40,440,000	39,010,000	-	-	40,440,000	39,010,000
Sales Tax Revenue Bonds	-	-	-	-	-	-
Certificates of Participation	15,498,800	13,903,400	856,200	756,600	16,355,000	14,660,000
Sewer Revenue Bonds	-	-	3,065,000	2,970,000	3,065,000	2,970,000
Capital Leases	1,265,866	941,893	699,456	535,001	1,965,322	1,476,894
Notes Payable	-	-	21,322,908	20,342,800	21,322,908	20,342,800
DNR Energy Loan	43,403	32,866	-	-	43,403	32,866
Bond (discount)/ premium	4,830,542	4,317,607	101,152	88,508	4,931,694	4,406,115
<b>Total</b>	<b>\$ 73,413,611</b>	<b>\$ 66,595,766</b>	<b>\$ 26,044,716</b>	<b>\$ 24,692,909</b>	<b>\$ 99,458,327</b>	<b>\$ 91,288,675</b>

The City's debt for governmental activities decreased in fiscal year 2019 from \$73.4 million to \$66.6 million or 9.3%. The decrease was due to the City making principal and interest payments in accordance with the repayment schedules.

Debt for business-type activities decreased \$1.4 million (5.2%) from March 31, 2018 to March 31, 2019. The decrease is due to the City making required principal and interest payments in accordance with the debt repayment schedules.

Total debt decreased a net of \$8.2 million (8.2%) to \$91.3 million.

Additional information on the City's long-term debt can be found in Note 6 on pages 58 to 65 of this report.

## **ECONOMIC FACTORS, FISCAL YEAR 2020 BUDGET AND TAX RATES**

Based on fiscal year 2019 activity, it is anticipated that fiscal year 2020 core General Fund revenues will increase due to a new ½ cent sales tax that is restricted to be used for public safety. The public safety sales tax was approved by voters on November 4, 2018 and became effective April 1, 2019. The new ½ cent public safety sales tax is estimated to increase General fund revenues by \$1.6 million, these new revenues will be used to increase the funding for public safety services, and will allow the City to remove the hiring freeze that was in place during FY2019. City staff and City Council were in agreement that conservative revenue estimates for fiscal year 2020 would be fiscally prudent.

General Fund expenditures are projected to increase 5.7% (\$0.9 million) compared to the fiscal year 2019 total actual expenditures. The fiscal year 2020 budget includes the addition of four new police officer positions funded by the public safety sales tax and several capital items including new patrol cars, a new ambulance and safety equipment for the City's first responders. The City Council

desires that taxpayer monies be spent on City services for citizens, not on building reserves above the required minimum 15% fund balance.

Based on the adopted budget for the City's fiscal year ended March 31, 2020, the City anticipates a balanced General Fund budget, decreasing the General Fund fund balance to the required minimum 15% fund balance reserve. The City will continue to monitor ongoing changes in the local economy and will respond accordingly.

For fiscal year 2020, Water rates were increased by 1.0% and Sewer rates were increased by 12.3%. The City will continue making improvements to both the water and sewer systems in fiscal year 2020, purchasing new profile registers for water meters, replacing and upgrading older water lines, and concentrating on streambank stabilization to protect the City's water and sanitary sewer system.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City's finances for our citizens, taxpayers, customers, investors, creditors, and other interested parties, and also to show our accountability for the monies entrusted to our care. If you have questions about this report or need additional financial information, contact Sheila Ernzen, CPA, Assistant City Manager/ Director of Finance, The City of Belton, 506 Main Street, Belton, Missouri 64012.



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## **BASIC FINANCIAL STATEMENTS**

Basic Financial Statements are provided so that the users of the financial report may obtain an overview of the City's financial position prior to a presentation of comparable data on a detailed basis for individual funds.

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**CITY OF BELTON, MISSOURI  
STATEMENT OF NET POSITION  
MARCH 31, 2019**

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
<b>ASSETS</b>			
Pooled cash and investments	\$ 12,056,172	\$ 17,561,346	\$ 29,617,518
Cash and investments-restricted	3,224,342	723,774	3,948,116
Cash with fiscal agent	13,801,033	-	13,801,033
Taxes receivable, net	2,055,607	-	2,055,607
Due from other governments	10,453	-	10,453
Accrued interest	17,234	25,943	43,177
Accounts receivable	914,755	1,377,786	2,292,541
Other receivables	175,394	-	175,394
Inventories	-	327,912	327,912
Prepaid expenses	-	10,606	10,606
Net pension asset	263,275	452,723	715,998
Capital assets:			
Land, improvements, and construction in progress	3,051,001	617,886	3,668,887
Improvements other than buildings	34,959,238	51,197,637	86,156,875
Sewer plant	-	23,195,454	23,195,454
Buildings	35,975,474	1,009,493	36,984,967
Equipment and furniture	12,255,542	4,392,011	16,647,553
Infrastructure	71,307,432	-	71,307,432
Less: accumulated depreciation	(65,902,092)	(31,683,014)	(97,585,106)
Total capital assets	91,646,595	48,729,467	140,376,062
Total assets	124,164,860	69,209,557	193,374,417
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension--related amounts	2,640,394	326,653	2,967,047
Other post employment benefits --related amounts	23,905	2,718	26,623
Debt refunding	3,526,012	-	3,526,012
Total assets and deferred outflows of resources	\$ 130,355,171	\$ 69,538,928	\$ 199,894,099
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	\$ 782,037	\$ 565,055	\$ 1,347,092
Salaries and benefits payable	616,877	48,647	665,524
Customer deposits	-	618,736	618,736
Retainage payable	-	64,356	64,356
Other liabilities	280,664	17,566	298,230
Accrued interest	290,064	125,161	415,225
Long-term liabilities:			
Due within one year,			
Bonds, capital leases, and contracts	3,970,920	1,301,744	5,272,664
Compensated absences	141,537	21,048	162,585
Due in more than one year:			
Bonds, capital leases, and contracts	62,624,846	23,391,165	86,016,011
Other post employment obligation	651,803	74,123	725,926
Development obligations	33,619,445	-	33,619,445
Compensated absences	1,172,559	148,160	1,320,719
Total liabilities	104,150,752	26,375,761	130,526,513
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension--related amounts	2,138,264	177,055	2,315,319
Other post employment benefits --related amounts	68,986	7,845	76,831
Property taxes and deferred charges	1,199,934	-	1,199,934
Total deferred inflows of resources	3,407,184	184,900	3,592,084
<b>NET POSITION</b>			
Net investment in capital assets	41,738,252	24,348,562	66,086,814
Reserved for prepaid items	-	10,606	10,606
Restricted for:			
Impact fees	400,370	-	400,370
Hotel/motel	212,781	-	212,781
Drug seizure	346	-	346
DWI recovery	21,847	-	21,847
Special training	4,102	-	4,102
TIF	1,999,478	-	1,999,478
Park	1,030,933	-	1,030,933
Street	2,291,764	-	2,291,764
Capital projects	857,793	-	857,793
Debt service	18,403,467	524,823	18,928,290
Unrestricted	(44,163,898)	18,094,276	(26,069,622)
Total net position	\$ 22,797,235	\$ 42,978,267	\$ 65,775,502
Total liabilities, deferred inflows and net position	\$ 130,355,171	\$ 69,538,928	\$ 199,894,099

See accompanying notes.

**CITY OF BELTON, MISSOURI  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED MARCH 31, 2019**

Functions/Programs	Net (Expense) Revenue and Changes in Net Position				
	Primary Government				Total
	Expenses	Charges for Services	Program Revenue Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government:</b>					
Governmental activities:					
General government	\$ 3,789,331	3,324,134	\$ -	\$ -	\$ (465,197)
Public safety	6,095,164	232,137	257,361	-	(5,605,666)
Public works	5,135,099	194,917	1,043,432	539,836	(3,356,914)
Fire and emergency services	5,415,335	1,313,577	-	-	(4,101,758)
Emergency management	47,959	-	-	-	(47,959)
Parks and recreation	3,946,642	2,448,611	-	-	(1,498,031)
Community and economic development	1,964,883	301,668	-	111,192	(1,552,023)
Municipal jail	514,567	81,514	-	-	(433,053)
Interest and fiscal fees on long-term debt	3,318,943	-	-	-	(3,318,943)
Total governmental activities	30,227,923	7,896,558	1,300,793	651,028	(20,379,544)
<b>Business-type activities:</b>					
Water	6,176,276	6,630,735	-	-	454,459
Sewer	5,887,367	6,844,766	-	129,018	1,086,417
Golf course	1,074,787	866,985	-	-	(207,802)
Solid waste	1,119,058	1,106,811	-	-	(12,247)
Total business-type activities	14,257,488	15,449,297	-	129,018	1,320,827
Total primary government	\$ 44,485,411	\$ 23,345,855	\$ 1,300,793	\$ 780,046	(19,058,717)
<b>General revenues:</b>					
Taxes:					
Property taxes, levied for general purposes					1,690,670
Property taxes, levied for specific purposes					3,910,833
Franchise taxes and other taxes					5,570,194
Sales taxes					13,375,375
Grants and contributions not restricted to specific programs					15,476
Interest income and unrecognized gains (losses)					262,033
Miscellaneous					64,289
Transfers					246,869
Total general revenues and transfers					25,765,542
Change in net position					6,706,825
Net position - beginning					59,068,677
Net position - ending					\$ 65,775,502

See accompanying notes.

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**CITY OF BELTON, MISSOURI  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
MARCH 31, 2019**

	<b>General Fund</b>	<b>Park</b>	<b>Capital Improvement Sales Tax</b>
<b>ASSETS</b>			
Pooled cash and investments	\$ 3,971,789	\$ 338,800	\$ 210,174
Cash and investments-restricted	273,891	28,256	8,233
Cash with fiscal agent	-	-	-
Taxes receivable, net	760,543	43,575	130,860
Due from other funds	3,844	-	-
Accrued interest	5,256	532	308
Accounts receivable	914,755	-	-
Grants receivable	10,453	-	-
Other receivables	162,995	12,399	-
	<u>6,103,526</u>	<u>423,562</u>	<u>349,575</u>
Total assets	<u>\$ 6,103,526</u>	<u>\$ 423,562</u>	<u>\$ 349,575</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Accounts payable	\$ 301,133	\$ 89,044	\$ -
Salaries and benefits payable	651,671	73,159	-
Due to other funds	-	-	3,844
Other liabilities	137,664	-	-
	<u>1,090,468</u>	<u>162,203</u>	<u>3,844</u>
Total liabilities	<u>1,090,468</u>	<u>162,203</u>	<u>3,844</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property taxes and deferred charges	992,878	34,761	-
	<u>992,878</u>	<u>34,761</u>	<u>-</u>
Fund balances:			
Restricted:			
Impact fees	-	-	-
Hotel/motel	-	-	-
Drug seizure	-	-	-
DWI recovery	-	-	-
Special training	-	-	-
TIF	-	-	-
Capital improvements sales tax	-	-	337,498
Capital projects	-	-	-
Park	-	226,598	-
Street	-	-	-
Debt service	-	-	8,233
Committed,			
Stabilization	2,425,277	-	-
Assigned	410,780	-	-
Unassigned	1,184,123	-	-
	<u>4,020,180</u>	<u>226,598</u>	<u>345,731</u>
Total fund balances	<u>4,020,180</u>	<u>226,598</u>	<u>345,731</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 6,103,526</u>	<u>\$ 423,562</u>	<u>\$ 349,575</u>

See accompanying notes.

<b>Park Sales Tax</b>	<b>Street</b>	<b>Debt Service - General Obligation Bond</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 672,490	\$ 2,149,443	\$ 3,302,367	\$ 1,411,109	\$ 12,056,172
8,178	143,000	-	2,762,784	3,224,342
-	-	13,801,033	-	13,801,033
130,860	247,337	214,814	527,618	2,055,607
-	157,586	-	-	161,430
985	3,358	4,837	1,958	17,234
-	-	-	-	914,755
-	-	-	-	10,453
-	-	-	-	175,394
<u>\$ 812,513</u>	<u>\$ 2,700,724</u>	<u>\$ 17,323,051</u>	<u>\$ 4,703,469</u>	<u>\$ 32,416,420</u>
\$ -	\$ 92,621	\$ -	\$ 299,239	\$ 782,037
-	30,339	-	3,245	758,414
-	-	-	157,586	161,430
-	143,000	-	-	280,664
-	265,960	-	460,070	1,982,545
-	-	172,295	-	1,199,934
-	-	-	400,370	400,370
-	-	-	212,781	212,781
-	-	-	346	346
-	-	-	21,847	21,847
-	-	-	4,102	4,102
-	-	-	1,999,478	1,999,478
-	-	-	-	337,498
-	-	-	520,295	520,295
804,335	-	-	-	1,030,933
-	2,291,764	-	-	2,291,764
8,178	143,000	17,150,756	1,109,711	18,419,878
-	-	-	-	2,425,277
-	-	-	-	410,780
-	-	-	(25,531)	1,158,592
<u>812,513</u>	<u>2,434,764</u>	<u>17,150,756</u>	<u>4,243,399</u>	<u>29,233,941</u>
<u>\$ 812,513</u>	<u>\$ 2,700,724</u>	<u>\$ 17,323,051</u>	<u>\$ 4,703,469</u>	<u>\$ 32,416,420</u>

See accompanying notes.



**CITY OF BELTON, MISSOURI  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION  
MARCH 31, 2019**

Fund balances - total governmental funds	\$	29,233,941
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		91,646,595
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Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.		(290,064)
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Net pension asset is not a current financial resource and therefore not reported in the fund financial statements.		263,275
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Deferred pension and OPEB inflows and outflows are not included in the fund financial statements, but are included in the governmental activities of the Statement of Net Position:

Inflows		(2,207,250)
Outflows		2,664,299
		457,049

Deferred debt refunding is not included in the fund financial statements, but are included in the governmental activities of the Statement of Net Position.		3,526,012
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Long-term liabilities are not due and payable in the current period and are not included in the fund financial statement, but are included in the government-wide statements:

Bonds and capital leases		(66,595,766)
Compensated absences		(1,172,559)
OPEB obligation		(651,803)
Development obligations		(33,619,445)
		(102,039,573)

Net Position of governmental activities in the Statement of Net Position	\$	22,797,235
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See accompanying notes.

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**CITY OF BELTON, MISSOURI**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE --**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

	<b>General Fund</b>	<b>Park</b>	<b>Capital Improvement Sales Tax</b>
<b>REVENUES</b>			
Taxes	\$ 9,395,276	\$ 671,229	\$ 1,630,866
Licenses and permits	236,530	-	-
Intergovernmental	566,435	-	-
Charges for services	2,041,486	2,448,611	-
Fees and fines	686,970	-	-
Interest income and unrealized gains (losses)	50,352	4,515	11,642
Other	275,012	110,048	214
Interfund charges for support services	2,686,455	-	-
In lieu of taxes	<u>230,000</u>	<u>-</u>	<u>-</u>
Total revenues	<u>16,168,516</u>	<u>3,234,403</u>	<u>1,642,722</u>
<b>EXPENDITURES</b>			
Current:			
Current expenditures:			
General government	2,981,686	-	-
Public safety	5,562,752	-	-
Public works	946,606	-	-
Fire and emergency services	5,066,051	-	-
Emergency management	38,544	-	-
Parks and recreation	-	3,116,002	-
Community and economic development	629,379	-	-
Municipal jail	500,663	-	-
Capital outlay	120,820	100,319	-
Debt service:			
Principal	-	81,973	1,039,687
Bond issue costs	-	-	-
Interest and other charges	<u>-</u>	<u>8,251</u>	<u>403,746</u>
Total expenditures	<u>15,846,501</u>	<u>3,306,545</u>	<u>1,443,433</u>
Excess (deficiency) of revenues over expenditures	<u>322,015</u>	<u>(72,142)</u>	<u>199,289</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of capital asset	6,026	3,702	-
Transfers in	42	250,000	-
Transfers out	<u>(306,418)</u>	<u>-</u>	<u>(29,774)</u>
Total other financing sources and (uses)	<u>(300,350)</u>	<u>253,702</u>	<u>(29,774)</u>
Net change in fund balances	21,665	181,560	169,515
Fund balances - beginning	<u>3,998,515</u>	<u>45,038</u>	<u>176,216</u>
Fund balances - ending	<u>\$ 4,020,180</u>	<u>\$ 226,598</u>	<u>\$ 345,731</u>

See accompanying notes.

<b>Park Sales Tax</b>	<b>Street</b>	<b>Debt Service - General Obligation Bond</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 1,615,411	\$ 1,868,283	\$ 3,239,604	\$ 4,206,744	\$ 22,627,413
-	22,415	-	42,723	301,668
-	1,043,432	-	341,954	1,951,821
-	-	-	8,688	4,498,785
-	-	-	16,928	703,898
18,147	29,959	277,982	72,459	465,056
479	7,561	-	24,050	417,364
-	-	-	-	2,686,455
-	-	-	1,689,659	1,919,659
<u>1,634,037</u>	<u>2,971,650</u>	<u>3,517,586</u>	<u>6,403,205</u>	<u>35,572,119</u>
-	-	-	-	2,981,686
-	-	-	18,621	5,581,373
-	1,934,268	-	-	2,880,874
-	-	-	-	5,066,051
-	-	-	-	38,544
-	-	-	-	3,116,002
-	-	-	2,797,284	3,426,663
-	-	-	-	500,663
-	690,824	-	2,667,192	3,579,155
808,250	-	1,430,000	2,945,000	6,304,910
-	-	2,500	-	2,500
<u>322,294</u>	<u>-</u>	<u>1,838,510</u>	<u>464,061</u>	<u>3,036,862</u>
<u>1,130,544</u>	<u>2,625,092</u>	<u>3,271,010</u>	<u>8,892,158</u>	<u>36,515,283</u>
<u>503,493</u>	<u>346,558</u>	<u>246,576</u>	<u>(2,488,953)</u>	<u>(943,164)</u>
-	-	-	-	9,728
-	-	-	402,679	652,721
<u>(392,000)</u>	<u>(29,774)</u>	<u>-</u>	<u>(141,624)</u>	<u>(899,590)</u>
<u>(392,000)</u>	<u>(29,774)</u>	<u>-</u>	<u>261,055</u>	<u>(237,141)</u>
111,493	316,784	246,576	(2,227,898)	(1,180,305)
<u>701,020</u>	<u>2,117,980</u>	<u>16,904,180</u>	<u>6,471,297</u>	<u>30,414,246</u>
<u>\$ 812,513</u>	<u>\$ 2,434,764</u>	<u>\$ 17,150,756</u>	<u>\$ 4,243,399</u>	<u>\$ 29,233,941</u>

See accompanying notes.

**CITY OF BELTON, MISSOURI**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED MARCH 31, 2019**

Net change in fund balances - total governmental funds: \$ (1,180,305)

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

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. This is the amount by which capital outlays, which are over the capitalization threshold, exceeded depreciation in the current period:

Capital outlay	3,579,155
Capital outlay expensed	(66,849)
Depreciation expense	(5,258,651)
	(1,746,345)

Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure. In contrast, the Statement of Net Position reports repayment as a reduction to long-term liabilities. This is the amount by which proceeds exceed repayments:

Repayment of principal	6,304,910
	6,304,910

Governmental funds report premiums and discounts as other financing sources. In contrast, those items are capitalized on the Statement of Net Position and amortized over the life of the bonds on the Statement of Activities. This is the net amount of premiums, discounts, and amortization:

Amortization of debt refunding	(438,418)
Amortization of premiums/discounts	512,935
	74,517

Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

Accrued interest not reflected on governmental funds	158,837
Developer obligation	1,454,260
Pension expense	(446,934)
OPEB obligation	165,845
Compensated absences	28,022
	1,360,030

Change in Net Position of governmental activities in the Statement of Activities \$ 4,812,807

See accompanying notes.

**CITY OF BELTON, MISSOURI  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
MARCH 31, 2019**

	<u>Sewer Fund</u>	<u>Water Fund</u>	<u>Golf Course Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>
<b>ASSETS:</b>					
Current assets:					
Pooled cash and investments	\$ 8,167,083	\$ 9,031,400	\$ 240,527	\$ 122,336	\$ 17,561,346
Cash and investments-restricted	588,080	134,691	1,003	-	723,774
Receivables:					
Billed	384,740	325,542	6,043	75,085	791,410
Unbilled	301,255	230,655	-	54,466	586,376
Accrued interest	12,537	13,227	-	179	25,943
Due from other funds	100,000	100,000	-	-	200,000
Inventories	45,984	241,882	40,046	-	327,912
Prepaid expenses	-	-	-	10,606	10,606
Total current assets	<u>9,599,679</u>	<u>10,077,397</u>	<u>287,619</u>	<u>262,672</u>	<u>20,227,367</u>
Non-current assets:					
Net pension asset	168,528	143,851	140,344	-	452,723
Capital assets:					
Construction in progress	183,449	-	-	-	183,449
Land and improvements	84,772	19,665	330,000	-	434,437
Improvements other than buildings	23,680,034	24,645,412	2,872,191	-	51,197,637
Sewer plant	23,195,454	-	-	-	23,195,454
Buildings	-	123,881	885,612	-	1,009,493
Equipment and furniture	<u>1,616,533</u>	<u>2,112,815</u>	<u>662,663</u>	<u>-</u>	<u>4,392,011</u>
Total capital assets at cost	48,760,242	26,901,773	4,750,466	-	80,412,481
Less accumulated depreciation	<u>(18,216,482)</u>	<u>(9,842,814)</u>	<u>(3,623,718)</u>	<u>-</u>	<u>(31,683,014)</u>
Capital assets, net	<u>30,543,760</u>	<u>17,058,959</u>	<u>1,126,748</u>	<u>-</u>	<u>48,729,467</u>
Total non-current assets	<u>30,712,288</u>	<u>17,202,810</u>	<u>1,267,092</u>	<u>-</u>	<u>49,182,190</u>
	<u>40,311,967</u>	<u>27,280,207</u>	<u>1,554,711</u>	<u>262,672</u>	<u>69,409,557</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>					
OPEB--related amounts	994	870	854	-	2,718
Pension--related amounts	<u>100,681</u>	<u>114,128</u>	<u>111,844</u>	<u>-</u>	<u>326,653</u>
Total assets and deferred outflows of resources	<u>\$ 40,413,642</u>	<u>\$ 27,395,205</u>	<u>\$ 1,667,409</u>	<u>\$ 262,672</u>	<u>\$ 69,738,928</u>
<b>LIABILITIES:</b>					
Current liabilities:					
Accounts payable	\$ 224,335	\$ 207,030	\$ 47,547	\$ 86,143	\$ 565,055
Salaries and benefits payable	18,995	15,749	13,903	-	48,647
Accrued interest payable	86,403	30,987	7,771	-	125,161
Due to other funds	-	-	-	200,000	200,000
Customer deposits	-	618,736	-	-	618,736
Other payables	-	11,332	6,234	-	17,566
Compensated absences	8,057	6,463	6,528	-	21,048
Capital lease obligation	-	-	112,644	-	112,644
Retainage payable	64,356	-	-	-	64,356
Bonds, notes, and loans payable	<u>672,000</u>	<u>414,500</u>	<u>102,600</u>	<u>-</u>	<u>1,189,100</u>
Total current liabilities	1,074,146	1,304,797	297,227	286,143	2,962,313
Non-current liabilities:					
Compensated absences	50,036	28,875	69,250	-	148,161
OPEB obligation	27,101	23,738	23,284	-	74,123
Bonds, notes, and loans payable	<u>14,417,000</u>	<u>7,809,300</u>	<u>1,164,864</u>	<u>-</u>	<u>23,391,164</u>
Total non-current liabilities	<u>14,494,137</u>	<u>7,861,913</u>	<u>1,257,398</u>	<u>-</u>	<u>23,613,448</u>
	<u>15,568,283</u>	<u>9,166,710</u>	<u>1,554,625</u>	<u>286,143</u>	<u>26,575,761</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
OPEB--related amounts	2,868	2,513	2,464	-	7,845
Pension--related amounts	<u>64,868</u>	<u>57,299</u>	<u>54,888</u>	<u>-</u>	<u>177,055</u>
	<u>67,736</u>	<u>59,812</u>	<u>57,352</u>	<u>-</u>	<u>184,900</u>
<b>NET POSITION:</b>					
Net investment in capital assets	15,765,760	8,835,159	(252,357)	-	24,348,562
Restricted for prepaid items	-	-	-	10,606	10,606
Restricted for debt service	420,116	103,704	1,003	-	524,823
Unrestricted	<u>8,591,747</u>	<u>9,229,820</u>	<u>306,786</u>	<u>(34,077)</u>	<u>18,094,276</u>
Total net position	<u>24,777,623</u>	<u>18,168,683</u>	<u>55,432</u>	<u>(23,471)</u>	<u>42,978,267</u>
Total liabilities, deferred inflows, and net position	<u>\$ 40,413,642</u>	<u>\$ 27,395,205</u>	<u>\$ 1,667,409</u>	<u>\$ 262,672</u>	<u>\$ 69,738,928</u>

See accompanying notes.

**CITY OF BELTON, MISSOURI**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION --**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

	<u>Sewer Fund</u>	<u>Water Fund</u>	<u>Golf Course Fund</u>	<u>Solid Waste</u>	<u>Total</u>
<b>REVENUES,</b>					
Charges for services	\$ 6,844,766	\$ 6,630,735	\$ 866,985	\$ 1,106,811	\$ 15,449,297
<b>OPERATING EXPENSES:</b>					
Personnel services	739,740	608,843	523,304	-	1,871,887
Contractual services	208,109	115,109	37,099	1,112,278	1,472,595
Materials and supplies	81,710	148,435	201,301	-	431,446
Maintenance and repairs	298,472	152,699	47,298	-	498,469
Utilities	260,830	80,038	28,950	-	369,818
Water supply	915,639	2,206,097	-	-	3,121,736
Water supply for City facilities	-	184,208	-	-	184,208
Interfund charges for support services	1,121,891	1,270,316	-	-	2,392,207
Depreciation and amortization	1,233,654	599,848	183,769	-	2,017,271
Miscellaneous	<u>39,448</u>	<u>41,422</u>	<u>14,314</u>	<u>6,780</u>	<u>101,964</u>
	<u>4,899,493</u>	<u>5,407,015</u>	<u>1,036,035</u>	<u>1,119,058</u>	<u>12,461,601</u>
Operating income (loss)	<u>1,945,273</u>	<u>1,223,720</u>	<u>(169,050)</u>	<u>(12,247)</u>	<u>2,987,696</u>
<b>NON-OPERATING REVENUES (EXPENSES):</b>					
Franchise tax	(566,060)	(596,288)	-	-	(1,162,348)
Interest income and gains/(losses)	126,938	131,224	940	2,931	262,033
Miscellaneous income	63,112	-	1,177	-	64,289
Donations	129,018	-	-	-	129,018
Interest expense	<u>(421,814)</u>	<u>(172,973)</u>	<u>(38,752)</u>	<u>-</u>	<u>(633,539)</u>
	<u>(668,806)</u>	<u>(638,037)</u>	<u>(36,635)</u>	<u>2,931</u>	<u>(1,340,547)</u>
Net income (loss) before transfers	<u>1,276,467</u>	<u>585,683</u>	<u>(205,685)</u>	<u>(9,316)</u>	<u>1,647,149</u>
Transfers in	<u>-</u>	<u>-</u>	<u>246,869</u>	<u>-</u>	<u>246,869</u>
Increase (decrease) in net position	<u>1,276,467</u>	<u>585,683</u>	<u>41,184</u>	<u>(9,316)</u>	<u>1,894,018</u>
Total net position - beginning	<u>23,501,156</u>	<u>17,583,000</u>	<u>14,248</u>	<u>(14,155)</u>	<u>41,084,249</u>
Total net position - ending	<u>\$ 24,777,623</u>	<u>\$ 18,168,683</u>	<u>\$ 55,432</u>	<u>\$ (23,471)</u>	<u>\$ 42,978,267</u>

See accompanying notes.

**CITY OF BELTON, MISSOURI**  
**STATEMENT OF CASH FLOWS -- PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Sewer Fund</b>	<b>Water Fund</b>	<b>Golf Course Fund</b>	<b>Solid Waste Fund</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Received from customers	\$ 6,915,416	\$ 6,830,701	\$ 908,270	\$ 1,101,884	\$ 15,756,271
Payments to employees and fringe benefits	(751,592)	(625,312)	(539,398)	-	(1,916,302)
Payments for operations	(3,212,929)	(4,834,391)	(335,974)	(1,148,968)	(9,532,262)
Other receipts (expenses)	63,112	(41,421)	1,177	(6,780)	16,088
Net cash provided by operating activities	<u>3,014,007</u>	<u>1,329,577</u>	<u>34,075</u>	<u>(53,864)</u>	<u>4,323,795</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES,</b>					
Transfers in	-	-	246,869	-	246,869
Net cash provided by noncapital financing activities	-	-	<u>246,869</u>	-	<u>246,869</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Capital gifts received	129,018	-	-	-	129,018
Acquisition and construction of capital assets	(2,059,756)	(386,432)	-	-	(2,446,188)
Principal paid on capital debt and leases	(669,407)	(405,700)	(276,701)	-	(1,351,808)
Interest paid on capital debt and leases	(424,795)	(174,498)	(40,616)	-	(639,909)
Net cash used by capital and related financing activities	<u>(3,024,940)</u>	<u>(966,630)</u>	<u>(317,317)</u>	-	<u>(4,308,887)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES,</b>					
Investment income	<u>121,329</u>	<u>125,320</u>	<u>940</u>	<u>2,901</u>	<u>250,490</u>
Net increase (decrease) in cash and cash equivalents	110,396	488,267	(35,433)	(50,963)	512,267
Cash and cash equivalents, beginning of year	<u>8,644,767</u>	<u>8,677,824</u>	<u>276,963</u>	<u>173,299</u>	<u>17,772,853</u>
Cash and cash equivalents, end of year	<u>\$ 8,755,163</u>	<u>\$ 9,166,091</u>	<u>\$ 241,530</u>	<u>\$ 122,336</u>	<u>\$ 18,285,120</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities,					
Operating income (loss)	<u>\$ 1,945,273</u>	<u>\$ 1,223,720</u>	<u>\$ (169,050)</u>	<u>\$ (12,247)</u>	<u>\$ 2,987,696</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization expense	1,233,655	599,849	183,770	-	2,017,274
Cash payments for franchise tax	(566,060)	(596,288)	-	-	(1,162,348)
Miscellaneous non-operating income	63,112	-	1,177	-	64,289
Changes in assets and liabilities:					
Receivables, net	14,674	151,112	(6,043)	(4,927)	154,816
Pension	(48,475)	(45,808)	(42,360)	-	(136,643)
OPEB	28,975	25,381	24,894	-	79,250
Inventories	500	(36,780)	(16,646)	-	(52,926)
Prepays	-	-	-	77,167	77,167
Accounts payable and accrued liabilities	181,327	(93,670)	10,462	86,143	184,262
Due to /(from) other funds	97,125	95,555	-	(200,000)	(7,320)
Deferred revenue	55,976	48,855	47,329	-	152,160
Customer deposits	-	(47,473)	-	-	(47,473)
Compensated absences	<u>7,925</u>	<u>5,124</u>	<u>542</u>	-	<u>13,591</u>
Total adjustments	<u>1,068,734</u>	<u>105,857</u>	<u>203,125</u>	<u>(41,617)</u>	<u>1,336,099</u>
Net cash provided (used) by operating activities	<u>\$ 3,014,007</u>	<u>\$ 1,329,577</u>	<u>\$ 34,075</u>	<u>\$ (53,864)</u>	<u>\$ 4,323,795</u>
Noncash investing, capital, and financing activities,					
Increase in receivables related to nonoperating income	<u>\$ 5,609</u>	<u>\$ 5,904</u>	<u>\$ -</u>	<u>\$ 30</u>	<u>\$ 11,543</u>

See accompanying notes.



**CITY OF BELTON, MISSOURI  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
MARCH 31, 2019**

	<u><b>Agency Funds</b></u>
<b>ASSETS,</b>	
Pooled cash and investments	<u>\$          23,672</u>
<b>LIABILITIES,</b>	
Due to other governments	<u><u>\$          23,672</u></u>

See accompanying notes.

## **NOTES TO FINANCIAL STATEMENTS**

The Notes to the Financial Statements include a summary of the accounting policies followed and information used by the City that are judged to be most appropriate for full disclosure in the preparation of the financial statements.

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**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of the City of Belton, Missouri (the City), have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to local governments. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below:

Financial Reporting Entity: The City of Belton, Missouri, was incorporated in 1872 and covers an area of approximately 16 square miles located primarily in Cass County, Missouri. Belton is a charter city and operates under the Mayor/Council/Manager form of government. The City Manager is the chief administrative officer of the City. The accompanying financial statements present the City's primary government and any component units over which the City exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the City (as distinct from legal relationships). Management has considered all potential component units and has determined there are no entities outside of the primary government that should be blended into or discretely presented with the City's financial statements.

Related Organization: The City Council is also responsible for appointing the Board of Directors of Belton Industrial Development Authority. The City's accountability for this organization does not extend beyond making the appointments.

Government-Wide and Fund Financial Statements: The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the City as a whole (except for fiduciary activities) and distinguish between the *governmental* and *business-type activities* of the City. *Governmental activities*, which are normally supported by taxes and governmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Government-Wide and Fund Financial Statements (Continued):

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function 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.

Separate fund financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds include other Special Revenue, Capital Projects, and Debt Service funds. The combined amounts for these funds are reflected in a single column in the fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. Detailed statements for non-major funds are presented with Combining and Individual Fund Statements and Schedules.

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

Governmental funds are those which governmental functions of the City finance. The acquisition, use, and balances of the City's expendable resources and the related liabilities are accounted for through governmental funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recognized when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences, claims, and judgments are reported only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued):

Property taxes, sales taxes, franchise taxes, licenses, charges for service, amounts due from other governments, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Charges for sales and services (other than utility) and miscellaneous revenues are generally recorded as revenue when received in cash because they are generally not measurable until actually received.

The accounts of the City are organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts. The various funds are summarized by type within the financial statements. The City reports the following major governmental funds:

The General Fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Expenditures from this fund provide basic City services, such as police and fire protection, planning, inspection, engineering, animal control, civil defense, municipal court, and overall basic services such as finance, personnel, and general administration of the City.

Revenue sources include taxes, which include property taxes, sales taxes, franchise taxes, and cigarette taxes. Other revenues include fees for ambulance service, other fees and licenses, and revenue gathered from the municipal court and investment earnings.

The Park Fund accounts for the activities of the Park Board which administers the operation of all City park facilities and various recreation programs. It is funded by a ½ cent sales tax approved by the voters.

The Capital Improvement Sales Tax Fund accounts for the collection of a ½ cent sales tax approved by voters for the purpose of funding capital items. The funds are restricted for this purpose.

The Parks Sales Tax Fund accounts for the collection of a ½ cent sales tax approved by voters for the purpose of funding park projects.

The Street Fund accounts for the collection of a ½ cent sales tax approved by voters for the purpose of funding capital items.

The Debt Service-General Obligation Bond Fund accounts for collection of property tax monies collected for payment of long-term debt.

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued):

Additional governmental fund types which are combined as non-major funds are as follows:

Special Revenue Funds: These funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for a specific purpose other than debt service or capital projects.

Debt Service Funds: These funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Capital Projects Funds: These funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Proprietary fund level financial statements are used to account for activities which are similar to those found in the private-sector. The measurement focus is upon determination of net income, financial position, and cash flows. The City's proprietary funds are as follows:

Water Fund accounts for the provision of water services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, billing, collection, and related debt service.

Sewer Fund accounts for the provision of sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, billing, collection, and related debt service.

Golf Course Fund accounts for the activities at the Belton municipal golf course, Eagles' Landing.

Solid Waste Fund accounts for the activities of solid waste services to the residents of the City.

On the proprietary fund financial statements, operating revenues are those that flow directly from the operations of the activity, i.e., charges to customers or users who purchase or use the goods or services of that activity. Operating expenses are those that are incurred to provide those goods or services. Non-operating revenues and expenses are items such as investment income and interest expense that are not a result of the direct operations of the activity.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued):

Fiduciary fund level financial statements are custodial in nature and are merely clearing accounts for assets held by the City as an agent for individuals, private organization, or other governments. Fiduciary funds are excluded from government-wide financial statements.

Y Highway Market Place CID accounts for monies collected by the City which belong to the CID.

Belton Towne Center TDD accounts for monies collected by the City which belong to the TDD.

BelRay Interchange TDD accounts for monies collected by the City which belong to the TDD.

Y Belton CID accounts for monies collected by the City which belong to the CID.

Cedar Tree CID accounts for monies collected by the City which belong to the CID.

Budgets: The reported budgetary data represents the final approved budget after amendments as adopted by the City Council. Annual operating budgets are adopted for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, and Proprietary Funds. Missouri law requires budgets to be adopted for all governmental funds. The City prepares its budgets on the cash basis of accounting for its governmental funds and the accrual basis for its proprietary funds. The City Council has amended the budget at various times during the year and has performed the following procedures in establishing the City's budget:

- (1) Prior to March 1, the City Manager submits to the City Council 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 the passage of an ordinance.
- (4) The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. This constitutes the City's legal level of budgetary control.
- (5) Appropriations lapse at year-end, but may be reappropriated in the following fiscal year.



**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Pooled Cash, Investments, and Restricted Assets: State statutes authorize the City to invest in banking institutions and obligations of municipalities, repurchase agreements, U.S. government agency obligations, and obligations of the U.S. Treasury. Cash resources of the individual governmental fund types are combined to form a pool of cash and investments. At March 31, 2019, the City's cash was deposited in demand accounts, certificates of deposit, Federal Home Loan Bank Notes, Federal National Mortgage Notes, Federal Home Loan Mortgage Corporation Notes, and U.S. Treasury Obligations. Investments with maturities of less than one year are stated at cost, which approximates fair value. All investments are stated at cost, which approximates fair value. Interest income on pooled cash and investments is allocated based upon each fund's respective average cash balance.

Certain proceeds of federal grants are classified as restricted assets on the balance sheet because their use is limited by applicable grant agreements. Assets are also restricted for court bonds, debt service reserve requirements, refunding customer meter deposits, sewer capital expenditures, development expenditures, and future debt refunding.

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

Accounts Receivable and Unbilled Usage: Accounts receivable for water, sewer and solid waste services are accounted for in the Water, Sewer and Solid Waste Funds and include billed amounts as well as an accrual for the earned but unbilled services from the previous billing date through March 31, 2019. Accounts receivable in the General Fund represents charges for the mowing of weeds, ambulance service, fire protection, and court fines and fees. Accounts receivable in the Golf Fund represents charges for green fees and annual memberships. All accounts receivable are stated net of allowances.

Interfund Activity: During the course of normal operations, the City has transactions between funds, including expenditures and transfers of resources to provide services and construct assets. Legally authorized transfers are treated as transfers and are included in the results of operations of both Governmental and Proprietary Funds.

Transactions between funds that are representative of cash overdrafts from pooled cash and investing are reported as interfund receivables or payables.

Short-term amounts owed between funds are classified as "Due to/from other funds".

Inventory: Inventory in the Proprietary Funds consists principally of maintenance supplies, gasoline, and oil, and is valued at cost which approximates the lower of cost or market using the first-in/first-out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when purchased.

**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):**

Capital Assets: Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets (e.g., roads and bridges), are reported in the applicable government or business-type activities columns in the government-wide statements. Capital assets are defined as assets with a cost of \$5,000 or more. Capital assets are recorded at historical cost if purchased or constructed, or at estimated historical cost if actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service arrangement are reported at acquisition value rather than fair value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation on all assets is computed using the straight-line method over the following estimated lives:

Major Assets

Buildings	7 - 50 years
Improvements	10 - 50 years
Infrastructure	50 years
Furniture and equipment	5 - 30 years

GASB Statement 34 requires the reporting and depreciation of the new infrastructure expenditures effective with the beginning of the implementation year.

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources, or expenses/expenditures, until then. The City has deferred changes in proportion dealing with pensions/OPEB and contributions made after the measurement date. The City also has deferred charges on refunding debt. These represent a consumption of net position that applies to future periods and is not recognized as an outflow of resources until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources, or revenues, until that time. The City has non-exchange revenue transactions where a receivable has been recorded because property taxes were levied, but the resources cannot be used until a future period. This item has been reported as a deferred inflow on the government-wide statement of net position. Also a deferred inflow of resources dealing with pension/OPEB is reported for the differences between expected and actual experience, the net difference between projected and actual earnings on pension investments, and changes of assumptions.

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Compensated Absences: Accumulated vacation and sick leave, that is expected to be liquidated with expendable available financial resources, is reported as an expenditure and a fund liability of the governmental fund that will pay it. Accumulated vacation and sick leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

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 payable in accordance with the benefit terms. Investments are reported at fair value.

Long-Term Obligations: Long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

Encumbrances: Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of the formal budgetary control. Encumbrances outstanding at year-end, if any, are reported as reservations of fund balance for subsequent year expenditures. When expenditures are incurred in subsequent years relating to amounts previously encumbered, such amounts are, if material, reappropriated in the year expended.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Unearned Revenues: Governmental funds report unearned revenue when resources are received by the City before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, and when the City has a legal claim to the resources, revenue is recognized.

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Fund Balances: 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 non-spendable fund balance 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.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

*Restricted fund balance* - 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 fund balance* - Amounts can only be used for specific purposes pursuant to constraints imposed by ordinances of the City Council - the government's highest level of decision making authority. These committed amounts cannot be used for any other purpose unless the City Council removes the specified use by ordinance. 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.

*Assigned fund balance* - This classification reflects assets constrained by the expressed written intent of the City Council or City Manager for capital equipment and/or capital projects.

*Unassigned fund balance* - This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the City's policy to use externally restricted resources first, then unrestricted resources—committed, assigned, and unassigned—in order as needed.

The City has a stabilization policy established by ordinance of 15% of general fund revenues to be used for unforeseen catastrophic emergencies resulting in a reduction of anticipated revenues which cause a financial hardship. This catastrophic unforeseeable emergency would include a natural disaster in the City, such as a tornado, flood, earthquake, etcetera that causes significant damage or a national economic crisis that causes a significant shortfall in anticipated revenues.

Other Post-Employment Benefits (OPEB): The fiduciary net position of the plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to the OPEB, and OPEB expense, information about assets, liabilities and additions to/deductions from the City's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay as you go plan.

## CITY OF BELTON, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Net Position Classifications: In the government-wide and proprietary fund financial statements, equity is shown as net position and classified into three components:

*Net investment in capital assets* - These amounts consist of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Net investment in capital assets excludes unspent bond or other debt proceeds.

*Restricted net position* - These amounts consist of net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

*Unrestricted net position* - These amounts consist of all other net position that does not meet the definition of "restricted" or "net investment in capital assets".

#### 2. DEPOSITS AND INVESTMENTS:

At March 31, 2019, the carrying amount of the City's demand deposits in financial institutions was \$12,280,454. The bank balances of demand deposits were fully insured with a combination of FDIC insurance and pledged collateral held in the name of the City. All deposits were held by a qualified depository.

At March 31, 2019, the City's investments consisted of the following:

	Carrying Amount	Fair Value	Investment Rating
U.S. Government securities	\$ 9,642,894	\$ 9,721,419	Aaa
U.S. Agency securities	1,653,074	1,653,074	Aaa
Money Markets	8,155,585	8,155,585	N/A
	<u>\$ 19,451,553</u>	<u>\$ 19,530,078</u>	

At March 31, 2019, the City had unamortized discounts and premiums amounting to \$17,133 that is included in pooled cash and investments.

**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**2. DEPOSITS AND INVESTMENTS (Continued):**

The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the calculation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

U.S government securities and U.S. agency securities of \$11.2 million are valued using quoted market prices (level 1).

Money markets of \$8.1 million are valued using net asset value.

**Interest Rate Risk:**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The City does not have a formal policy for interest rate risk. However, the City does manage its exposure to fair value losses arising from interest rate changes on invested funds by reviewing the portfolio on an ongoing basis for changes in effective yield amounts. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

**Custodial Credit Risk:**

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk of investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City's policy is to collateralize demand deposits with securities held by the financial institution's agent and in the City's name.

At March 31, 2019, the City had the following investments and maturities:

	Investment maturities (in years)			
	Value	Less than one	1-5	>5
Investment type:				
U.S. Government securities	\$ 9,642,894	\$ 2,126,818	\$ 7,516,076	\$ -
U.S. Agency securities	1,653,074	1,653,074	-	-
Money Markets	8,155,585	8,155,585	-	-
	<u>\$ 19,451,553</u>	<u>\$ 11,935,477</u>	<u>\$ 7,516,076</u>	<u>\$ -</u>

**Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is measured using credit quality ratings of investments in debt securities as described by nationally recognized rating agencies such as Standard & Poor's and Moody's. Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer.

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**2. DEPOSITS AND INVESTMENTS (Continued):**

Missouri State Statutes authorize the City, with certain restrictions, to deposit funds in open accounts, time deposits, and certificates of deposit. Statutes also require that collateral pledged have a fair market value equal to 100% of the funds on deposit, less insured amounts. Collateral securities must be held by the City or a disinterested third party and must be of the kind prescribed by statutes and approved by the State. The City may purchase any investments allowed by the State Treasurer. These include (a) obligations of the United States government or any agency or instrumentality thereof maturing and becoming payable not more than three years from the date of purchase, or (b) repurchase agreements maturing and becoming payable within 90 days secured by U.S. Treasury obligations or obligations of U.S. government agencies or instrumentalities of any maturity, as provided by law.

The City's general credit risk policy is to apply the prudent person rule: Investments shall be made with the exercise of judgment and care, under circumstances then prevailing, which individuals of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived.

At March 31, 2019, the carrying value of deposits and investments are summarized as follows:

Investments:	
U.S. Government securities	\$ 9,642,894
U.S. Agency securities	1,653,074
Money Markets	<u>8,155,585</u>
 Total investments	 19,451,553
 Deposits and amount with fiscal agent	 <u>27,938,786</u>
	 <u><u>\$ 47,390,339</u></u>

Deposits and investments of the City are reflected in the government-wide financial statements as follows:

	Government- Wide Statement of Net Position	Fiduciary Statement of Net Position
Pooled cash and investments	\$ 29,617,518	\$ 23,672
Restricted cash	3,948,116	-
Cash with fiscal agent	<u>13,801,033</u>	<u>-</u>
	<u><u>\$ 47,366,667</u></u>	<u><u>\$ 23,672</u></u>

**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**3. ACCOUNTS RECEIVABLE:**

As a result of providing water and sanitation services to its citizens, the City has extended credit to them. Accounts receivable are presented net of allowance for doubtful accounts of \$386,331 in the Water Fund, \$297,468 in the Sewer Fund, and \$6,780 in the Solid Waste Fund.

Water, solid waste, and sewer services are accounted for in the Water, Solid Waste, and Sewer Funds when billed. Unbilled usage for service consumed between periodic scheduled billing dates is recognized as revenue in the period in which service is provided. All are net of an allowance for uncollectibles.

**4. CAPITAL ASSETS:**

Capital asset activity for the year ended March 31, 2019, consisted of the following:

	Balance 4/1/2018	Increases	Decreases	Balance 3/31/2019
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,195,918	\$ -	\$ -	\$ 2,195,918
Construction in progress	982,574	737,186	864,677	855,083
Total capital assets not being depreciated	<u>3,178,492</u>	<u>737,186</u>	<u>864,677</u>	<u>3,051,001</u>
Capital assets being depreciated:				
Buildings	35,975,474	-	-	35,975,474
Improvements	32,563,810	2,395,428	-	34,959,238
Furniture and equipment	11,972,409	283,133	-	12,255,542
Infrastructure	70,346,196	961,236	-	71,307,432
Total capital assets being depreciated	<u>150,857,889</u>	<u>3,639,797</u>	<u>-</u>	<u>154,497,686</u>
Less accumulated depreciation:				
Buildings	12,946,029	1,041,024	-	13,987,053
Improvements	9,598,934	1,572,471	-	11,171,405
Furniture and equipment	8,813,052	914,835	-	9,727,887
Infrastructure	29,285,426	1,730,321	-	31,015,747
Total accumulated depreciation	<u>60,643,441</u>	<u>5,258,651</u>	<u>-</u>	<u>65,902,092</u>
Total capital assets being depreciated, net	<u>90,214,448</u>	<u>(1,618,854)</u>	<u>-</u>	<u>88,595,594</u>
Governmental activities capital assets, net	<u>\$ 93,392,940</u>	<u>\$ (881,668)</u>	<u>\$ 864,677</u>	<u>\$ 91,646,595</u>



**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

4. CAPITAL ASSETS (Continued):

Capital asset activity for the year ended March 31, 2019, consisted of the following (Continued):

	Balance 4/1/2018	Increases	Decreases	Balance 3/31/2019
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 434,437	\$ -	\$ -	\$ 434,437
Construction in progress	14,510,611	1,908,642	16,235,804	183,449
Total capital assets not being depreciated	14,945,048	1,908,642	16,235,804	617,886
Capital assets being depreciated:				
Buildings	962,817	46,676	-	1,009,493
Improvements	47,860,630	3,337,007	-	51,197,637
Sewer plant	10,015,126	13,180,328	-	23,195,454
Equipment	4,182,672	209,339	-	4,392,011
Total capital assets being depreciated	63,021,245	16,773,350	-	79,794,595
Less accumulated depreciation:				
Buildings	459,355	32,705	-	492,060
Improvements	17,958,828	1,137,781	-	19,096,609
Sewer plant	7,672,254	641,972	-	8,314,226
Equipment	3,575,306	204,813	-	3,780,119
Total accumulated depreciation	29,665,743	2,017,271	-	31,683,014
Total capital assets being depreciated, net	33,355,502	14,756,079	-	48,111,581
Business-type activities capital assets, net	<u>\$ 48,300,550</u>	<u>\$ 16,664,721</u>	<u>\$ 16,235,804</u>	<u>\$ 48,729,467</u>

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

4. CAPITAL ASSETS (Continued):

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

Governmental activities:

General government	\$ 709,688
Emergency management	9,415
Community development	3,938
Fire and emergency services	566,993
Municipal jail	13,904
Public safety	447,096
Public works	2,572,651
Parks	<u>934,966</u>

Total depreciation expense, governmental	<u><u>\$ 5,258,651</u></u>
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Business-type activities:

Sewer	\$ 1,233,654
Water	599,848
Golf course	<u>183,769</u>

Total depreciation expense, business-type	<u><u>\$ 2,017,271</u></u>
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**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**5. PENSION PLAN:**

**General Information about the Pension Plan**

Plan description: The City of Belton's defined benefit pension plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. The City of Belton 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 Revised Statutes of Missouri (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](http://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 and fire) 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 fire) and receive a reduced allowance.

	2018 Valuation
Benefit Multiplier:	2%
Final Average Salary:	3 years
Member Contributions:	0%

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

Employees covered by benefit terms. At June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	117
Inactive employees entitled to but not yet receiving benefits	111
Active employees	195
	<hr style="border-top: 1px solid black; border-bottom: 3px double black;"/>
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## CITY OF BELTON, MISSOURI

### NOTES TO FINANCIAL STATEMENTS

#### 5. PENSION PLAN (Continued):

Contributions: The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer do not contribute to the pension plan. Employer contribution rates are 12.5% General, 16.4% Police, and 14.3% Fire of annual covered payroll.

Net Pension Liability: The employer's net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2018.

Actuarial assumptions: The total pension liability in the February 28, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25% wage; 2.5% price
Salary Increase	3.25% to 7.15% including wage inflation
Investment rate of return	7.25%, net of investment expenses

Mortality rates were based on the RP-2014 mortality table for males and females, adjusted for mortality improvements back to the observation period base year 2006.

The actuarial assumptions used in the February 28, 2018, valuation were based on the results of an actuarial experience study for the period March 1, 2010 through February 28, 2015.

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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	48.00%	4.81%
Fixed Income	28.50%	1.72%
Real Assets	23.50%	3.42%

**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

5. PENSION PLAN (Continued):

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

**Changes in the Net Pension Liability (Asset):**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset)/Liability (a) - (b)
Balances at 6/30/2018	\$ 47,931,221	\$ 46,882,555	\$ 1,048,666
Changes for the year:			
Service cost	1,290,688	-	1,290,688
Interest	3,463,764	-	3,463,764
Change in assumptions	-	-	-
Difference between expected and actual experience	820,217	-	820,217
Contributions - employer	-	1,396,993	(1,396,993)
Contributions - employee	-	-	-
Net investment income	-	5,884,606	(5,884,606)
Benefit payments, including refunds	(1,606,523)	(1,606,523)	-
Administrative expense	-	(31,674)	31,674
Other changes	-	89,408	(89,408)
Net changes	3,968,146	5,732,810	(1,764,664)
Balances at 6/30/2019	\$ 51,899,367	\$ 52,615,365	\$ (715,998)

Sensitivity of the net pension liability to changes in the discount rate: The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.25%, as well as what the employer's Net Pension Liability would be using a discount rate that is 1 percentage point lower 6.25% or one percentage point higher 8.25% than the current rate.

	Current Single Discount		
	1% Decrease 6.25%	Rate Assumption 7.25%	1% Increase 8.25%
Total Pension Liability (TPL)	\$ 60,092,401	\$ 51,899,367	\$ 45,212,188
Plan Fiduciary Net Position	52,615,365	52,615,365	52,615,365
Net Position Liability/(Asset) (NPL)	\$ 7,477,036	\$ (715,998)	\$ (7,403,177)

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

5. PENSION PLAN (Continued):

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

For the year ended March 31, 2019, the City recognized pension expense of \$1,954,420. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences in experience	\$ 1,239,585	\$ (685,611)
Differences in assumptions	684,378	-
Excess (deficit) investment returns	-	(1,629,708)
Contributions subsequent to the measurement date*	1,043,084	-
Total	<u>\$ 2,967,047</u>	<u>\$ (2,315,319)</u>

\*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending March 31, 2020.

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

<u>Year Ending</u>	<u>Net Deferred Outflows of Resources</u>
2019	\$ 520,966
2020	25,188
2021	(673,269)
2022	(408,349)
2023	33,503
Thereafter	110,605
	<u>\$ (391,356)</u>

**Payable to the Pension Plan**

At March 31, 2019, the City reported a payable of \$156,123 for the outstanding amount of contributions to the pension plan required for the year ended March 31, 2019.

# CITY OF BELTON, MISSOURI

## NOTES TO FINANCIAL STATEMENTS

### 6. LONG-TERM DEBT:

Changes in long-term debt of the City for the year ended March 31, 2019, consisted of the following:

Governmental Activities					
	Balance April 1, 2018	Additions	Retirements	Balance March 31, 2019	Amounts Due Within One Year
Notes payable	\$ 43,403	\$ -	\$ 10,537	\$ 32,866	\$ 10,945
Sales tax revenue bonds	11,335,000	-	2,945,000	8,390,000	-
General obligation bonds	40,440,000	-	1,430,000	39,010,000	1,560,000
Bond (discount) / premium	4,830,542	-	512,935	4,317,607	512,935
Certificates of participation	15,498,800	-	1,595,400	13,903,400	1,647,400
Capital leases	1,265,866	-	323,973	941,893	239,640
 Total loans and notes payable	 73,413,611	 -	 6,817,845	 66,595,766	 3,970,920
Other liabilities:					
OPEB*	817,648	16,787	182,632	651,803	-
Compensated absences*	1,347,010	100,668	133,582	1,314,096	141,537
	<u>\$ 75,578,269</u>	<u>\$ 117,455</u>	<u>\$ 7,134,059</u>	<u>\$ 68,561,665</u>	<u>\$ 4,112,457</u>
Business-Type Activities					
	Balance April 1, 2018	Additions	Retirements	Balance March 31, 2019	Amounts Due Within One Year
Revenue bonds	\$ 3,065,000	\$ -	\$ 95,000	\$ 2,970,000	\$ 100,000
Notes payable	21,322,908	-	980,108	20,342,800	986,500
Certificates of participation	856,200	-	99,600	756,600	102,600
Bond (discount) / premium	101,152	-	12,644	88,508	12,644
Capital leases	699,456	-	164,455	535,001	100,000
 Total bonds and notes payable	 26,044,716	 -	 1,351,807	 24,692,909	 1,301,744
Other liabilities:					
Compensated absences	155,618	15,302	1,712	169,208	21,048
OPEB	-	74,123	-	74,123	-
	<u>\$ 26,200,334</u>	<u>\$ 89,425</u>	<u>\$ 1,353,519</u>	<u>\$ 24,936,240</u>	<u>\$ 1,322,792</u>

\*Other liabilities are primarily liquidated by the General Fund.

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**6. LONG-TERM DEBT (Continued):**

The compensated absences liability attributable to governmental activities will be liquidated primarily by the General Fund. The liability for compensated absences has been calculated using the vesting method, which leaves amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Total City debt at March 31, 2019, consisted of the following:

General obligation bonds:

\$3,845,000, Series 2010 general obligation bonds, issued for storm water improvements, due in annual installments of \$590,000 to \$2,045,000, through March 1, 2027; interest at 5%	\$ 3,845,000
\$14,885,000, Series 2011 general obligation refunding bonds, issued for street and park improvements, due in annual installments of \$175,000 to \$2,745,000, through March 1, 2031; interest at 2% to 5%	11,710,000
\$7,670,000, Series 2013 general obligation cross over refunding bonds, to refund a portion of the Series 2006 bonds, due in annual installments of \$380,000 to \$1,220,000, through September 1, 2026; interest at 2% to 3%	6,280,000
\$4,350,000, Series 2017 general obligation refunding bonds, to refund the Series 2007 bonds, due in annual installments of \$580,000 to \$880,000, through September 1, 2023; interest at 3%	3,135,000
\$11,940,000, Series 2017C general obligation cross over refunding bonds, to refund a portion of the Series 2011 and Series 2010 bonds, due in annual installments of \$95,000 to \$2,185,000, through September 1, 2031; interest at 4% to 5%	11,940,000
\$2,100,000, Series 2017B general obligation refunding bonds, issued for street improvements, due in annual installments of \$50,000 to \$445,000, through September 1, 2031; interest at 2.125% to 4%	<u>2,100,000</u>
Total general obligation bonds	<u>39,010,000</u>
Governmental bond (discount) / premium	<u>4,317,607</u>



**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**6. LONG-TERM DEBT (Continued):**

Governmental fund revenue bonds:

\$12,405,000, Series 2015 tax increment financing refunding bonds, due in annual installments of \$980,000 to \$2,415,000, through March 1, 2022; interest at 3.21%.	\$ 4,185,000
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\$2,155,000, Series 2012 tax increment financing bonds, due in semi-annual installments of \$15,000 to \$300,000, through December 1, 2023; interest at 6.375%	290,000
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\$2,655,000, Series 2012A tax increment financing bonds, due in two installments of \$410,000 and \$1,835,000 through December 1, 2031; interest at 5.63%	705,000
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\$3,210,000, Series 2012B tax increment financing bonds, due in two installments of \$1,000,000 and \$2,210,000, through December 1, 2034; interest at 5.25% to 5.75%	3,210,000
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Total governmental revenue bonds	8,390,000
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Governmental fund certificates of participation,

\$17,208,200, Series 2017 tax-exempt certificates of participation, issued for refunding series 2008 and Series 2007 certificates of participation due in annual installments of \$1,248,000 to \$2,304,894, through March 1, 2027; interest at 2.0% to 5.0%	13,903,400
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Total governmental certificates of participation	13,903,400
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Governmental fund notes payable:

\$90,900, DNR note payable, issued for heating, air conditioning, and lighting, due in semi-annual installments of \$3,834, through February 21, 2021; interest at 3.75%	12,375
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\$52,015, DNR note payable, issued for heating, air conditioning, and lighting, due in semi-annual installments of \$2,219, through August 1, 2024; interest at 4%	20,491
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Total governmental notes payable	32,866
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**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**6. LONG-TERM DEBT (Continued):**

Governmental fund capital leases:

\$1,530,000, lease purchase of equipment and vehicles for the Fire department, due in annual installments of \$70,000 to \$337,000, through November 1, 2024; interest at 2.15%	\$ 825,000
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\$136,185, lease purchase of fitness equipment for the Park department, due in monthly installments of \$2,475, through March 2020; interest at 2.875%	31,535
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\$27,950, lease purchase of RTU compressor for the Park department, due in monthly installments of \$551, through May 7, 2020; interest at 6.932%	8,404
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\$63,346, lease purchase of vehicles for the Park department, due in monthly installments of \$1,494, through April 1, 2020; interest at 3.12%	17,412
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\$81,144, lease purchase of fitness and cardio equipment, due in monthly installments of \$1,902, through February 5, 2022; interest at 5.41%	<div style="border-top: 1px solid black;">59,542</div>
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Total governmental capital leases	<div style="border-top: 1px solid black;">941,893</div>
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Proprietary fund revenue bonds,

\$3,500,000, Series 2010 Sewerage System Revenue Bonds, due in annual installments of \$75,000 to \$505,000, through January 1, 2036; interest at 3% to 6.464%	<div style="border-top: 1px solid black;">2,970,000</div>
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Proprietary fund certificates of participation,

\$961,800, Series 2017 tax-exempt certificates of participation, issued for refunding the Series 2007 COP, due in annual installments of \$711,190 to \$138,836, through March 1, 2026; interest at 2.0% to 5.0%	<div style="border-top: 1px solid black;">756,600</div>
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Proprietary fund certificates of participation bond premiums	<div style="border-top: 1px solid black;">88,508</div>
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**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**6. LONG-TERM DEBT (Continued):**

Proprietary fund notes payable:

\$6,758,720, Series 2014 DNR note payable, issued for waterworks improvements, due in semi annual installments of \$143,720 to \$208,000, through January 1, 2038; interest at 1.59% \$ 6,026,700

\$13,270,408, Series 2015 DNR note payable, issued for wastewater improvements, due in semi annual installments of \$280,408 to \$415,000, through July 1, 2036; interest at 1.35% 12,119,000

\$2,540,254, Series 2015 DNR note payable, issued for waterworks improvements, due in semi annual installments of \$55,000 to \$81,900, through July 1, 2035; interest at 1.28% 2,197,100

Total proprietary fund notes payable 20,342,800

Proprietary fund capital leases,

\$885,000, lease purchase to refund the 2005 Golf Course certificate of participation, due in annual installments of \$70,000 to \$337,000, through November 1, 2024; interest at 2.15% 535,001

Total City long-term debt \$ 91,288,675

**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

6. LONG-TERM DEBT (Continued):

At March 31, 2019, the constitutionally imposed total general obligation debt limit was \$53,556,640 which, after reduction for outstanding general obligation bonds of \$30,612,607, and considering the \$2,800,000 available in the Debt Service Fund, provides a general obligation debt margin of \$25,744,033.

Aggregate annual principal and interest payments applicable to long-term debt are:

Years ending March 31,	Principal	Interest	General Obligation Bonds
2020	\$ 1,560,000	\$ 1,655,625	\$ 3,215,625
2021	1,625,000	1,612,425	3,237,425
2022	1,935,000	1,568,925	3,503,925
2023	2,135,000	1,511,425	3,646,425
2024	2,100,000	1,443,625	3,543,625
2025 - 2029	19,640,000	5,376,388	25,016,388
2030 - 2031	<u>10,015,000</u>	<u>685,375</u>	<u>10,700,375</u>
	<u>\$ 39,010,000</u>	<u>\$ 13,853,788</u>	<u>\$ 52,863,788</u>
Years ending March 31,	Principal	Interest	Certificates of Participation
2020	\$ 1,750,000	\$ 685,350	\$ 2,435,350
2021	1,815,000	615,350	2,430,350
2022	1,890,000	542,750	2,432,750
2023	1,995,000	448,250	2,443,250
2024	2,085,000	348,500	2,433,500
2025 - 2027	<u>5,125,000</u>	<u>427,000</u>	<u>5,552,000</u>
	<u>\$ 14,660,000</u>	<u>\$ 3,067,200</u>	<u>\$ 17,727,200</u>

**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

6. LONG-TERM DEBT (Continued):

<u>Years ending March 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Proprietary Revenue Bonds</u>
2020	\$ 100,000	\$ 182,005	\$ 282,005
2021	105,000	177,132	282,132
2022	110,000	171,438	281,438
2023	115,000	165,473	280,473
2024	125,000	159,236	284,236
2025 - 2029	725,000	681,693	1,406,693
2030 - 2034	960,000	429,023	1,389,023
2035 - 2036	<u>730,000</u>	<u>79,830</u>	<u>809,830</u>
	<u>\$ 2,970,000</u>	<u>\$ 2,045,830</u>	<u>\$ 5,015,830</u>
<u>Years ending March 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Sales Tax Revenue Bonds</u>
2020	\$ -	\$ 353,842	\$ 353,842
2021	-	335,626	335,626
2022	4,185,000	335,626	4,520,626
2023	-	201,288	201,288
2024	-	201,288	201,288
2025 - 2029	-	1,006,438	1,006,438
2030 - 2034	1,995,000	885,931	2,880,931
2035	<u>2,210,000</u>	<u>127,075</u>	<u>2,337,075</u>
	<u>\$ 8,390,000</u>	<u>\$ 3,447,114</u>	<u>\$ 11,837,114</u>

**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

6. LONG-TERM DEBT (Continued):

Years ending March 31,	Principal	Interest	Notes Payable
2020	\$ 997,445	\$ 285,266	\$ 1,282,711
2021	1,014,787	270,819	1,285,606
2022	1,033,456	256,232	1,289,688
2023	1,055,216	241,435	1,296,651
2024	1,076,882	226,324	1,303,206
2025 - 2029	5,731,580	895,043	6,626,623
2030 - 2034	6,376,400	469,602	6,846,002
2035 - 2037	<u>3,089,900</u>	<u>60,939</u>	<u>3,150,839</u>
	<u>\$ 20,375,666</u>	<u>\$ 2,705,660</u>	<u>\$ 23,081,326</u>

Bond Reserve Accounts:

Under the three Series 2012 Tax Increment Financing Bonds, the City is required to deposit funds into a reserve account equal to \$802,000.

At March 31, 2019, the City was in compliance with all of these requirements.

Under the Series 2010 A&B Sewerage System Refunding Revenue Bonds (State Revolving Fund Program), the City is required to deposit monies into a debt service account sufficient to meet maturity dates of principal and interest.

At March 31, 2019, the City was in compliance with these requirements.

Rates and fees established and charged were sufficient to satisfy bond covenant responsibilities for the sewer fund for the year ended March 31, 2019.

**CITY OF BELTON, MISSOURI**

**NOTES TO FINANCIAL STATEMENTS**

**7. CAPITAL LEASES:**

The City has entered into lease agreements for financing capital equipment. The lease agreements qualify as capital leases for accounting purposes, and therefore have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

<u>Asset</u>	
Governmental equipment	\$ 1,596,625
Business type equipment	<u>885,000</u>
 Total assets acquired	 <u><u>\$ 2,481,625</u></u>

The future minimum lease payments and the present value of the remaining minimum lease payments as of March 31, 2019, are as follows:

<u>Years Ending March 31,</u>	<u>Proprietary Funds</u>	<u>Governmental Funds</u>
2020	\$ 111,502	\$ 261,799
2021	109,352	168,650
2022	107,202	159,437
2023	110,053	140,643
2024	107,795	140,805
2025	<u>25,538</u>	<u>137,902</u>
	571,442	1,009,236
Less: amount representing interest	<u>36,441</u>	<u>67,343</u>
 Present value of future minimum lease payments	 <u><u>\$ 535,001</u></u>	 <u><u>\$ 941,893</u></u>

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**8. CONDUIT DEBT:**

The City has issued taxable industrial revenue bonds to provide assistance. The bonds are special obligations and do not constitute debt obligations to the City. Accordingly, the bonds are not recorded as a liability in the financial statements.

Belton Research Hospital:

During March 2012, the City had approved issuance of up to \$16,500,000 maximum principal on the taxable industrial revenue bonds. At March 31, 2019, \$14,751,155 had been issued.

Pace Capital / ROM:

During November 2014, the City had approved issuance of up to \$2,000,000 maximum principal on the taxable industrial revenue bonds. At March 31, 2019, \$2,000,000 had been issued.

Salina Hotel Corporation:

During September 2017, the City approved issuance of up to \$7,746,700 maximum principal on the taxable industrial revenue bonds. At March 31, 2019, \$719,750 had been issued.

**9. RESTRICTED CASH:**

Restricted cash and investments at March 31, 2019, consisted of the following:

Account	Governmental Funds		
	General Fund	Special Revenue Fund	Total Governmental Funds
Court bonds	\$ 61,414	\$ -	\$ 61,414
Jail	6,146	-	6,146
CID Unit	22,429	-	22,429
Donations	11,006	-	11,006
Escrow	172,896	-	172,896
TIF's	-	2,762,784	2,762,784
Reserve for debt service	-	187,667	187,667
	<u>\$273,891</u>	<u>\$ 2,950,451</u>	<u>\$ 3,224,342</u>



**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

9. RESTRICTED CASH (Continued):

Account	Proprietary Funds			
	Sewer Fund	Golf Fund	Water Fund	Total
Reserve for debt service	\$ 311,000	\$ -	\$ 134,691	\$ 445,691
Reserve for certificates of participation	-	1,003	-	1,003
Reserve for principal and interest	<u>277,080</u>	<u>-</u>	<u>-</u>	<u>277,080</u>
	<u>\$588,080</u>	<u>\$ 1,003</u>	<u>\$ 134,691</u>	<u>\$ 723,774</u>

10. LEGAL MATTERS:

There are a number of claims and/or lawsuits to which the City is a party as a result of certain law enforcement activities, injuries, and various other matters and complaints arising in the ordinary course of City activities. The City's management and legal counsel believe that the potential claims against the City not covered by insurance, if any, resulting from such matters, would not materially affect the financial position of the City.

11. TAX REVENUES:

The tax revenue, including interest and penalties collected thereon, for the year ended March 31, 2019, is as follows:

Type	General Fund	Special Revenue Funds	Debt Service Funds
Property	\$ 1,508,476	\$ 671,229	\$ 3,239,604
Railroad & Utilities	168,402	-	-
Franchise	3,508,453	-	-
Cigarette	142,082	-	-
City Sales	4,054,071	1,630,866	-
Park Sales	-	1,615,411	-
Transportation Sales	-	1,868,283	-
Hotel/Motel	-	193,011	-
In Lieu of Tax	230,000	1,689,659	-
EATS	-	4,013,733	-
Financial Institution	<u>13,792</u>	<u>-</u>	<u>-</u>
	<u>\$ 9,625,276</u>	<u>\$ 11,682,192</u>	<u>\$ 3,239,604</u>

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**11. TAX REVENUES (Continued):**

The assessed valuation of the tangible property for the purpose of local taxation as of January 1, 2018, was as follows:

Real estate	\$ 214,516,445
Personal property	<u>53,266,751</u>
	<u><u>\$ 267,783,196</u></u>

The tax levy per \$100 of assessed valuation of tangible real and personal property for the calendar year 2018 was as follows:

General Fund	\$ 0.5261
Park and Recreation Fund	0.2341
Debt Service Funds	<u>1.1305</u>
	<u><u>\$ 1.8907</u></u>

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

**12. INTERFUND TRANSACTIONS:**

Interfund receivable and payable balances at March 31, 2019, were as follows:

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 3,844	\$ -
Special Revenue Funds:		
Street	157,586	-
Capital Improvements Sales Tax	-	3,844
Capital Projects Fund,		
Street Capital Projects	-	157,586
Proprietary Funds:		
Sewer	100,000	-
Solid Waste	-	200,000
Water	<u>100,000</u>	<u>-</u>
	<u><u>\$ 361,430</u></u>	<u><u>\$ 361,430</u></u>

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

12. INTERFUND TRANSACTIONS (Continued):

Transfers during the year ended March 31, 2019, were as follows:

	Transfers In	Transfers Out
General Fund	\$ 42	\$ 306,418
Special Revenue Funds:		
Park	\$ 250,000	\$ -
Street Impact Fees	141,582	-
Street	-	29,774
Capital Improvement Sales Tax	-	29,774
Y Highway Market Place TIF	119,097	-
Park Sales Tax	-	392,000
	<u>\$ 510,679</u>	<u>\$ 451,548</u>
Capital Projects Funds:		
Street Projects	\$ 142,000	\$ 141,582
Storm Water Projects	-	42
	<u>\$ 142,000</u>	<u>\$ 141,624</u>
Proprietary Fund,		
Golf	\$ 246,869	\$ -
	<u>\$ 899,590</u>	<u>\$ 899,590</u>

In general, transfers are used to (1) move revenues from the fund that collects the money to the fund that expends the money, (2) move receipts restricted or earmarked for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in a fund to provide operating advances to other funds in accordance with budgetary authorizations.

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**13. INTERGOVERNMENTAL REVENUE:**

Intergovernmental revenue during the year ended March 31, 2019, consisted of the following:

	General Fund	Other Governmental Funds
Federal:		
US Department of Justice:		
Violence Against Women	\$ 32,371	\$ -
HIDTA	95,540	-
US Department of Transportation:		
Public Safety Grants	11,974	7,884
Highway Planning and Construction	-	153,138
Surface Transportation Program	-	85,558
State:		
Department of Revenue:		
Motor Vehicle Sales Tax	-	206,520
Motor Vehicle Fuel Tax	-	620,444
Motor Vehicle Fees	-	104,079
County:		
TDD revenues	316,958	95,374
Road & Bridge Property Taxes	-	112,389
Other Local Governmental Agencies,		
MARC Senior Center	34,663	-
City:		
Vehicle Servicing	<u>74,929</u>	<u>-</u>
	<u>\$ 566,435</u>	<u>\$ 1,385,386</u>

**14. 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; workers' compensation, and natural disasters for which the City carries commercial insurance. There have been no significant reductions in insurance coverage from the prior year and no significant losses in the past three fiscal years.

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**15. SELF-INSURANCE:**

The City is a member of the Midwest Public Risk (MPR), a not-for-profit corporation consisting of local governments and political subdivisions. MPR was formed as a public entity risk retention pool and covers medical and dental, workers' compensations, and property and casualty claims for its members. The City maintains only workers' compensation and property and casualty coverage through MPR. MPR has been established as assessable pools and accounting records are maintained for each year of coverage on a policy-year basis. The City pays annual premiums to MPR for each coverage. The agreement with MPR provides that MPR will be self-sustained through member premiums. MPR has the authority to assess members for deficiencies of revenues under expenses for any single plan year. Likewise, MPR has the authority to declare refunds to members for excess revenues over expenses relating to any single plan year. MPR has not had deficiencies in any of the past three fiscal years. The City purchases commercial insurance for medical, dental, short-term disability, and life insurance.

The City has the following types of insurance coverages and deductibles through MPR for fiscal year 2019: General Liability \$10,000; Automobile Liability \$1,000; Law Enforcement \$10,000; EMS \$10,000; Public Officials \$10,000; and Property \$2,500.

MPR's financial statements are presented in its Comprehensive Annual Financial Report.

**16. DEFERRED COMPENSATION PLAN:**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional.

Employees may contribute up to 25% of their annual base salary to a maximum limit of \$18,500 per year. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. Investments are managed by the plan's trustee, and the choice of the investment option(s) is made by the participants.

The City may contribute 2% of employee compensation for full-time employees participating in the plan. No contributions are made for part-time employees. No contributions have been made for several years.

**17. FUND BALANCE DEFICITS:**

For the year ended March 31, 2019, the Solid Waste Fund and the Street Capital Projects Fund had a fund balance deficit of \$23,471 and \$25,531, respectively.

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

18. COMMITMENTS and CONTINGENCIES:

Construction commitments at March 31, 2019 consisted of the following:

Fund	Amount
General	\$ 41,324
Street	13,764
Street Projects	41,552
Street Capital Project	260,092
Storm Water Projects	53,902
Sewer	789
Water	39,926
Solid Waste	<u>252,385</u>
 Total	 <u><u>\$ 703,734</u></u>

The City participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of March 31, 2019, significant amounts of grant expenditures have not been audited by grantor governments.

19. NET POSITION:

Net position is comprised of three categories: Net investment in capital assets; restricted net position; and unrestricted net position. The first category reflects the portion of net position which is associated with non-liquid, capital assets, less the outstanding debt (net) related to these capital assets. The related debt (net) is the debt less the outstanding liquid assets and any associated unamortized costs. Restricted net position are restricted assets, (usually cash) that must be spent for specific purposes. Net position, which are neither restricted nor related to capital assets, are reported as unrestricted net position.

The City issued debt to finance the construction of infrastructure in the Tax Increment Financing Districts. However, the City does not own these capital assets. As a result, in the Statement of Net Position, the debt reduces unrestricted net position of the City and the unspent bond proceeds are reported in restricted net position.

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

19. NET POSITION (Continued):

Capital assets, net	\$ 91,646,595
Total debt	(66,595,766)
Debt refunding	3,526,012
Debt related to assets not owned by the City:	
Series 2017 certificate of participation	4,660,000
Series 2011 refunding	95,000
Series 2012 tax increment financing bond	290,000
Series 2012 tax increment financing bond	705,000
Series 2012B tax increment financing bond	3,210,000
Series 2015 tax increment refunding	4,185,000
	<u>13,145,000</u>
Unspent bond proceeds and reserves	<u>16,411</u>
Invested in capital assets, net of related debt	<u>\$ 41,738,252</u>

The City has reported a deficit in its unrestricted net position due to issuing debt for the construction of assets not owned by the City. The City has a sales and property tax revenue stream dedicated to paying off the debt in future years.

20. PLEDGED REVENUES:

The City has pledged a portion of future PILOT and Economic Activity Tax (EATS) revenues to repay \$2,155,000 in Tax Increment Revenue Bonds issued July 2012. The outstanding principal on these bonds as of March 31, 2019, was \$290,000. The bonds were used to provide funding for the Belton Marketplace project. The bonds are payable solely from the incremental property and sales taxes generated by the development in the Belton Marketplace TIF district. Total principal and interest remaining on the bonds is \$881,918, with the final maturity scheduled for December 1, 2030. For the current year, principal and interest paid from PILOTS and EATS revenues were \$375,000 and \$35,381, respectively.

The City has pledged a portion of future PILOT and Economic Activity Tax (EATS) revenues to repay \$2,655,000 in Tax Increment Revenue Bonds issued October 2012. The outstanding principal on these bonds as of March 31, 2019, was \$705,000. The bonds were used to provide funding for the Y Highway Market Place project. The bonds are payable solely from the incremental property and sales taxes generated by the development in the Y Highway Market Place TIF district. Total principal and interest remaining on the bonds is \$1,530,840, with the final maturity scheduled for December 1, 2031. For the current year, principal and interest paid from PILOTS and EATS revenues were \$435,000 and \$55,266, respectively.

## **CITY OF BELTON, MISSOURI**

### **NOTES TO FINANCIAL STATEMENTS**

#### **20. PLEDGED REVENUES (Continued):**

The City has pledged a portion of future PILOT and Economic Activity Tax (EATS) revenues to repay \$3,210,000 in Tax Increment Revenue Bonds issued October 2012. The outstanding principal on these bonds as of March 31, 2019, was \$3,210,000. The bonds were used to provide funding for the Y Highway Market Place project. The bonds are payable solely from the incremental property and sales taxes generated by the development in the Y Highway Market Place TIF district. Total principal and interest remaining on the bonds is \$5,978,200, with the final maturity scheduled for December 1, 2035. For the current year, principal and interest paid from PILOTS and EATS revenues were \$0 and \$179,575, respectively.

The City has pledged future sewer customer revenues, net of specified operating expenses, to repay two debt issues totaling \$3,500,000. The Series 2010A bonds were issued in the amount of \$435,000. The Series 2010B bonds were issued in the amount of \$3,065,000. The outstanding principal on these bonds as of March 31, 2019, was \$2,970,000. Proceeds from these bonds were used to fund storm water projects. The bonds are payable from the sewer fund net revenues and are payable through 2036. The total interest and principal remaining to be paid on the bonds is \$5,016,805. For the current year, principal and interest paid were \$95,000 and \$186,634, respectively.

The City has pledged a portion of future PILOT and Economic Activity Tax (EATS) revenues to repay \$12,405,000 in Tax Increment Revenue Bonds issued June 2015. The outstanding principal on these bonds as of March 31, 2019, was \$4,185,000. The bonds were used to refund Series 2004 and Series 2016 Tax Increment Revenue Bonds. The bonds are payable solely from the incremental property and sales taxes generated by the development in the TIF districts. Total principal and interest remaining on the bonds is \$5,064,621. For the current year, principal and interest paid from PILOTS, EATS revenues, and debt refunding were \$2,135,000 and \$188,507, respectively.



**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

21. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS:

General Information about the OPEB Plan

Plan Description: The City provides employees that retire at the same time they end their service to the City, the opportunity for continuation of medical and dental insurance coverage offered through Midwest Public Risk as part of a single employer defined benefit OPEB plan.

The City requires the retirees to pay the carrier-charged premium. The rates being paid by retirees for benefits are typically lower than those for individual health insurance policies. The difference between these amounts is the implicit rate subsidy, which is considered other post-employment benefits (OPEB) under Governmental Accounting Standards Board Statement No. 75 (GASB Statement 75).

Benefits provided: Retirees and their dependents have the same benefits as active employees. The retiree may continue coverage until death. Spousal coverage is available until the retiree becomes covered under another employer health plan, attains Medicare eligibility age, or 36 months after the death of the retiree under Cobra law.

Funding Policy: The City funds benefits on a pay as you go basis for GASB purposes. GASB Statement 75 does not require funding of the OPEB liability, and the City has chosen not to fund it. City policy dictates the payment of retiree claims as they become due. Assets are not recognized unless placed in a qualifying trust agreement.

Employees covered by the benefit term. At July 1, 2017, the following employees were covered by the benefit term:

Inactive employee or beneficiaries currently receiving benefit payments	2
Active employees	<u>187</u>
	<u>189</u>

Net OPEB liability: The employer's net OPEB liability of \$725,926 was measured as of March 31, 2019, and the total OPEB liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017.

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

21. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued):

Actuarial assumptions: The total OPEB liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise noted:

	<u>2017 Valuation</u>
Inflation	2.50%
Salary increases	2.50%
Discount rate	3.35%
Actuarial Cost Method	Entry Age - Level Percent-of-Pay
Healthcare cost trend rates	6.5% for 2019, 6.0% for 2020, decreasing by .25% per year to an ultimate rate of 5.0% for 2024 and later years.

The discount rate was based on the average of the Standard & Poor's Municipal Bond 20 year High Grade and Fidelity GO AA-20 year published yields as of the measurement date.

Healthy life mortality rates were based on the Society of Actuaries RPH-2014 Total Dataset Mortality Table with Scale MP-2018 Full Generational Improvement and the Disabled Life Mortality Rates were based on the Society of Actuaries RPH-2014 Disabled Retiree Mortality Table with Scale PM-2018 Full Generational Improvement.

Changes in the Net OPEB Liability:

	OPEB Liability
Balance at 4/1/18	\$ 817,648
Changes for the year:	
Service cost	59,866
Interest	31,044
Changes of benefits terms	-
Differences between expected and actual experience	(186,673)
Changes in assumptions and inputs	15,041
Benefit payments	(11,000)
Net changes	(91,722)
Balance at 3/31/19	\$ 725,926

# CITY OF BELTON, MISSOURI

## NOTES TO FINANCIAL STATEMENTS

### 21. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued):

Discount Rate Sensitivity Analysis: The following presents the Net OPEB Liability of the plan, calculated using the discount rate of 3.35%, as well as what the Net OPEB Liability would be using a discount rate 1% less 2.35% and 1% greater 4.35% than the current rate.

	1% Decrease 2.35%	Discount Rate 3.35%	1% Increase 4.35%
Total OPEB liability	<u>\$ 805,293</u>	<u>\$ 725,926</u>	<u>\$ 654,396</u>

Healthcare Cost Trend Analysis: The following presents the Net OPEB Liability of the plan considering a 1% decrease and 1% increase of the current rate due to healthcare cost factors such as medical inflation, utilization of healthcare services, plan design and technological developments.

	1% Decrease	Current Trend Assumption	1% Increase
Total OPEB liability	<u>\$ 622,577</u>	<u>\$ 725,926</u>	<u>\$ 850,891</u>

### OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

For the year ended March 31, 2019, the plan reported OPEB expense of \$87,851. The plan reported deferred outflows and inflows of resources related to OPEB as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 76,831
Changes in assumptions	26,623	-
Total	<u>\$ 26,623</u>	<u>\$ 76,831</u>

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

Fiscal Year Ending	Net Deferred Outflows of Resources
2020	\$ (3,059)
2021	(3,059)
2022	(3,059)
2023	(3,059)
2024	(3,059)
Thereafter	(34,913)
	<u>\$ (50,208)</u>

## **CITY OF BELTON, MISSOURI**

### **NOTES TO FINANCIAL STATEMENTS**

#### **22. DEVELOPMENT OBLIGATIONS:**

The City has entered into four agreements with developers for the implementation of the Y Highway Market Place Tax Increment Financing Redevelopment Plan, the Y Belton Marketplace Tax Increment Financing Redevelopment Plan, the South Towne Plaza Tax Increment Financing Redevelopment Plan, and the Cedar Tree Tax Increment Financing Redevelopment Plan. During the current fiscal year, the City had certified costs (including interest) of \$0, \$0, \$476,345, and \$0, respectively. Current year payments were \$0, \$1,022,661, \$747,923, and \$160,021, respectively. Therefore, the City has recorded a \$33,619,445 liability on its Statement of Net Position under “development obligations” related to the four plans.

The development obligations will be paid from 75% of the annual PILOTS (Payments In Lieu Of Taxes) and 50% of the annual EATS (Economic Activity Taxes) generated in the district. 25% of the annual PILOTS collected from the area will be returned pro-rata to the taxing districts.

#### **23. TAX ABATEMENTS:**

The City enters into property tax abatement agreements pursuant to the provisions of Article VI, Section 27(b) of the Missouri Constitution, Sections 100.010 through 100.200, 353, and 135.950 through 135.973, inclusive, of the Revised Statutes of Missouri, as amended to purchase, construct, extend, equip and improve certain projects and to issue industrial development revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to private persons or corporation for manufacturing, commercial, research and development, office industry, warehousing and industrial development purposes upon such terms and conditions as the City shall deem advisable.

For the year ended March 31, 2019, the City had agreements for abated property taxes totaling \$71,901 under the chapter 100 program. Tax abatements have been approved and range from 75% to 100%. Under the agreements the companies have agreed to pay payments in lieu of tax which amounted to \$4,476 for the year ended March 31, 2019. The net effect is a property tax abatement of \$67,425.

Under Chapter 353 the City had agreements for abated property taxes totaling \$126,187, PILOT payments of \$63,094 were received for a net tax abatement of \$63,093. The agreements under Chapter 353 receive a 100% tax abatement.

Under the Enhanced Enterprise Zone the City had an agreement for abated property taxes. In 2018, the abatement cap was achieved and the abatement agreement is no longer in place.

**CITY OF BELTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**24. EVALUATION OF SUBSEQUENT EVENTS:**

The City has evaluated subsequent events through September 26, 2019, the date which the financial statements were available to be issued. In May 2019 the City terminated their contract for solid waste disposal. As a result of the termination additional costs and debt was incurred. A new contractor was selected and approved, services began in July 2019.

**25. GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENTS:**

GASB Statement No. 83, Certain Asset Retirement Obligations, was issued November 2016 and will be effective for the City with the fiscal year ending March 31, 2020.

GASB Statement No. 84, Fiduciary Activities, was issued January 2017 and will be effective for the City with the fiscal year ending March 31, 2020.

GASB Statement No. 87, Leases, was issued June 2017 and will be effective for the City with the fiscal year ending March 31, 2021.

GASB Statement No. 88, Certain Disclosure Related to Debt including Direct Borrowings and Direct Placements, was issued April 2018 and will be effective for the City with the fiscal year ending March 31, 2020.

GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period, was issued June 2018 and will be effective for the City with the fiscal year ending March 31, 2021.

GASB Statement No. 90, Majority Equity Interest – an Amendment of GASB Statements No. 14 and N0. 61, was issued December 2018 and will be effective for the City with the fiscal year ending March 31, 2020.

GASB Statement No. 91, Conduit Debt Obligations was issued May 2019 and will be effective for the City with the fiscal year ending March 31, 2021.

The City management has not yet determined the effect these Statements will have on the City's financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

**OTHER THAN MD&A**

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**CITY OF BELTON, MISSOURI  
REQUIRED SUPPLEMENTARY INFORMATION**

**Schedule of Changes in Net Pension (Asset) Liability and Related Ratios  
Last four fiscal years**

*Fiscal year ending June 30,*

	2018	2017	2016	2015
<b>Total Pension Liability</b>				
Service Cost	\$ 1,290,688	\$ 1,236,096	\$ 1,204,499	\$ 946,999
Interest on the Total Pension Liability	3,463,764	3,226,324	2,976,480	2,385,591
Benefit Changes	-	-	-	5,448,800
Difference between expected and actual experience	820,217	347,886	(909,555)	356,696
Assumption Changes	-	-	1,529,883	-
Benefit Payments	(1,606,523)	(1,519,157)	(1,227,352)	(1,005,312)
Refunds	-	-	-	-
<b>Net Change in Total Pension Liability</b>	<b>3,968,146</b>	<b>3,291,149</b>	<b>3,573,955</b>	<b>8,132,774</b>
<b>Total Pension Liability beginning</b>	<b>47,931,221</b>	<b>44,640,072</b>	<b>41,066,117</b>	<b>32,933,343</b>
<b>Total Pension Liability ending</b>	<b>\$ 51,899,367</b>	<b>\$ 47,931,221</b>	<b>\$ 44,640,072</b>	<b>\$ 41,066,117</b>
<b>Plan Fiduciary Net Position</b>				
Contributions-employer	\$ 1,396,993	\$ 1,340,117	\$ 1,379,580	\$ 1,080,745
Contributions-employee	-	-	-	-
Pension Plan Net Investment income	5,884,606	5,154,019	(16,368)	807,791
Benefit Payments	(1,606,523)	(1,519,157)	(1,227,352)	(1,005,312)
Refunds	-	-	-	-
Pension Plan Administrative expense	(31,674)	(30,345)	(29,196)	(30,944)
Other	89,408	179,269	84,491	600,835
<b>Net Change in Plan Fiduciary Net Position</b>	<b>5,732,810</b>	<b>5,123,903</b>	<b>191,155</b>	<b>1,453,115</b>
<b>Plan Fiduciary Net Position beginning</b>	<b>46,882,555</b>	<b>41,758,652</b>	<b>41,567,497</b>	<b>40,114,382</b>
<b>Plan Fiduciary Net Position ending</b>	<b>\$ 52,615,365</b>	<b>\$ 46,882,555</b>	<b>\$ 41,758,652</b>	<b>\$ 41,567,497</b>
<b>Employer Net Pension (Asset) Liability</b>	<b>\$ (715,998)</b>	<b>\$ 1,048,666</b>	<b>\$ 2,881,420</b>	<b>\$ (501,380)</b>
<b>Plan Fiduciary Net Position as a percentage of the Total Pension Liability</b>	<b>101.38%</b>	<b>97.81%</b>	<b>93.55%</b>	<b>101.22%</b>
<b>Covered Payroll</b>	<b>\$ 10,328,288</b>	<b>\$ 10,476,871</b>	<b>\$ 10,040,877</b>	<b>\$ 9,708,626</b>
<b>Employer's Net Pension (Asset) Liability as a percentage of covered payroll</b>	<b>-6.93%</b>	<b>10.01%</b>	<b>28.70%</b>	<b>-5.16%</b>

**Notes to schedule:**

Only the four years are being shown, as other years come available they will be included until 10 years of data is shown.



**CITY OF BELTON, MISSOURI  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CONTRIBUTIONS  
Last 10 Fiscal Years**

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 1,407,082	\$ 1,439,216	\$ 1,336,314	\$ 1,319,219	\$ 1,023,796	\$ 1,082,187	\$ 1,202,819	\$ 1,201,641	\$ 1,256,983	\$ 869,913
Contributions in relation to the										
actuarially determined contribution	1,390,053	1,423,289	1,328,404	1,319,219	1,023,795	1,082,186	1,132,173	1,025,160	965,534	869,914
Contribution deficiency (excess)	\$ 17,029	\$ 15,927	\$ 7,910	\$ -	\$ 1	\$ 1	\$ 70,646	\$ 176,481	\$ 291,449	\$ (1)
Covered payroll	\$ 9,975,047	\$ 10,561,478	\$ 10,087,511	\$ 9,732,607	\$ 9,698,575	\$ 9,582,487	\$ 9,883,146	\$ 9,627,271	\$ 10,006,825	\$ 10,056,571
Contributions as a percentage of covered payroll	13.9%	13.5%	13.2%	13.6%	10.6%	11.3%	11.5%	10.6%	9.6%	8.7%

Valuation date 2/28/2018

Notes The roll-forward of total pension liability from February 28, 2018 to June 30, 2018 reflects expected service cost and interest reduced by actual benefit payments.

**Methods and assumption 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.
Remaining amortization period	15 years
Asset valuation method	5 year smoothed market; 20% corridor
Inflation	3.25% wage inflation; 2.5% price inflation
Salary increases	3.25% to 6.55% including wage inflation
Investment rate of return	7.25%, net of investment expenses
Retirement age	Experience-based table of rate that are specific to the type of eligibility condition
Mortality	RP-2014 mortality tables for males and females, adjusted for improvement back to the observation period base year of 2006. The base year for males and females was established to be 2017.
	Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale.
Other information	None

**CITY OF BELTON, MISSOURI  
REQUIRED SUPPLEMENTARY INFORMATION**

**Schedule of Changes in OPEB Liability and Related Ratios  
Last two fiscal years**

	<b>2019</b>	<b>2018</b>
<b>Total OPEB Liability</b>		
Service Cost	\$ 59,866	\$ 48,395
Interest	31,044	24,957
Benefit Changes	-	-
Difference between expected and actual experience	(186,673)	112,471
Assumption Changes	15,041	14,623
Benefit Payments	(11,000)	(7,000)
<b>Net Change in Total OPEB Liability</b>	<b>(91,722)</b>	<b>193,446</b>
<b>Total OPEB Liability beginning</b>	<b>817,648</b>	<b>624,202</b>
<b>Total OPEB Liability ending</b>	<b>\$ 725,926</b>	<b>\$ 817,648</b>
 <b>Covered Employee Payroll</b>	 <b>\$ 10,239,582</b>	 <b>\$ 10,350,509</b>
<b>Total OPEB Liability as a percentage of covered employee payroll</b>	 <b>7.09%</b>	 <b>7.90%</b>

**Notes to schedule:**

Only the two years are being shown, as other years come available they will be included until 10 years of data is shown.

**CITY OF BELTON, MISSOURI**  
**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CONTRIBUTIONS**  
 Last Two Fiscal Years

	2019	2018
Actuarially determined contribution	\$ 46,000	\$ 34,000
Contributions in relation to the		
actuarially determined contribution	46,000	34,000
Contribution deficiency (excess)	\$ -	\$ -
Covered-employee payroll	\$ 9,444,059	\$ 9,444,059
Contributions as a percentage of		
covered-employee payroll	0.49%	0.36%

Valuation date 7/1/2017

Notes The results of the July 1, 2017 valuation were projected to the measurement date using standard actuarial techniques.

Methods and assumption used to determine contribution rates:

Actuarial cost method	Entry age normal - Level % of pay	Year	Trend
Medical trend rate		2019-2020	6.00%
		2020-2021	5.75%
		2021-2022	5.50%
		2022-2023	5.25%
		Thereafter	5.00%

Participation rate The assumed retiree enrollment rate for future retiring employees is 45% for retirement age 60 to 64 and 35% for retirement age 55 to 59

Healthy life mortality SOA RPH-2014 Total Dataset Mortality Table with Scale MP-2018 Full Generational Improvement

Disabled life mortality SOA RPH-2014 Disabled Retiree Mortality Table with Scale MP-2018 Full Generational Improvement

Turnover incidence Assumed turnover rates are based on rates used for the LAGERS pension actuarial valuation.

Turnover rates are not applied when retirement eligibility is achieved

	Years of service	Police	Fire	General (Male)	General (Female)
	0-1	0.18	0.10	0.19	0.22
	1-2	0.17	0.08	0.17	0.2
	2-3	0.16	0.07	0.15	0.17
	3-4	0.13	0.06	0.13	0.14
	4-5	0.12	0.06	0.11	0.13
	Age	Police	Fire	General (Male)	General (Female)
	25	0.098	0.05	0.073	0.108
	30	0.078	0.04	0.065	0.089
	35	0.061	0.028	0.05	0.074
	40	0.044	0.022	0.037	0.057
	50	0.018	0.01	0.03	0.042
	60	n/a	na/	0.024	0.033

**CITY OF BELTON, MISSOURI  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CONTRIBUTIONS (Continued)**

Last Two Fiscal Years

**Retirement Age**

Assumed rates are based on those used for the LAGERS pension actuarial valuation. Retirement rates project the annual probability of retiring for eligible employees.

Age	Police	Fire	General (Male)	General (Female)
50-54	0.025	0.25	n/a	n/a
55-59	0.1	0.13	0.03	0.03
60-61	0.1	0.15	0.1	0.1
62	0.25	0.2	0.25	0.15
63-64	0.2	0.2	0.2	0.15
65+	1	1	n/a	n/a
65-66	n/a	n/a	0.25	0.25
67-68	n/a	n/a	0.2	0.25
69	n/a	n/a	0.2	0.2
70+	n/a	n/a	1	1

**Disability Rates**

Assumed rates are based on those used for the LAGERS pension actuarial valuation. Rates of disability were used to estimate the probability of becoming disabled.

Age	Police	Fire	General (Male)	General (Female)
30	0.0011	0.001	0.0012	0.0003
40	0.0022	0.0035	0.0021	0.001
45	0.0034	0.0056	0.003	0.0016
50	0.0053	0.0085	0.0044	0.0024
55	0.0088	0.0131	0.0068	0.0034
60	n/a	n/a	0.0102	0.0048

**Other information**

Only the two years are being shown, as other years come available they will be included until 10 years of data is shown.

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
GENERAL FUND  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Taxes	\$ 9,024,536	\$ 9,024,536	\$ 9,395,276	\$ 370,740
Licenses and permits	310,280	310,280	236,530	(73,750)
Intergovernmental	503,645	509,188	566,435	57,247
Charges for services	2,393,391	2,393,391	2,041,486	(351,905)
Fees and fines	825,100	825,100	686,970	(138,130)
Investment earnings	20,000	20,000	50,352	30,352
In lieu of taxes	115,000	115,000	230,000	115,000
Other	259,200	270,544	275,012	4,468
Interfund charges for support services	2,686,455	2,686,455	2,686,455	-
	<u>16,137,607</u>	<u>16,154,494</u>	<u>16,168,516</u>	<u>14,022</u>
<b>EXPENDITURES:</b>				
Current:				
General government	3,075,421	3,607,957	2,981,686	626,271
Public safety	5,924,405	5,924,405	5,562,752	361,653
Public works	743,370	778,770	946,606	(167,836)
Fire	5,219,675	5,277,327	5,066,051	211,276
Emergency management	49,215	49,215	38,544	10,671
Community and economic development	589,860	589,860	629,379	(39,519)
Municipal jail	633,765	633,765	500,663	133,102
Capital outlay	64,100	97,244	120,820	(23,576)
	<u>16,299,811</u>	<u>16,958,543</u>	<u>15,846,501</u>	<u>1,112,042</u>
Excess (deficiency) of revenues over expenditures	<u>(162,204)</u>	<u>(804,049)</u>	<u>322,015</u>	<u>1,126,064</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of capital assets	-	-	6,026	6,026
Transfers in	-	42	42	-
Transfers out	(458,804)	(458,804)	(306,418)	152,386
Total other financing sources and uses	<u>(458,804)</u>	<u>(458,762)</u>	<u>(300,350)</u>	<u>158,412</u>
Net change in fund balances	<u>\$ (621,008)</u>	<u>\$ (1,262,811)</u>	21,665	<u>\$ 1,284,476</u>
Fund balances - beginning			<u>3,998,515</u>	
Fund balances - ending			<u>\$ 4,020,180</u>	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
PARK  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Taxes	\$ 611,000	\$ 611,000	\$ 671,229	\$ 60,229
Charges for services	2,711,302	2,711,302	2,448,611	(262,691)
Interest income and unrealized losses	-	-	4,515	4,515
Miscellaneous	<u>136,576</u>	<u>251,597</u>	<u>110,048</u>	<u>(141,549)</u>
	<u>3,458,878</u>	<u>3,573,899</u>	<u>3,234,403</u>	<u>(339,496)</u>
<b>EXPENDITURES:</b>				
Current,				
Parks and recreation	3,697,978	3,701,520	3,116,002	585,518
Capital outlay	10,900	70,710	100,319	(29,609)
Debt service:				
Principal	-	-	81,973	(81,973)
Interest and other charges	<u>-</u>	<u>-</u>	<u>8,251</u>	<u>(8,251)</u>
	<u>3,708,878</u>	<u>3,772,230</u>	<u>3,306,545</u>	<u>465,685</u>
Deficiency of revenues over expenditures	<u>(250,000)</u>	<u>(198,331)</u>	<u>(72,142)</u>	<u>126,189</u>
<b>OTHER FINANCING SOURCES:</b>				
Sale of capital assets	-	-	3,702	3,702
Transfers in	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Total other financing sources	<u>250,000</u>	<u>250,000</u>	<u>253,702</u>	<u>3,702</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 51,669</u>	<u>181,560</u>	<u>\$ 129,891</u>
Fund balances - beginning			<u>45,038</u>	
Fund balances - ending			<u>\$ 226,598</u>	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
CAPITAL IMPROVEMENT SALES TAX  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Taxes	\$ 1,578,955	\$ 1,578,955	\$ 1,630,866	\$ 51,911
Interest income and unrealized gains	-	-	11,642	11,642
Miscellaneous	-	-	214	214
	<u>1,578,955</u>	<u>1,578,955</u>	<u>1,642,722</u>	<u>63,767</u>
<b>EXPENDITURES,</b>				
Current,				
Debt service:				
Principal	1,039,688	1,039,688	1,039,687	1
Bond issue costs	5,000	5,000	-	5,000
Interest and other charges	<u>403,314</u>	<u>403,314</u>	<u>403,746</u>	<u>(432)</u>
	<u>1,448,002</u>	<u>1,448,002</u>	<u>1,443,433</u>	<u>4,569</u>
Excess (deficiency) of revenues over expenditures	<u>130,953</u>	<u>130,953</u>	<u>199,289</u>	<u>68,336</u>
<b>OTHER FINANCING USES,</b>				
Transfers out	<u>(27,620)</u>	<u>(27,620)</u>	<u>(29,774)</u>	<u>(2,154)</u>
Total other financing uses	<u>(27,620)</u>	<u>(27,620)</u>	<u>(29,774)</u>	<u>(2,154)</u>
Net change in fund balances	<u>\$ 103,333</u>	<u>\$ 103,333</u>	169,515	<u>\$ 66,182</u>
Fund balances - beginning			<u>176,216</u>	
Fund balances - ending			<u>\$ 345,731</u>	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
PARK SALES TAX  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Taxes	\$ 1,562,955	\$ 1,562,955	\$ 1,615,411	\$ 52,456
Interest income and unrealized gains	4,500	4,500	18,147	13,647
Miscellaneous	-	-	479	479
	<u>1,567,455</u>	<u>1,567,455</u>	<u>1,634,037</u>	<u>66,582</u>
<b>EXPENDITURES,</b>				
Debt service:				
Principal	808,250	808,250	808,250	-
Interest and other charges	<u>321,191</u>	<u>321,191</u>	<u>322,294</u>	<u>(1,103)</u>
	<u>1,129,441</u>	<u>1,129,441</u>	<u>1,130,544</u>	<u>(1,103)</u>
Excess (deficiency) of revenues over expenditures	<u>438,014</u>	<u>438,014</u>	<u>503,493</u>	<u>65,479</u>
<b>OTHER FINANCING USES,</b>				
Transfers out	<u>(368,000)</u>	<u>(392,000)</u>	<u>(392,000)</u>	<u>-</u>
Total other financing uses	<u>(368,000)</u>	<u>(392,000)</u>	<u>(392,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ 70,014</u>	<u>\$ 46,014</u>	111,493	<u>\$ 65,479</u>
Fund balances - beginning			<u>701,020</u>	
Fund balances - ending			<u>\$ 812,513</u>	



**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
STREET  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Taxes	\$ 1,802,955	\$ 1,802,955	\$ 1,868,283	\$ 65,328
Licenses and permits	10,000	10,000	22,415	12,415
Intergovernmental	1,036,000	1,036,000	1,043,432	7,432
Interest income and unrealized gains	5,000	5,000	29,959	24,959
Miscellaneous	23,000	23,000	7,561	(15,439)
	<u>2,876,955</u>	<u>2,876,955</u>	<u>2,971,650</u>	<u>94,695</u>
<b>EXPENDITURES:</b>				
Current,				
Public works	2,481,963	2,586,545	1,934,268	652,277
Capital outlay	1,234,172	1,234,172	690,824	543,348
	<u>3,716,135</u>	<u>3,820,717</u>	<u>2,625,092</u>	<u>1,195,625</u>
Excess (deficiency) of revenues over expenditures	<u>(839,180)</u>	<u>(943,762)</u>	<u>346,558</u>	<u>1,290,320</u>
<b>OTHER FINANCING USES,</b>				
Transfers out	<u>(27,620)</u>	<u>(27,620)</u>	<u>(29,774)</u>	<u>(2,154)</u>
Total other financing uses	<u>(27,620)</u>	<u>(27,620)</u>	<u>(29,774)</u>	<u>(2,154)</u>
Net change in fund balances	<u>\$ (866,800)</u>	<u>\$ (971,382)</u>	316,784	<u>\$ 1,288,166</u>
Fund balances - beginning			<u>2,117,980</u>	
Fund balances - ending			<u>\$ 2,434,764</u>	

**CITY OF BELTON, MISSOURI**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**BUDGETARY DATA:**

GAAP is the budgetary basis used to prepare the Budgetary Comparison Schedules.

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## **SUPPLEMENTAL INFORMATION**

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## CITY OF BELTON, MISSOURI

### FUND DESCRIPTIONS

#### SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for revenues derived from specific taxes, governmental grants, or other revenue sources which are restricted to finance particular functions or activities of the City.

**Street Impact Fees Fund** – accounts for the collection of the impact fees which are assessed on new construction based on the impact each project will have on the road infrastructure system of the City. The funds collected are restricted for use on improvements to the transportation infrastructure.

**Hotel/Motel Tax Fund** – accounts for the collection of taxes charged on transient guests at hotels within the City. The taxes collected are restricted for economic development expenses.

**Markey Parkway Regional Detention** – accounts for the collection of fees paid by developers that are located within the watershed of the regional detention facility for the construction and maintenance of the facility.

**Belton Town Centre - TIF Fund** – accounts for the collection of sales tax and payments in lieu of tax monies for the tax increment financing district and the payments of debt related to the district.

**Mayor's Christmas Tree Fund** – accounts for donations received for the benefit of the Belton Welfare Association.

**Drug Seizure Fund** – accounts for funds collected from items seized in the course of investigations, after the defendant has been convicted. The funds collected are restricted for law enforcement expenses and cannot be used to replace or fund continuing operating expenses.

**DWI Recovery Fund** – accounts for fines & recoupment of costs collected from cases involving DWI and drunk driving related traffic accidents. The funds collected are restricted for law enforcement expenses related to enforcing DWI laws. The funds cannot be used to replace or fund continuing operating expenses.

**Special Training Fund** – accounts for court costs collected according to RSMo 488.5336. The funds collected are restricted for the cost of training law enforcement officers.

**Belton Marketplace TIF Fund** – accounts for the collection of PILOTs and EATs generated within the Belton Marketplace redevelopment area to finance various improvements within the redevelopment district.

**Cedar Tree TIF Fund** – accounts for the collection of PILOTs and EATs generated within the Cedar Tree redevelopment area to finance various improvements within the redevelopment district.

**Y Highway Market Place TIF Fund** – accounts for the collection of PILOTs and EATs generated within the Y Highway Marketplace redevelopment area to finance various improvements within the redevelopment district.

**Y Belton Plaza TIF** – accounts for the collection of PILOTs and EATs generated within the Y Belton Plaza redevelopment area to finance various improvements within the redevelopment district.

**Southtowne Plaza TIF Fund** – accounts for the collection of PILOTs and EATs generated within the Southtowne Plaza redevelopment area to finance various improvements within the redevelopment district.

## **CAPITAL PROJECTS FUNDS**

The Capital Projects Funds are used to account for all receipts and expenditures for the acquisition and construction of capital improvements by the City except those financed by Proprietary Funds. Capital improvements are defined as major, permanent improvements to infrastructure or buildings with an estimated useful life in excess of one year.

Capital Projects Funds utilized are Street Projects, Street Capital Projects, and Storm Water Projects. These funds are used to account for recurring capital expenditures and construction in progress.

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CITY OF BELTON, MISSOURI  
COMBINING BALANCE SHEET --  
OTHER GOVERNMENTAL FUNDS  
MARCH 31, 2019

	Belton Town Centre- TIF	Street Impact Fees	Hotel/Motel Tax	Markey Parkway Regional Detention	Mayor's Christmas Tree	Drug Seizure	DWI Recovery
<b>ASSETS:</b>							
Pooled cash and investments	\$ 74,424	\$ 399,784	\$ 221,534	\$ 68,620	\$ 3,015	\$ 346	\$ 21,815
Cash and investments-restricted	1,109,711	-	-	-	-	-	-
Taxes receivable, net	184,426	-	15,805	-	-	-	-
Accrued interest	-	586	324	101	4	-	32
Total assets	<u>\$ 1,368,561</u>	<u>\$ 400,370</u>	<u>\$ 237,663</u>	<u>\$ 68,721</u>	<u>\$ 3,019</u>	<u>\$ 346</u>	<u>\$ 21,847</u>
<b>LIABILITIES AND FUND BALANCES:</b>							
Accounts payable	\$ 9,221	\$ -	\$ 21,637	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-
Other accrued expenses	-	-	3,245	-	-	-	-
Total liabilities	<u>9,221</u>	<u>-</u>	<u>24,882</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:							
Reserved for:							
Debt service	1,109,711	-	-	-	-	-	-
Impact fees	-	400,370	-	-	-	-	-
Hotel/motel	-	-	212,781	-	-	-	-
Drug seizure	-	-	-	-	-	346	-
DWI recovery	-	-	-	-	-	-	21,847
Special training	-	-	-	-	-	-	-
Capital projects	-	-	-	68,721	3,019	-	-
TIF	249,629	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>1,359,340</u>	<u>400,370</u>	<u>212,781</u>	<u>68,721</u>	<u>3,019</u>	<u>346</u>	<u>21,847</u>
Total liabilities and fund balances	<u>\$ 1,368,561</u>	<u>\$ 400,370</u>	<u>\$ 237,663</u>	<u>\$ 68,721</u>	<u>\$ 3,019</u>	<u>\$ 346</u>	<u>\$ 21,847</u>

	Belton		Y HWY Market		Southtowne		Street Capital		Storm Water	Total
<u>Special Training</u>	<u>Marketplace TIF</u>	<u>Cedar Tree TIF</u>	<u>Place TIF</u>	<u>Y Belton Plaza TIF</u>	<u>Plaza TIF</u>	<u>Street Projects</u>	<u>Projects</u>	<u>Projects</u>	<u>Projects</u>	<u>Governmental Funds</u>
\$ 4,096	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 474,339	\$ 143,136	\$ -	\$ -	\$ 1,411,109
-	479,420	-	1,173,653	-	-	-	-	-	-	2,762,784
-	60,796	4,116	41,074	115,051	72,413	-	33,937	-	-	527,618
<u>6</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>695</u>	<u>210</u>	<u>-</u>	<u>-</u>	<u>1,958</u>
<u>\$ 4,102</u>	<u>\$ 540,216</u>	<u>\$ 4,116</u>	<u>\$ 1,214,727</u>	<u>\$ 115,051</u>	<u>\$ 72,413</u>	<u>\$ 475,034</u>	<u>\$ 177,283</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,703,469</u>
\$ -	\$ 3,040	\$ 4,116	\$ 2,054	\$ 115,051	\$ 72,413	\$ 26,479	\$ 45,228	\$ -	\$ -	\$ 299,239
-	-	-	-	-	-	-	157,586	-	-	157,586
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,245</u>
<u>-</u>	<u>3,040</u>	<u>4,116</u>	<u>2,054</u>	<u>115,051</u>	<u>72,413</u>	<u>26,479</u>	<u>202,814</u>	<u>-</u>	<u>-</u>	<u>460,070</u>
-	-	-	-	-	-	-	-	-	-	1,109,711
-	-	-	-	-	-	-	-	-	-	400,370
-	-	-	-	-	-	-	-	-	-	212,781
-	-	-	-	-	-	-	-	-	-	346
-	-	-	-	-	-	-	-	-	-	21,847
4,102	-	-	-	-	-	-	-	-	-	4,102
-	537,176	-	1,212,673	-	-	448,555	-	-	-	520,295
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,531)</u>	<u>-</u>	<u>-</u>	<u>1,999,478</u>
<u>4,102</u>	<u>537,176</u>	<u>-</u>	<u>1,212,673</u>	<u>-</u>	<u>-</u>	<u>448,555</u>	<u>(25,531)</u>	<u>-</u>	<u>-</u>	<u>4,243,399</u>
<u>\$ 4,102</u>	<u>\$ 540,216</u>	<u>\$ 4,116</u>	<u>\$ 1,214,727</u>	<u>\$ 115,051</u>	<u>\$ 72,413</u>	<u>\$ 475,034</u>	<u>\$ 177,283</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,703,469</u>

CITY OF BELTON, MISSOURI  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE -- GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED MARCH 31, 2019

	Belton Town Centre-TIF	Street Impact Fees	Hotel/Motel Tax	Markey Parkway Regional Detention	Mayor's Christmas Tree	Drug Seizure	DWI Recovery
<b>REVENUES:</b>							
Taxes	\$ 1,810,640	\$ -	\$ 193,011	\$ -	\$ -	\$ -	\$ -
Fees and fines	-	-	-	-	-	-	4,600
Licenses and permits	-	42,723	-	-	-	-	-
Intergovernmental	-	-	-	-	-	7,884	-
Charges for services	-	-	-	8,688	-	-	-
Interest income and unrealized gains	18,977	3,964	3,148	964	28	77	288
Miscellaneous	-	-	9,000	-	15,050	-	-
In lieu of taxes	<u>605,484</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>2,435,101</u>	<u>46,687</u>	<u>205,159</u>	<u>9,652</u>	<u>15,078</u>	<u>7,961</u>	<u>4,888</u>
<b>EXPENDITURES:</b>							
Current:							
Public safety	-	-	-	-	-	-	-
Community and economic development	120,627	-	201,060	-	12,059	-	-
Capital outlay	-	-	-	-	-	20,434	-
Debt service:							
Principal	2,135,000	-	-	-	-	-	-
Interest and fiscal charges	<u>191,688</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>2,447,315</u>	<u>-</u>	<u>201,060</u>	<u>-</u>	<u>12,059</u>	<u>20,434</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(12,214)</u>	<u>46,687</u>	<u>4,099</u>	<u>9,652</u>	<u>3,019</u>	<u>(12,473)</u>	<u>4,888</u>
<b>OTHER FINANCING SOURCES (USES):</b>							
Transfers in	-	141,582	-	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and (uses)	<u>-</u>	<u>141,582</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances:	<u>(12,214)</u>	<u>188,269</u>	<u>4,099</u>	<u>9,652</u>	<u>3,019</u>	<u>(12,473)</u>	<u>4,888</u>
Fund balances - beginning	<u>1,371,554</u>	<u>212,101</u>	<u>208,682</u>	<u>59,069</u>	<u>-</u>	<u>12,819</u>	<u>16,959</u>
Fund balances - ending	<u>\$ 1,359,340</u>	<u>\$ 400,370</u>	<u>\$ 212,781</u>	<u>\$ 68,721</u>	<u>\$ 3,019</u>	<u>\$ 346</u>	<u>\$ 21,847</u>

Special Training	Belton Marketplace TIF	Cedar Tree TIF	Y HWY Market Place TIF	Y Belton Plaza TIF	Southtowne Plaza TIF	Street Projects	Street Capital Projects	Storm Water Projects	Total-Other Governmental Funds
\$ -	\$ 329,647	\$ 50,554	\$ 415,975	\$ 779,665	\$ 627,252	\$ -	\$ -	\$ -	\$ 4,206,744
12,328	-	-	-	-	-	-	-	-	16,928
-	-	-	-	-	-	-	-	-	42,723
-	-	-	95,374	-	-	320	238,376	-	341,954
-	-	-	-	-	-	-	-	-	8,688
94	7,265	-	18,034	-	-	6,996	12,624	-	72,459
-	-	-	-	-	-	-	-	-	24,050
-	94,420	116,680	110,206	334,717	428,152	-	-	-	1,689,659
12,422	431,332	167,234	639,589	1,114,382	1,055,404	7,316	251,000	-	6,403,205
18,621	-	-	-	-	-	-	-	-	18,621
-	20,000	167,234	106,518	1,114,382	1,055,404	-	-	-	2,797,284
-	-	-	-	-	-	93,799	2,552,959	-	2,667,192
-	375,000	-	435,000	-	-	-	-	-	2,945,000
-	36,031	-	236,342	-	-	-	-	-	464,061
18,621	431,031	167,234	777,860	1,114,382	1,055,404	93,799	2,552,959	-	8,892,158
(6,199)	301	-	(138,271)	-	-	(86,483)	(2,301,959)	-	(2,488,953)
-	-	-	119,097	-	-	142,000	-	-	402,679
-	-	-	-	-	-	(141,582)	-	(42)	(141,624)
-	-	-	119,097	-	-	418	-	(42)	261,055
(6,199)	301	-	(19,174)	-	-	(86,065)	(2,301,959)	(42)	(2,227,898)
10,301	536,875	-	1,231,847	-	-	534,620	2,276,428	42	6,471,297
\$ 4,102	\$ 537,176	\$ -	\$ 1,212,673	\$ -	\$ -	\$ 448,555	\$ (25,531)	\$ -	\$ 4,243,399

**CITY OF BELTON, MISSOURI  
SCHEDULE OF EXPENDITURES BY DEPARTMENT  
BUDGET AND ACTUAL -- GENERAL FUND  
FOR THE YEAR ENDED MARCH 31, 2019**

	GENERAL FUND		
	Budget	Actual	Variance with Final Budget Positive (Negative)
General government:			
Legislation	\$ 868,659	\$ 504,130	\$ 364,529
Administration	427,010	350,946	76,064
City clerk	189,490	194,208	(4,718)
Information technology	137,020	137,442	(422)
Municipal court	413,750	379,532	34,218
Finance	714,260	624,574	89,686
Senior center	61,523	63,565	(2,042)
Inspection	421,950	393,938	28,012
Animal control	129,550	100,135	29,415
Garage operations	244,745	233,216	11,529
Total general government	3,607,957	2,981,686	626,271
Public safety	5,924,405	5,562,752	361,653
Public works	778,770	946,606	(167,836)
Fire and emergency services	5,277,327	5,066,051	211,276
Emergency management	49,215	38,544	10,671
Community and economic development	589,860	629,379	(39,519)
Municipal jail	633,765	500,663	133,102
Capital outlay	97,244	120,820	(23,576)
	<u>\$ 16,958,543</u>	<u>\$ 15,846,501</u>	<u>\$ 1,112,042</u>

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**CITY OF BELTON, MISSOURI  
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUNDS  
YEAR ENDED MARCH 31, 2019**

<b>Y Highway Market Place CID</b>	<b>March 31, 2018</b>	<b>Additions</b>	<b>Deductions</b>	<b>March 31, 2019</b>
<b>ASSETS,</b>				
Pooled cash and investments	\$ <u>11,337</u>	\$ <u>234,697</u>	\$ <u>222,369</u>	\$ <u>23,665</u>
<b>LIABILITIES,</b>				
Due to other governments	\$ <u>11,337</u>	\$ <u>234,697</u>	\$ <u>222,369</u>	\$ <u>23,665</u>

<b>Belton Towne Center TDD</b>	<b>March 31, 2018</b>	<b>Additions</b>	<b>Deductions</b>	<b>March 31, 2019</b>
<b>ASSETS,</b>				
Pooled cash and investments	\$ <u>232</u>	\$ <u>955,017</u>	\$ <u>955,249</u>	\$ <u>-</u>
<b>LIABILITIES,</b>				
Due to other governments	\$ <u>232</u>	\$ <u>955,017</u>	\$ <u>955,249</u>	\$ <u>-</u>

<b>Y Belton CID</b>	<b>March 31, 2018</b>	<b>Additions</b>	<b>Deductions</b>	<b>March 31, 2019</b>
<b>ASSETS,</b>				
Pooled cash and investments	\$ <u>12,301</u>	\$ <u>32,178</u>	\$ <u>44,478</u>	\$ <u>1</u>
<b>LIABILITIES,</b>				
Due to other governments	\$ <u>12,301</u>	\$ <u>32,178</u>	\$ <u>44,478</u>	\$ <u>1</u>

<b>BelRay Interchange TDD</b>	<b>March 31, 2018</b>	<b>Additions</b>	<b>Deductions</b>	<b>March 31, 2019</b>
<b>ASSETS,</b>				
Pooled cash and investments	\$ <u>-</u>	\$ <u>4</u>	\$ <u>-</u>	\$ <u>4</u>
<b>LIABILITIES,</b>				
Due to other governments	\$ <u>-</u>	\$ <u>4</u>	\$ <u>-</u>	\$ <u>4</u>

<b>Cedar Tree CID</b>	<b>March 31, 2018</b>	<b>Additions</b>	<b>Deductions</b>	<b>March 31, 2019</b>
<b>ASSETS,</b>				
Pooled cash and investments	\$ <u>-</u>	\$ <u>2</u>	\$ <u>-</u>	\$ <u>2</u>
<b>LIABILITIES,</b>				
Due to other governments	\$ <u>-</u>	\$ <u>2</u>	\$ <u>-</u>	\$ <u>2</u>

CITY OF BELTON, MISSOURI  
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 YEAR ENDED MARCH 31, 2019

<u>Total Agency Funds</u>	<u>March 31, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>March 31, 2019</u>
<b>ASSETS,</b>				
Pooled cash and investments	\$ <u>23,870</u>	\$ <u>1,221,898</u>	\$ <u>1,222,096</u>	\$ <u>23,672</u>
<b>LIABILITIES,</b>				
Due to other governments	\$ <u>23,870</u>	\$ <u>1,221,898</u>	\$ <u>1,222,096</u>	\$ <u>23,672</u>



**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
DEBT SERVICE - GENERAL OBLIGATION BOND  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Taxes	\$ 2,964,000	\$ 2,964,000	\$ 3,239,604	\$ 275,604
Interest income and unrealized gains	<u>14,000</u>	<u>14,000</u>	<u>277,982</u>	<u>263,982</u>
	<u>2,978,000</u>	<u>2,978,000</u>	<u>3,517,586</u>	<u>539,586</u>
<b>EXPENDITURES,</b>				
Debt service:				
Principal	1,430,000	1,430,000	1,430,000	-
Bond issue costs	-	-	2,500	(2,500)
Interest and other charges	<u>1,853,401</u>	<u>1,853,401</u>	<u>1,838,510</u>	<u>14,891</u>
	<u>3,283,401</u>	<u>3,283,401</u>	<u>3,271,010</u>	<u>12,391</u>
Excess of revenues over expenditure	<u>(305,401)</u>	<u>(305,401)</u>	<u>246,576</u>	<u>551,977</u>
Net change in fund balances	<u>\$ (305,401)</u>	<u>\$ (305,401)</u>	<u>246,576</u>	<u>\$ 551,977</u>
Fund balances - beginning			<u>16,904,180</u>	
Fund balances - ending			<u>\$ 17,150,756</u>	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
BELTON TOWN CENTRE - TIF  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Taxes	\$ 2,046,110	\$ 2,046,110	\$ 1,810,640	\$ (235,470)
Interest income and unrecognized gains	-	-	18,977	18,977
In lieu of taxes	507,000	507,000	605,484	98,484
	<u>2,553,110</u>	<u>2,553,110</u>	<u>2,435,101</u>	<u>(118,009)</u>
<b>EXPENDITURES:</b>				
Current,				
Community and economic development	2,553,110	2,553,110	120,627	2,432,483
Debt service:				
Principal	-	-	2,135,000	(2,135,000)
Interest and other charges	-	-	191,688	(191,688)
	<u>2,553,110</u>	<u>2,553,110</u>	<u>2,447,315</u>	<u>105,795</u>
Deficit of revenues over expenditures	-	-	(12,214)	(12,214)
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	(12,214)	<u>\$ (12,214)</u>
Fund balances - beginning			<u>1,371,554</u>	
Fund balances - ending			<u>\$ 1,359,340</u>	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
STREET IMPACT FEES  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Licenses and permits	\$ 74,400	\$ 74,400	\$ 42,723	\$ (31,677)
Interest income and unrecognized gains	-	-	3,964	3,964
	<u>74,400</u>	<u>74,400</u>	<u>46,687</u>	<u>(27,713)</u>
<b>OTHER FINANCING SOURCES,</b>				
Transfers in	-	88,033	141,582	53,549
Total other financing sources	-	88,033	141,582	53,549
Net change in fund balances	<u>\$ 74,400</u>	<u>\$ 162,433</u>	188,269	<u>\$ 25,836</u>
Fund balances - beginning			<u>212,101</u>	
Fund balances - ending			<u>\$ 400,370</u>	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
HOTEL/MOTEL TAX  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Taxes	\$ 220,000	220,000	193,011	\$ (26,989)
Interest income and unrecognized gains	1,000	1,000	3,148	2,148
Miscellaneous	-	-	9,000	9,000
	<u>221,000</u>	<u>221,000</u>	<u>205,159</u>	<u>(15,841)</u>
<b>EXPENDITURES:</b>				
Current,				
Economic development	242,515	242,238	201,060	41,178
Capital Outlay	<u>105,000</u>	<u>105,000</u>	-	105,000
	<u>347,515</u>	<u>347,238</u>	<u>201,060</u>	<u>146,178</u>
Excess (deficiency) of revenues over expenditures	<u>(126,515)</u>	<u>(126,238)</u>	<u>4,099</u>	<u>130,337</u>
Net change in fund balances	<u>\$ (126,515)</u>	<u>\$ (126,238)</u>	<u>4,099</u>	<u>\$ 130,337</u>
Fund balances - beginning			<u>208,682</u>	
Fund balances - ending			<u>\$ 212,781</u>	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
MARKEY PARKWAY REGIONAL DETENTION  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Charges for services	\$ 15,000	\$ 15,000	\$ 8,688	\$ (6,312)
Interest income and unrecognized losses	-	-	964	964
Net change in fund balances	<u>\$ 15,000</u>	<u>\$ 15,000</u>	9,652	<u>\$ (5,348)</u>
Fund balances - beginning			<u>59,069</u>	
Fund balances - ending			<u>\$ 68,721</u>	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
MAYOR'S CHRISTMAS TREE  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Interest income and unrecognized gains	\$ -	\$ -	\$ 28	\$ 28
Miscellaneous	11,300	15,050	15,050	-
	<u>11,300</u>	<u>15,050</u>	<u>15,078</u>	<u>28</u>
<b>EXPENDITURES,</b>				
Current,				
Community and economic development	11,300	15,050	12,059	2,991
	<u>11,300</u>	<u>15,050</u>	<u>12,059</u>	<u>2,991</u>
Excess of revenues over expenditures	-	-	3,019	3,019
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	3,019	<u>\$ 3,019</u>
Fund balances - beginning			-	
Fund balances - ending			<u>\$ 3,019</u>	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
DRUG SEIZURE  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Interest income and unrecognized gains	\$ 10	\$ 10	\$ 77	\$ 67
Intergovernmental revenue	40,000	40,000	7,884	(32,116)
	40,010	40,010	7,961	(32,049)
<b>EXPENDITURES,</b>				
Capital outlay	38,550	38,550	20,434	18,116
	38,550	38,550	20,434	18,116
Excess (deficiency) of revenues over expenditures	1,460	1,460	(12,473)	(13,933)
Net change in fund balances	\$ 1,460	\$ 1,460	(12,473)	\$ (13,933)
Fund balances - beginning			12,819	
Fund balances - ending			\$ 346	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
DWI RECOVERY  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Fees and fines	\$ 3,500	\$ 3,500	\$ 4,600	\$ 1,100
Interest income and unrecognized gains	-	-	288	288
Net change in fund balances	<u>\$ 3,500</u>	<u>\$ 3,500</u>	4,888	<u>\$ 1,388</u>
Fund balances - beginning			<u>16,959</u>	
Fund balances - ending			<u>\$ 21,847</u>	



**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
SPECIAL TRAINING FUND  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Interest income and unrecognized gains	\$ -	\$ -	\$ 94	\$ 94
Fees and fines	15,000	15,000	12,328	(2,672)
	<u>15,000</u>	<u>15,000</u>	<u>12,422</u>	<u>(2,578)</u>
<b>EXPENDITURES,</b>				
Current,				
Public safety	15,000	15,000	18,621	(3,621)
	<u>15,000</u>	<u>15,000</u>	<u>18,621</u>	<u>(3,621)</u>
Deficiency of revenues over expenditures	-	-	(6,199)	(6,199)
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	(6,199)	<u>\$ (6,199)</u>
Fund balances - beginning			<u>10,301</u>	
Fund balances - ending			<u>\$ 4,102</u>	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
BELTON MARKETPLACE TIF  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Taxes	\$ 360,730	\$ 360,730	\$ 329,647	\$ (31,083)
Interest income and unrecognized gains	-	-	7,265	7,265
In lieu of taxes	84,000	84,000	94,420	10,420
	<u>444,730</u>	<u>444,730</u>	<u>431,332</u>	<u>(13,398)</u>
<b>EXPENDITURES:</b>				
Current,				
Community and economic development	444,730	444,730	20,000	424,730
Debt service:				
Principal	-	-	375,000	(375,000)
Interest and other charges	-	-	36,031	(36,031)
	<u>444,730</u>	<u>444,730</u>	<u>431,031</u>	<u>13,699</u>
Excess of revenues over expenditures	-	-	301	301
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	301	<u>\$ 301</u>
Fund balances - beginning			<u>536,875</u>	
Fund balances - ending			<u>\$ 537,176</u>	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
CEDAR TREE TIF  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Taxes	\$ 39,860	\$ 39,860	\$ 50,554	\$ 10,694
In lieu of taxes	100	150,100	116,680	(33,420)
	<u>39,960</u>	<u>189,960</u>	<u>167,234</u>	<u>(22,726)</u>
<b>EXPENDITURES,</b>				
Current,				
Community and economic development	<u>39,960</u>	<u>189,960</u>	<u>167,234</u>	<u>22,726</u>
	<u>39,960</u>	<u>189,960</u>	<u>167,234</u>	<u>22,726</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances - beginning			<u>-</u>	
Fund balances - ending			<u>\$ -</u>	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
Y HIGHWAY MARKET PLACE TIF  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Taxes	\$ 411,640	\$ 411,640	\$ 415,975	\$ 4,335
Intergovernmental	-	-	95,374	95,374
Interest income and unrecognized gains	-	-	18,034	18,034
In lieu of taxes	<u>104,500</u>	<u>304,500</u>	<u>110,206</u>	<u>(194,294)</u>
	<u>516,140</u>	<u>716,140</u>	<u>639,589</u>	<u>(76,551)</u>
<b>EXPENDITURES:</b>				
Current,				
Community and economic development	626,610	826,610	106,518	720,092
Debt service:				
Principal	-	-	435,000	(435,000)
Interest and other charges	<u>-</u>	<u>-</u>	<u>236,342</u>	<u>(236,342)</u>
	<u>626,610</u>	<u>826,610</u>	<u>777,860</u>	<u>48,750</u>
Deficiency of revenues over expenditures	<u>(110,470)</u>	<u>(110,470)</u>	<u>(138,271)</u>	<u>(27,801)</u>
<b>OTHER FINANCING SOURCES,</b>				
Transfers in	<u>110,470</u>	<u>110,470</u>	<u>119,097</u>	<u>8,627</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(19,174)</u>	<u>\$ (19,174)</u>
Fund balances - beginning			<u>1,231,847</u>	
Fund balances - ending			<u>\$ 1,212,673</u>	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
Y BELTON PLAZA TIF  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Taxes	\$ 482,360	\$ 482,360	\$ 779,665	\$ 297,305
In lieu of taxes	<u>200,000</u>	<u>650,000</u>	<u>334,717</u>	<u>(315,283)</u>
	<u>682,360</u>	<u>1,132,360</u>	<u>1,114,382</u>	<u>(17,978)</u>
<b>EXPENDITURES,</b>				
Current,				
Community and economic development	<u>682,360</u>	<u>1,132,360</u>	<u>1,114,382</u>	<u>17,978</u>
	<u>682,360</u>	<u>1,132,360</u>	<u>1,114,382</u>	<u>17,978</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances - beginning			<u>-</u>	
Fund balances - ending			<u>\$ -</u>	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
SOUTHTOWNE PLAZA TIF  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Taxes	\$ 558,200	\$ 608,200	\$ 627,252	\$ 19,052
In lieu of taxes	<u>100,000</u>	<u>500,000</u>	<u>428,152</u>	<u>(71,848)</u>
	<u>658,200</u>	<u>1,108,200</u>	<u>1,055,404</u>	<u>(52,796)</u>
<b>EXPENDITURES,</b>				
Current,				
Community and economic development	<u>658,200</u>	<u>1,108,200</u>	<u>1,055,404</u>	<u>52,796</u>
	<u>658,200</u>	<u>1,108,200</u>	<u>1,055,404</u>	<u>52,796</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances - beginning			<u>-</u>	
Fund balances - ending			<u>\$ -</u>	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
STREET PROJECTS  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Intergovernmental	\$ 56,000	\$ 56,000	\$ 320	\$ (55,680)
Interest income and unrealized gains	-	-	6,996	6,996
	<u>56,000</u>	<u>56,000</u>	<u>7,316</u>	<u>(48,684)</u>
<b>EXPENDITURES,</b>				
Capital outlay	<u>118,000</u>	<u>167,264</u>	<u>93,799</u>	<u>73,465</u>
Deficiency of revenues over expenditures	<u>(62,000)</u>	<u>(111,264)</u>	<u>(86,483)</u>	<u>24,781</u>
<b>OTHER FINANCING SOURCES AND (USES):</b>				
Transfers in	118,000	142,000	142,000	-
Transfers out	<u>-</u>	<u>(88,033)</u>	<u>(141,582)</u>	<u>(53,549)</u>
Total other financing sources and uses	<u>118,000</u>	<u>53,967</u>	<u>418</u>	<u>(53,549)</u>
Net change in fund balances	<u>\$ 56,000</u>	<u>\$ (57,297)</u>	<u>(86,065)</u>	<u>\$ (28,768)</u>
Fund balances - beginning			<u>534,620</u>	
Fund balances - ending			<u>\$ 448,555</u>	

**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
STREET CAPITAL PROJECTS  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Intergovernmental	\$ 629,920	\$ 629,920	\$ 238,376	\$ (391,544)
Interest income and unrealized losses	<u>-</u>	<u>-</u>	<u>12,624</u>	<u>12,624</u>
Total revenues	<u>629,920</u>	<u>629,920</u>	<u>251,000</u>	<u>(378,920)</u>
<b>EXPENDITURES,</b>				
Capital outlay	<u>2,442,934</u>	<u>2,945,608</u>	<u>2,552,959</u>	<u>392,649</u>
Total expenditures	<u>2,442,934</u>	<u>2,945,608</u>	<u>2,552,959</u>	<u>392,649</u>
Deficiency of revenues over expenditures	<u>(1,813,014)</u>	<u>(2,315,688)</u>	<u>(2,301,959)</u>	<u>13,729</u>
Net change in fund balances	<u>\$ (1,813,014)</u>	<u>\$ (2,315,688)</u>	<u>(2,301,959)</u>	<u>\$ 13,729</u>
Fund balances - beginning			<u>2,276,428</u>	
Fund balances - ending			<u>\$ (25,531)</u>	



**CITY OF BELTON, MISSOURI  
BUDGETARY COMPARISON SCHEDULE --  
STORM WATER PROJECTS  
FOR THE YEAR ENDED MARCH 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual Amounts, Budgetary Basis</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>OTHER FINANCING SOURCES,</b>				
Transfers out	\$ -	\$ (42)	\$ (42)	\$ -
	-			-
Net change in fund balances	<u>\$ -</u>	<u>\$ (42)</u>	(42)	<u>\$ -</u>
Fund balances - beginning			<u>42</u>	
Fund balances - ending			<u>\$ -</u>	

## **STATISTICAL SECTION** **(Unaudited)**

This statistical data relates to the physical, economic, social, and political characteristics of the City. Its design is to provide a broader and more complete understanding of the City and its financial affairs than is possible from the financial statements, notes, and supporting schedules presented in the Financial Section.

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## STATISTICAL SECTION (Unaudited)

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

### Contents

### Tables

#### **Financial Trends**

These tables contain trend information to help the reader understand how the City's financial performance and well being have changed over time.

1 through 4

#### **Revenue Capacity**

These tables contain information to help the reader assess the City's most significant local revenue source-its property tax.

5 through 12

#### **Debt Capacity**

These tables present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

13 through 17

#### **Demographic and Economic Information**

These tables offer demographic and economic indicators to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

18 through 19

#### **Operating Information**

These tables contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

20 through 22

Except where noted, the information in these schedules is derived from the City's comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2004; schedules presenting government-wide information include information beginning that year.

Table 1

CITY OF BELTON, MISSOURI  
NET ASSETS BY COMPONENT  
LAST TEN FISCAL YEARS

	2010	*	2011	*	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities:												
Net investment in capital assets	\$ 43,815,404		\$ 47,354,288		\$ 48,289,894	\$ 53,804,643	\$ 55,162,449	\$ 55,322,883	\$ 52,389,002	\$ 52,943,195	\$ 36,179,943	\$ 41,738,252
Restricted	17,308,386		2,798,213		5,656,000	5,292,737	14,651,535	15,278,775	8,327,764	8,300,560	26,415,117	25,222,881
Unrestricted	(36,406,951)		(25,120,757)		(29,825,744)	(35,663,951)	(40,861,754)	(37,821,759)	(25,103,874)	(22,709,161)	(44,610,632)	(44,163,898)
Total governmental activities net assets	\$ 24,716,839		\$ 25,031,744		\$ 24,120,150	\$ 23,433,429	\$ 28,952,230	\$ 32,779,899	\$ 35,612,892	\$ 38,534,594	\$ 17,984,428	\$ 22,797,235
Business-type activities:												
Net investment in capital assets	\$ 14,932,985		\$ 15,149,505		\$ 14,547,540	\$ 16,756,578	\$ 17,852,374	\$ 20,772,189	\$ 22,707,657	\$ 22,465,391	\$ 22,566,885	\$ 24,348,562
Restricted	720,898		520,289		392,373	23,363	22,708	27,264	430,674	655,728	612,633	535,429
Unrestricted	2,729,093		3,785,490		5,608,725	6,160,036	8,018,621	8,280,694	9,129,898	13,032,877	17,904,731	18,094,276
Total business-type activities net assets	\$ 18,382,976		\$ 19,455,284		\$ 20,546,638	\$ 22,939,977	\$ 25,893,703	\$ 29,080,147	\$ 32,268,229	\$ 36,153,996	\$ 41,084,249	\$ 42,978,267
Primary government:												
Net investment in capital assets	\$ 58,748,389		\$ 62,503,793		\$ 62,837,434	\$ 70,561,221	\$ 73,014,823	\$ 76,095,072	\$ 75,096,659	\$ 75,408,586	\$ 58,746,828	\$ 66,086,814
Restricted	18,029,284		3,318,502		6,048,373	5,316,100	14,674,243	15,306,039	8,758,438	8,956,288	27,027,750	25,758,310
Unrestricted	(33,677,858)		(21,335,267)		(24,219,019)	(29,503,915)	(32,843,133)	(29,541,065)	(15,973,976)	(9,676,284)	(26,705,901)	(26,069,622)
Total primary government net assets	\$ 43,099,815		\$ 44,487,028		\$ 44,666,788	\$ 46,373,406	\$ 54,845,933	\$ 61,860,046	\$ 67,881,121	\$ 74,688,590	\$ 59,068,677	\$ 65,775,502

\* Net assets were restated for retroactive infrastructure reporting.

Table 2

**CITY OF BELTON, MISSOURI  
CHANGES IN NET ASSETS  
LAST TEN FISCAL YEARS**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenses:</b>										
<b>Governmental activities:</b>										
General government	\$ 3,509,200	\$ 3,256,445	\$ 3,456,790	\$ 3,349,566	\$ 3,170,381	\$ 3,393,868	\$ 3,732,555	\$ 3,097,691	\$ 4,858,487	\$ 3,789,331
Public safety	4,917,024	5,037,182	5,353,171	5,250,999	5,135,784	5,045,106	6,784,618	5,944,311	6,274,491	6,095,164
Public works	3,825,745	3,691,941	3,659,723	4,156,822	4,178,982	4,160,002	4,211,543	4,646,568	7,388,360	5,135,099
Fire and emergency services	4,434,509	4,261,529	4,466,787	4,533,791	4,441,333	4,674,598	6,348,717	5,381,993	5,782,547	5,415,335
Civil defense	76,443	77,450	84,630	86,877	76,132	80,897	76,466	81,868	103,073	47,959
Parks and recreation	3,936,468	3,858,354	3,992,549	4,109,367	4,332,438	4,742,111	4,675,149	4,533,307	4,322,727	3,946,642
Community and economic development	444,924	1,318,608	5,857,933	1,106,772	522,252	4,732,385	5,500,293	2,776,939	27,990,886	1,964,883
Municipal jail	487,563	437,585	585,758	510,289	461,293	496,305	532,828	580,737	558,153	514,567
Interest on long-term debt	3,635,650	3,665,835	4,136,459	4,528,303	4,382,800	4,156,156	4,159,521	2,666,481	715,007	3,318,943
Total governmental activities expenses	25,267,526	25,604,929	31,593,800	27,632,786	26,701,395	31,481,428	36,021,690	29,709,895	57,583,731	30,227,923
<b>Business-type activities:</b>										
Water	4,503,667	4,665,938	4,862,873	5,112,970	4,908,586	5,026,319	5,390,109	5,385,559	4,960,318	6,176,276
Sewer	3,714,566	4,100,359	4,216,894	4,059,381	4,189,687	4,459,460	4,661,861	4,854,433	5,220,135	5,887,367
Golf course	1,316,278	1,212,370	1,235,376	1,117,196	1,103,509	1,166,431	1,156,968	1,108,659	1,136,228	1,074,787
Solid Waste	-	-	-	-	-	-	-	-	190,645	1,119,058
Total business-type activities expenses	9,534,511	9,978,667	10,315,143	10,289,547	10,201,782	10,652,210	11,208,938	11,348,651	11,507,326	14,257,488
Total primary government expenses	\$ 34,802,037	\$ 35,583,596	\$ 41,908,943	\$ 37,922,333	\$ 36,903,177	\$ 42,133,638	\$ 47,230,628	\$ 41,058,546	\$ 69,091,057	\$ 44,485,411
<b>Program Revenues:</b>										
<b>Governmental activities:</b>										
<b>Charges for services:</b>										
General government	\$ 3,233,724	\$ 3,178,904	\$ 3,468,987	\$ 3,279,797	\$ 3,561,080	\$ 3,242,323	\$ 3,117,222	\$ 3,320,868	\$ 3,207,540	\$ 3,324,134
Public safety	301,949	233,563	242,661	243,825	233,925	293,767	205,179	213,067	225,879	232,137
Public works	233,242	180,178	1,068,181	145,312	103,905	139,894	127,696	110,374	239,413	194,917
Fire and emergency services	854,472	862,121	987,234	1,009,523	1,056,127	1,232,736	1,331,046	1,448,407	1,506,707	1,313,577
Parks and recreation	2,547,287	2,689,927	2,891,513	2,950,608	3,131,820	2,993,282	2,797,100	2,722,151	2,770,618	2,448,611
Community and economic development	614,678	499,038	1,692,955	503,262	311,360	266,930	644,761	518,504	708,962	301,668
Municipal jail	276,580	235,224	327,975	218,459	185,664	189,798	208,646	281,390	164,149	81,514
Operating grants and contributions	1,142,413	1,463,754	1,440,111	1,121,040	2,542,395	1,254,950	1,217,312	1,309,571	1,272,110	1,300,793
Capital grants and contributions	268,275	1,328,186	2,327,152	898,372	3,210,943	7,442,682	602,038	1,048,389	3,423,199	651,028
Total governmental activities program revenues	9,472,620	10,670,895	14,446,769	10,370,198	14,337,219	17,056,362	10,251,000	10,972,721	13,518,377	9,848,379
<b>Charges for services:</b>										
Water	4,595,834	4,713,868	5,080,785	5,773,934	6,035,623	6,256,316	6,457,136	7,023,087	7,893,917	6,630,735
Sewer	4,976,473	4,899,366	5,136,878	5,479,518	6,029,267	5,981,700	6,004,732	6,090,559	6,598,001	6,844,766
Golf	847,855	757,790	756,708	793,693	854,763	904,941	872,172	1,017,998	885,820	866,895
Solid Waste	-	-	-	-	-	-	-	-	177,011	1,106,811
Operating grants and contributions	-	55,113	-	429,377	130,062	256,151	-	-	-	-
Capital grants and contributions	-	-	-	-	-	-	-	775,000	472,950	129,018
Total business-type activities program revenues	10,420,162	10,426,137	10,974,371	12,476,522	13,049,715	13,399,108	13,334,040	14,906,644	16,027,699	15,578,315
Total primary government program revenues	\$ 19,892,782	\$ 21,097,032	\$ 25,421,140	\$ 22,846,720	\$ 27,386,934	\$ 30,455,470	\$ 23,585,040	\$ 25,879,365	\$ 29,546,076	\$ 25,426,694
<b>Net (Expense)/Revenue:</b>										
Governmental activities	\$ (15,794,906)	\$ (14,934,034)	\$ (17,147,031)	\$ (17,262,588)	\$ (12,364,176)	\$ (14,425,066)	\$ (25,770,690)	\$ (18,737,174)	\$ (44,065,354)	\$ (20,379,544)
Business-type activities	885,651	447,470	659,228	2,186,975	2,847,933	2,746,898	2,125,102	3,557,993	4,520,373	1,320,827
Total primary government net expense	\$ (14,909,255)	\$ (14,486,564)	\$ (16,487,803)	\$ (15,075,613)	\$ (9,516,243)	\$ (11,678,168)	\$ (23,645,588)	\$ (15,179,181)	\$ (39,544,981)	\$ (19,058,717)
<b>General Revenues and Other Changes in Net Assets:</b>										
<b>Governmental activities:</b>										
<b>Taxes:</b>										
Property taxes, levied for general purposes	\$ 1,316,337	\$ 1,311,326	\$ 1,364,406	\$ 1,386,129	\$ 1,418,136	\$ 1,437,079	\$ 1,463,311	\$ 1,512,697	\$ 1,617,487	\$ 1,690,670
Property taxes, levied for specific purposes	2,420,523	2,413,741	2,863,504	3,131,573	3,822,909	3,115,729	3,129,388	3,311,776	3,705,510	3,910,833
Franchise taxes and other taxes	3,973,556	4,453,628	3,878,950	3,916,319	4,449,398	4,448,296	4,520,866	4,565,633	5,249,620	5,570,194
Sales taxes	6,873,001	7,026,685	7,570,862	7,800,102	7,904,950	8,669,893	12,419,738	11,884,113	12,353,332	13,375,375
Grants and contributions not restricted	-	-	-	-	-	30,660	11,080	8,181	13,679	15,476
Investment earnings	508,191	125,857	94,134	70,551	(24,513)	147,758	232,061	53,283	259,508	465,196
Miscellaneous	405,908	544,311	773,558	591,949	900,457	661,301	281,866	574,082	1,495,901	411,476
Special item-gain on sale of assets	(25,393)	-	-	(196,272)	-	-	-	-	-	-
Transfers	(84,173)	(297,114)	(309,975)	(124,486)	(153,263)	(257,981)	(250,498)	(250,889)	(244,765)	(246,869)
Total governmental activities	15,387,950	15,578,434	16,235,439	16,575,865	18,318,074	18,252,735	21,807,812	21,658,876	24,450,272	25,192,351
<b>Business-type activities:</b>										
Investment earnings	264,722	128,551	104,297	80,786	25,708	102,616	95,903	56,947	82,332	262,033
Miscellaneous	303,766	3,902	17,854	1,100	3,277	78,949	17,902	19,938	82,783	64,289
Transfers	84,173	297,114	309,975	124,486	153,263	257,981	250,498	250,889	244,765	246,869
Total business-type activities	652,661	429,567	432,126	206,372	182,248	439,546	364,303	327,774	409,880	573,191
Total primary government	\$ 16,040,611	\$ 16,008,001	\$ 16,667,565	\$ 16,782,237	\$ 18,500,322	\$ 18,692,281	\$ 22,172,115	\$ 21,986,650	\$ 24,860,152	\$ 25,765,542
<b>Change in Net Assets:</b>										
Governmental activities	\$ (406,956)	\$ 644,400	\$ (911,592)	\$ (686,723)	\$ 5,953,898	\$ 3,827,669	\$ (3,962,878)	\$ 2,921,702	\$ (19,615,082)	\$ 4,812,807
Business-type activities	1,538,312	877,037	1,091,354	2,393,347	3,030,181	3,186,444	2,489,405	3,885,767	4,930,253	1,894,018
Total primary government	\$ 1,131,356	\$ 1,521,437	\$ 179,762	\$ 1,706,624	\$ 8,984,079	\$ 7,014,113	\$ (1,473,473)	\$ 6,807,469	\$ (14,684,829)	\$ 6,706,825

Table 3

**CITY OF BELTON, MISSOURI  
FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Fund:</b>										
Reserved	\$ 128,585	\$ 97,502	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	2,044,933	2,417,532	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	796	-	-	-	-	-
Committed	-	-	2,125,898	1,831,961	2,087,018	2,199,067	2,255,684	2,309,762	23,567,109	2,425,277
Assigned	-	-	-	-	15,286	145,051	145,051	258,113	343,131	410,780
Unassigned	-	-	570,902	-	864,449	1,310,687	1,972,418	1,853,428	1,298,675	1,184,123
<b>Total general fund</b>	<b>\$ 2,173,518</b>	<b>\$ 2,515,034</b>	<b>\$ 2,696,800</b>	<b>\$ 1,831,961</b>	<b>\$ 2,967,549</b>	<b>\$ 3,654,805</b>	<b>\$ 4,373,153</b>	<b>\$ 4,421,303</b>	<b>\$ 25,208,915</b>	<b>\$ 4,020,180</b>
<b>All other governmental funds:</b>										
Reserved	\$ 4,682,848	\$ 4,514,836	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	-	-	-	(9,093)	(92,781)	(167,285)	(77,150)	(13,656)	-	(25,531)
Unreserved, reported in:										
Special revenue	1,837,362	2,093,298	-	-	-	-	-	-	-	-
Capital projects	11,040,655	6,619,765	-	-	-	-	-	-	-	-
Debt service	1,584,883	1,541,918	-	-	-	-	-	-	-	-
<b>Restricted for:</b>										
Impact fees			649,892	25,296	581,300	500,642	272,769	234,397	212,101	400,370
Hotel/motel			12,673	9,270	44,908	113,871	188,075	232,587	208,682	212,781
Drug Seizure			182,827	120,721	266,534	110,253	62,826	15,165	12,819	346
DWI recovery			15,775	5,394	6,112	10,652	13,991	14,317	16,959	21,847
Special Training			24,499	6,466	10,422	7,101	3,281	15,980	10,301	4,102
TIF			225,255	1,762,358	1,788,098	1,988,055	1,854,085	2,024,452	2,030,419	1,999,478
Capital improvements sales tax			1,497,355	1,396,483	315,186	447,483	792,628	138,033	175,980	337,498
Capital projects			8,417,267	2,855,248	1,364,143	1,256,381	1,149,289	1,191,679	2,870,159	520,295
Park			102,003	293,663	415,926	444,194	500,111	491,911	745,588	1,030,933
Street			426,610	616,476	734,626	1,340,860	1,309,828	1,303,615	1,974,580	2,291,764
Debt service			6,404,594	6,595,375	15,910,216	15,715,084	5,375,069	5,645,462	18,158,143	18,419,878
<b>Total all other governmental funds</b>	<b>\$ 19,145,748</b>	<b>\$ 14,769,817</b>	<b>\$ 17,958,750</b>	<b>\$ 13,677,657</b>	<b>\$ 21,344,690</b>	<b>\$ 21,767,291</b>	<b>\$ 11,444,802</b>	<b>\$ 11,293,942</b>	<b>\$ 26,415,731</b>	<b>\$ 25,213,761</b>

**Note:** In 2012, the City of Belton implemented GASB 54, which required greater disclosure of restricted fund balances. Prior years are still reported as required prior to the implementation of GASB 54.

Table 4

**CITY OF BELTON, MISSOURI**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Revenues:</b>										
Taxes	\$ 14,583,417	\$ 15,205,380	\$ 15,677,722	\$ 16,234,123	\$ 16,887,552	\$ 17,051,289	\$ 20,578,784	\$ 20,300,536	\$ 21,272,124	\$ 22,627,413
Special assessments	4,247	-	736	-	-	6,539	-	-	13,446	-
Licenses and permits	206,807	241,076	1,153,374	260,396	311,360	260,391	644,761	515,291	695,516	301,668
Intergovernmental	1,514,582	2,820,907	3,746,205	2,031,037	5,750,278	8,697,632	1,819,350	2,357,960	4,695,309	1,951,821
Charges for services	4,202,571	4,294,492	4,752,938	4,740,503	4,814,736	4,925,109	4,714,775	4,905,067	5,069,679	4,498,785
Fees and fines	920,997	990,259	1,218,570	859,543	1,236,410	977,708	840,638	951,359	787,756	703,898
Investment earnings	508,191	125,857	94,134	70,551	(24,518)	147,758	232,061	53,283	259,508	465,056
Other	331,121	284,489	1,767,265	478,796	903,522	456,051	475,431	605,467	1,396,487	417,364
Interfund charges for support	2,244,702	2,116,702	2,116,702	2,116,702	2,403,370	2,370,978	2,449,071	2,484,751	2,522,346	2,686,455
In lieu of taxes	696,127	575,407	572,663	583,296	707,841	619,708	954,515	973,683	1,653,825	1,919,659
Total revenues	<u>25,212,762</u>	<u>26,654,569</u>	<u>31,100,309</u>	<u>27,374,947</u>	<u>32,990,551</u>	<u>35,513,163</u>	<u>32,709,386</u>	<u>33,147,397</u>	<u>38,365,996</u>	<u>35,572,119</u>
<b>Expenditures:</b>										
General government	3,178,559	2,992,073	2,878,019	2,944,791	2,759,735	2,852,477	2,604,157	2,779,772	2,924,710	2,981,686
Public safety	4,706,298	4,623,298	4,725,901	4,805,246	4,703,830	4,619,631	4,716,108	5,100,776	5,559,910	5,581,373
Public works	2,481,496	2,173,794	2,059,056	2,140,309	2,229,371	2,280,317	2,421,840	2,528,235	2,971,412	2,880,874
Fire and emergency services	3,979,649	3,871,855	3,967,885	4,116,084	4,034,757	4,286,555	4,416,704	4,732,414	4,995,940	5,066,051
Civil defense	64,096	62,716	71,574	73,821	63,076	67,841	65,534	72,453	91,158	38,544
Parks and recreation	3,217,151	3,189,213	3,215,534	3,294,137	3,567,076	3,832,041	3,756,152	3,614,135	3,535,548	3,116,002
Community and economic development	569,773	1,480,342	609,931	7,001,986	529,004	747,137	1,550,920	1,880,288	3,009,868	3,426,663
Municipal jail	478,160	428,454	583,207	504,788	456,887	487,303	523,826	571,898	536,347	500,663
Capital outlay	5,552,365	5,116,987	12,633,411	8,414,143	6,081,445	6,999,616	4,903,486	3,378,426	5,374,004	3,579,155
Debt service:										
Principal	2,466,600	2,689,283	5,061,447	2,823,452	3,482,724	4,076,398	27,003,155	5,309,379	31,270,890	6,304,910
Interest and other charges	3,629,384	3,651,146	4,112,777	4,364,730	4,412,891	4,177,247	4,243,158	3,106,630	3,908,635	3,039,362
Total expenditures	<u>30,323,531</u>	<u>30,279,161</u>	<u>39,918,542</u>	<u>40,483,487</u>	<u>32,320,796</u>	<u>34,406,563</u>	<u>56,205,040</u>	<u>33,074,406</u>	<u>64,178,422</u>	<u>36,515,283</u>
Excess of revenues over (under) expenditures	<u>(5,110,769)</u>	<u>(3,624,592)</u>	<u>(8,818,233)</u>	<u>(13,108,540)</u>	<u>669,755</u>	<u>1,106,600</u>	<u>(23,495,654)</u>	<u>72,991</u>	<u>(25,812,426)</u>	<u>(943,164)</u>
<b>Other Financing Sources (Uses):</b>										
Issuance of long-term debt	4,080,333	40,978	14,885,000	8,145,711	7,756,841	-	14,099,135	64,346	35,679,344	-
Bond refunding proceeds	-	-	-	-	-	261,238	-	-	-	-
Paid to escrow agent	-	-	(2,508,683)	-	-	-	-	-	-	-
Premiums on bond issuances	294,916	-	122,592	(58,649)	529,288	-	-	-	4,963,755	-
Sale of capital assets	-	-	-	-	-	-	33,233	10,842	113,094	9,728
Transfers in	505,974	327,703	12,816,753	1,620,498	1,038,678	488,073	1,067,514	1,568,380	2,743,831	652,721
Transfers out	(590,147)	(624,817)	(13,126,728)	(1,744,984)	(1,191,941)	(746,054)	(1,318,012)	(1,819,269)	(2,988,596)	(899,590)
Total other financing sources (uses)	<u>4,291,076</u>	<u>(256,136)</u>	<u>12,188,934</u>	<u>7,962,576</u>	<u>8,132,866</u>	<u>3,257</u>	<u>13,881,870</u>	<u>(175,701)</u>	<u>40,511,428</u>	<u>(237,141)</u>
Net change in fund balances	<u>\$ (819,693)</u>	<u>\$ (3,880,728)</u>	<u>\$ 3,370,701</u>	<u>\$ (5,145,964)</u>	<u>\$ 8,802,621</u>	<u>\$ 1,109,857</u>	<u>\$ (9,613,784)</u>	<u>\$ (102,710)</u>	<u>\$ 14,699,002</u>	<u>\$ (1,180,305)</u>
Debt service as a percentage of noncapital expenditures	24.54%	25.20%	33.62%	22.41%	30.09%	30.12%	60.91%	28.34%	59.82%	28.37%



Table 5

**CITY OF BELTON, MISSOURI  
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

<b>FISCAL YEAR ENDED MARCH 31,</b>	<b>PROPERTY</b>	<b>RAILROAD</b>	<b>FRANCHISE</b>	<b>CIGARETTE</b>	<b>SALES TAX</b>	<b>FINANCIAL INSTITUTION</b>	<b>OTHER</b>	<b>TOTAL</b>
2010	3,663,333	68,927	3,662,096	128,596	6,997,757	4,600	58,108	14,583,417
2011	3,656,056	67,178	4,110,378	120,822	7,248,940	1,355	651	15,205,380
2012	4,118,740	96,884	3,508,152	117,803	7,825,695	10,448	-	15,677,722
2013	4,401,575	114,514	3,554,935	128,713	8,032,773	1,613	-	16,234,123
2014	4,301,847	144,708	3,607,088	134,469	8,693,264	6,176	707,841	17,595,393
2015	4,402,229	147,507	3,705,878	122,710	8,669,893	3,072	619,708	17,670,997
2016	4,420,479	172,025	3,444,486	121,861	12,419,738	195	954,519	21,533,303
2017	4,630,681	173,783	3,464,654	127,296	11,884,113	20,009	973,683	21,274,219
2018	5,136,188	165,807	3,456,047	139,748	12,150,919	21,002	1,856,238	22,925,949
2019	5,226,298	168,402	3,508,453	142,082	13,375,375	13,792	2,112,670	24,547,072
Change 2010-2019	142.67%	244.32%	95.80%	110.49%	191.14%	299.83%	3635.76%	168.32%

**Source:** City records.

Note: Sales tax numbers include economic activity taxes from tax increment financing projects within the City.

Table 6

**CITY OF BELTON, MISSOURI  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS  
(IN PERCENT)**

Direct Sales Tax Rate - City of Belton	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Capital Improvement	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
Parks and Recreation	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
Fire District	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500
Transportation	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
Total Direct Sales Tax Rate	2.7500	2.7500	2.7500	2.7500	2.7500	2.7500	2.7500	2.7500	2.7500	2.7500
<b>Total Local Option Sales Tax Rate</b>										
State of Missouri	4.0000	4.0000	4.0000	4.0000	4.0000	4.0000	4.0000	4.0000	4.0000	4.0000
Missouri State Conservation	0.1250	0.1250	0.1250	0.1250	0.1250	0.1250	0.1250	0.1250	0.1250	0.1250
Missouri State Parks and Soil	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Cass County	1.2500	1.2500	1.2500	1.2500	1.7500	1.7500	1.7500	1.7500	2.0000	2.0000
City of Belton	2.7500	2.7500	2.7500	2.7500	2.7500	2.7500	2.7500	2.7500	2.7500	2.7500
Total Direct and Overlapping Sales Tax Rate	8.2250	8.2250	8.2250	8.2250	8.7250	8.7250	8.7250	8.7250	8.9750	8.9750

**Source:** Missouri Department of Revenue

Note: One or more Transportation Development Districts exist within the City which have imposed sales taxes in addition to those that apply to the City as a whole.  
The districts in existence as of this report are listed as follows:

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Belton Town Centre TDD	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Cornerstone Pointe TDD	-	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Belton/Raymore Interchange TDD	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
Belton Cass TDD	-	-	-	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Y Highway Market Place CID	-	-	-	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Table 7

**CITY OF BELTON, MISSOURI**  
**TOTAL CITY TAXABLE SALES BY CATEGORY**  
**LAST TEN FISCAL YEARS**

<b>Sales by Category</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Retail Grocers	\$ 39,424,780	\$ 39,446,551	\$ 42,208,736	\$ 48,895,763	\$ 46,436,702	\$ 54,635,949	\$ 57,084,672	\$ 58,646,393	\$ 59,032,134	\$ 63,032,896
Department Stores	44,233,023	51,032,754	55,267,795	54,269,278	48,798,954	65,580,577	81,334,047	85,555,058	106,791,479	112,551,178
Automotive Parts and Repairs	36,130,965	28,967,987	44,501,433	30,996,417	34,851,956	46,503,894	49,033,109	50,424,753	51,337,829	51,344,336
Eating and Drinking Establishments	36,789,159	35,503,635	35,522,680	42,609,023	41,428,611	45,152,994	50,963,336	51,250,537	58,123,964	59,703,320
Home Repair and Building Supplies	27,412,902	15,739,460	17,158,140	14,941,520	12,009,663	17,955,617	18,897,496	20,448,584	20,473,531	24,541,110
Hardware and Hand Tools	9,895,231	8,431,434	11,384,169	12,205,815	12,847,685	11,258,422	12,685,476	11,537,641	16,956,328	14,620,832
Telephone, Cellular, and Pager Communications	12,688,488	12,405,355	13,626,394	13,303,593	11,930,632	16,264,650	17,437,146	16,194,183	14,800,274	13,217,057
Convenience Stores	11,512,176	12,382,079	14,387,927	13,611,756	13,076,211	14,748,751	15,209,691	16,520,415	16,175,560	16,172,163
Furniture Stores	8,462,461	4,979,402	5,238,168	4,963,573	4,187,736	4,712,347	4,507,121	3,995,812	3,699,445	5,535,684
Utilities, Electrical, and Natural Gas	7,567,752	7,916,377	8,629,255	7,788,658	7,565,974	9,001,803	8,459,087	8,042,754	8,684,067	8,686,560
	\$ 234,116,937	\$ 216,805,034	\$ 247,924,697	\$ 243,605,396	\$ 233,134,124	\$ 285,815,004	\$ 315,211,181	\$ 322,216,130	\$ 356,074,611	\$ 369,405,736

**Source:** Monthly sales tax distribution reports.

CITY OF BELTON, MISSOURI  
PRINCIPAL SALES TAX INDUSTRIES  
LAST TEN FISCAL YEARS

Table 8

Industry	Percentage of Total City Sales Tax Revenues									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Retail Grocers	16.43%	17.57%	16.01%	18.61%	18.22%	17.47%	16.93%	16.76%	15.55%	16.04%
Department Stores	18.13%	22.73%	20.96%	20.65%	19.15%	20.97%	24.12%	24.46%	28.13%	28.64%
Automotive Parts and Repairs	15.06%	12.90%	16.89%	11.80%	13.67%	14.87%	14.54%	14.41%	13.52%	13.07%
Eating and Drinking Establishments	14.90%	15.81%	13.47%	16.21%	16.26%	14.44%	15.00%	14.65%	15.31%	15.19%
Home Repair and Building Supplies	11.22%	7.01%	6.51%	5.69%	4.71%	5.74%	5.61%	5.85%	5.39%	6.25%
Hardware and Hand Tools	4.12%	3.76%	4.32%	4.64%	5.04%	3.60%	3.76%	3.30%	4.47%	3.72%
Telephone, Cellular, and Pager Communications	5.29%	5.53%	5.17%	5.06%	4.68%	5.20%	5.17%	4.63%	3.90%	3.36%
Convenience Stores	4.80%	5.51%	5.46%	5.18%	5.13%	4.72%	4.51%	4.72%	4.26%	4.12%
Furniture Stores	3.53%	2.22%	1.99%	1.90%	1.64%	1.51%	1.34%	1.03%	0.97%	1.41%
Utilities, Electrical, and Natural Gas	2.81%	3.53%	3.27%	2.96%	2.97%	2.88%	2.51%	2.30%	2.29%	2.21%
	96.28%	96.57%	94.04%	92.70%	91.47%	91.40%	93.49%	92.10%	93.79%	94.01%

Source: Monthly sales tax distribution reports.

Table 9

**CITY OF BELTON, MISSOURI**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

<b>FISCAL YEAR ENDED MARCH 31,</b>	<b>RESIDENTIAL REAL PROPERTY</b>	<b>COMMERCIAL REAL PROPERTY</b>	<b>AGRICULTURAL REAL PROPERTY</b>	<b>UTILITIES REAL PROPERTY</b>	<b>PERSONAL PROPERTY</b>	<b>TOTAL TAXABLE ASSESSED VALUE</b>	<b>TOTAL DIRECT TAX RATE</b>
2010	138,857,920	39,804,548	319,420	2,510,515	45,073,366	226,565,769	1.57
2011	139,569,470	40,085,948	319,420	3,326,895	43,268,857	226,570,590	1.57
2012	136,560,090	41,286,758	338,020	4,528,924	40,006,353	222,720,145	1.80
2013	137,712,610	40,615,878	332,590	5,069,774	40,141,565	223,872,417	1.89
2014	133,515,250	46,336,898	326,140	6,521,033	42,319,748	229,019,069	1.90
2015	134,396,960	47,992,338	345,080	6,942,028	42,982,472	232,658,878	1.92
2016	134,613,420	47,992,338	345,080	7,638,661	44,229,955	234,819,454	1.92
2017	135,381,070	48,138,668	344,960	7,698,791	44,053,352	235,616,841	1.92
2018	146,615,890	55,593,618	343,110	7,450,301	46,331,633	256,334,552	1.89
2019	149,844,240	56,776,868	343,050	7,552,287	53,266,751	267,783,196	1.89

**Source:** Cass County Clerk's office

**Note:** Tax rates are per \$1,000 of assessed value. Property in Cass County is reassessed every five years on average. The County assesses property at approximately 45% of actual value for commercial and industrial property and 35% for residential property.

Table 10

**CITY OF BELTON, MISSOURI  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS**

FISCAL YEAR	City Direct Rates				Overlapping Rates (a)	
	BASIC RATE	GENERAL OBLIGATION DEBT SERVICE	PARK	TOTAL DIRECT	CASS COUNTY AND OTHERS	BELTON SCHOOL DISTRICT
2010	0.53	0.80	0.24	1.57	0.78	5.29
2011	0.53	0.80	0.24	1.57	0.85	5.33
2012	0.55	1.01	0.24	1.80	0.85	5.38
2013	0.55	1.11	0.24	1.89	0.83	5.46
2014	0.55	1.12	0.24	1.90	0.83	5.50
2015	0.55	1.13	0.24	1.92	0.83	5.50
2016	0.55	1.13	0.24	1.92	0.83	5.43
2017	0.55	1.13	0.24	1.92	0.83	5.43
2018	0.53	1.13	0.23	1.89	0.81	5.43
2019	0.53	1.13	0.23	1.89	0.81	5.43

**Note:**

The City's basic property tax rate may be increased only by a majority vote of the City's residents. Rates for debt service are based upon each year's requirement.

(a) Overlapping rates are those at local and county governments that apply to property owners within the City of Belton.

**Source:**

City tax billing records and county aggregate valuations.

Table 11

**CITY OF BELTON, MISSOURI  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND TEN YEARS AGO**

Taxpayer	2019			2009		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Midwest Division Research Belton Hospital	\$ 8,904,650	1	3.33%	3,056,822	2	1.35
Quiktrip Corp/Quik & Tasty	8,288,390	2	3.10%	6,851,880	1	3.02
Menard Inc	7,930,220	3	2.96%			
Adessa Missouri LLC	3,582,345	4	1.34%			
Carnegie Village Real Estate LLC	3,565,960	5	1.33%	2,869,000	3	1.27
Spire Missouri Inc	3,266,710	6	1.22%			
Agree Belton MO LLC	2,359,600	7	0.88%			
Matran Inc	2,205,960	8	0.82%			
Target Corp	2,083,210	9	0.78%	2,244,900	4	0.99
Y Belton	2,059,760	10	0.77%			
Home Depot				1,801,000	5	0.80
Hy-Vee Food Store				1,610,330	6	0.71
Lakewood Terr				1,410,990	7	0.62
Kohl's				1,393,650	8	0.52
MAP Belton (Belton Marketplace)				1,115,860	9	0.49
Missouri Gas Energy				1,054,450	10	0.47
	<b>\$ 44,246,805</b>		<b>10.10%</b>	<b>23,408,882</b>		<b>10.24</b>

**Source:** City tax billing records.

**CITY OF BELTON, MISSOURI  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year Ended March 31,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	3,645,073	3,438,540	94.33%	206,533	3,645,073	100.00%
2011	3,631,607	3,419,960	94.17%	211,647	3,631,607	100.00%
2012	4,105,046	3,874,126	94.37%	230,920	4,105,046	100.00%
2013	4,385,949	4,110,327	93.72%	275,622	4,385,949	100.00%
2014	4,333,521	4,135,192	95.42%	198,329	4,333,521	100.00%
2015	4,464,804	4,213,583	94.37%	239,404	4,452,987	99.74%
2016	4,502,271	4,274,872	94.95%	216,147	4,491,019	99.75%
2017	4,608,131	4,372,726	94.89%	221,520	4,594,246	99.70%
2018	5,149,696	4,851,576	94.21%	243,064	5,094,640	98.93%
2019	5,255,033	5,061,815	96.32%	-	5,061,815	96.32%

**Source:** City's tax billing records.



CITY OF BELTON, MISSOURI  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS

**Note 1:** Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

**Note 2:** See Table 18 for personal income and population data for the City. These ratios are calculated using personal income and population for the prior calendar year.

Table 14

**CITY OF BELTON, MISSOURI  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended March 31,</b>	<b>GENERAL BONDED DEBT OUSTANDING</b>		<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita</b>
	<b>General Obligation Bonds</b>			
2010	22,235,000		10%	896.50
2011	21,415,000		9%	897.38
2012	32,860,000		15%	1,421.53
2013	32,015,000		14%	1,377.34
2014	38,685,000		17%	1,669.26
2015	37,580,000		16%	1,622.27
2016	25,952,541		11%	1,120.19
2017	28,194,722		12%	1,033.91
2018	32,300,542		13%	1,184.91
2019	30,612,607		11%	1,129.24

**Note 1:** Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

**Note 2:** See Table 9 for the City's property value data.

**Note 3:** City population can be found in Table 18.

Table 15

**CITY OF BELTON, MISSOURI**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**March 31, 2019**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Belton School District	\$ 75,242,363	89.00%	\$ 66,965,703
Little Blue Valley Sewer District	218,462,156	3.99%	<u>8,716,640</u>
			75,682,343
City governmental activities direct debt			<u>66,595,768</u>
Total direct and overlapping debt			<u>\$ 142,278,111</u>

**Note:** Overlapping governments are those that coincide, at least in part, with the geographical boundaries of Belton.

This schedule estimates the portion of outstanding debt of those overlapping governments that is born by the residents and businesses of Belton. The percentages were estimated using taxable assessed property values.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed value that is within the City's boundaries and dividing it by each unit's assessed value.

**Source:** Outstanding debt obtained from the Belton School District and the Little Blue Valley Sewer District .

**CITY OF BELTON, MISSOURI**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
**March 31, 2019**

Assessed value, March 31, 2019 (3)	<u>\$ 267,783,196</u>
Constitutional debt limit:	
Ordinary (1)	\$ 26,778,320
Additional (2)	<u>26,778,320</u>
	\$ 53,556,640
Less:	
General Obligation Bonds payable	\$ 30,612,607
	30,612,607
Less Debt Service fund balance	<u>2,800,000</u>
	<u>27,812,607</u>
Legal debt margin	<u>\$ 25,744,033</u>

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

(2) Article VI, Section 26(d) and (e) of the state constitution provides that the City may become indebted, not exceeding in the aggregate of (1) above and an additional 10% for the purposes of acquiring rights-of-way, constructing, extending and improving streets and avenues and/or sanitary or storm systems, and purchasing or constructing waterworks, electric or other plants, provided that the total general obligation indebtedness of the City does not exceed 20% of the assessed valuation.

(3) Represents most current assessment (includes both real estate and personal property) as provided by the County Clerk.

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 45,313,154	\$ 45,314,118	\$ 44,544,029	\$ 44,774,483	\$ 45,803,814	\$ 46,531,776	\$ 46,963,890	\$ 47,123,368	\$ 51,266,910	\$ 53,556,640
Total net debt applicable to limit	<u>20,650,117</u>	<u>19,873,082</u>	<u>31,282,561</u>	<u>30,333,807</u>	<u>15,942,416</u>	<u>30,154,070</u>	<u>29,156,187</u>	<u>28,225,000</u>	<u>24,925,000</u>	<u>27,812,607</u>
Legal debt margin	<u>\$ 24,663,037</u>	<u>\$ 25,441,036</u>	<u>\$ 13,261,468</u>	<u>\$ 14,440,676</u>	<u>\$ 29,861,398</u>	<u>\$ 16,377,706</u>	<u>\$ 17,807,703</u>	<u>\$ 18,898,368</u>	<u>\$ 26,341,910</u>	<u>\$ 25,744,033</u>
Total net debt applicable to the limit as a percentage of debt limit	45.57%	43.86%	70.23%	67.75%	34.81%	64.80%	62.08%	59.90%	48.62%	51.93%

Table 17

CITY OF BELTON, MISSOURI  
PLEDGED REVENUE COVERAGE  
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Water Revenue Bonds					Sewerage Revenue Bonds						
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2010	-	-	-	-	-	-	4,976,473	3,236,001	1,740,472	525,000	118,159	12.92
2011	-	-	-	-	-	-	4,899,366	3,501,761	1,397,605	555,000	124,917	13.88
2012	-	-	-	-	-	-	5,136,878	3,621,922	1,514,956	595,000	239,531	16.25
2013	-	-	-	-	-	-	5,479,518	3,473,420	2,006,098	635,000	226,371	15.72
2014	-	-	-	-	-	-	6,029,267	3,679,860	2,349,407	75,000	200,655	4.57
2015	-	-	-	-	-	-	5,981,700	3,758,007	2,223,693	75,000	199,974	4.60
2016	-	-	-	-	-	-	6,004,732	3,890,228	2,114,504	75,000	195,184	4.50
2017	-	-	-	-	-	-	6,090,559	4,083,829	2,006,730	80,000	192,934	4.48
2018	-	-	-	-	-	-	6,598,001	3,287,390	3,310,611	130,000	190,534	4.86
2019	-	-	-	-	-	-	6,844,766	4,899,493	1,945,273	-	-	-

**Note 1:** Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements. Operating expenses do not include interest, depreciation, or amortization expenses.

Table 18

**CITY OF BELTON, MISSOURI  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Population</b>	<b>Personal Income</b>	<b>Per Capita Income</b>	<b>Median Age</b>	<b>School Enrollment</b>	<b>Unemployment Rate</b>
2010	24,802	\$ 569,503,524	\$ 22,962	33.8	5,075	13.1%
2011	23,864	\$ 535,253,410	\$ 22,429	33.3	5,015	12.2%
2012	23,116	\$ 489,198,400	\$ 21,135	33.6	5,013	10.2%
2013	23,244	\$ 477,096,800	\$ 21,605	34.3	5,023	8.3%
2014	23,175	\$ 493,455,900	\$ 21,975	32.4	5,008	7.7%
2015	23,165	\$ 489,194,400	\$ 25,148	32.5	4,971	7.9%
2016	23,168	\$ 513,477,800	\$ 26,620	33.6	4,922	5.0%
2017	27,270	\$ 727,560,500	\$ 26,969	35.8	4,973	4.4%
2018	27,260	\$ 752,319,900	\$ 27,869	36.6	5,954	3.8%
2019	27,109	\$ 776,544,100	\$ 28,620	36.7	4,874	3.4%

Sources: Belton School District  
Missouri Division of Employment Security  
Mid-America Regional Council

**Note:** Population and median age are based on surveys conducted during the year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

Table 19

CITY OF BELTON, MISSOURI  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND TEN YEARS AGO

Employer	2019			2009		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Belton School District	686	1	8.77%	689	1	7.19%
Quick Trip Distribution	654	2	8.36%	634	2	6.61%
Hy-Vee	330	3	4.22%	230	5	2.40%
Belton Regional Medical Center	230	4	2.94%	233	4	2.43%
City of Belton	189	5	2.42%	359	3	3.74%
Adesa Kansas City	165	6	2.11%			
Price Chopper	158	7	2.02%			
ROM	150	8	1.92%	108	7	1.13%
Menards	136	9	1.74%			
Kohl's	112	10	1.43%	105	8	1.10%
Beautiful Savior Home				144	6	1.50%
Home Depot				100	9	1.04%
Target				98	10	1.02%
	<u>2,810</u>		<u>35.93%</u>	<u>2700</u>		<u>28.16%</u>
Belton Employment			7,820			

Source: Employer HR Departments

Table 20

**CITY OF BELTON, MISSOURI**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government	19	19	14	13	14	16	20	23	24	24
Public safety	60	59	59	58	53	53	53	54	56	49
Public works	21	21	21	23	24	20	22	22	22	22
Fire and emergency services	45	45	45	43	40	43	43	49	47	47
Civil defense	1	1	1	1	1	1	1	1	0	0
Parks and recreation	15	15	12	14	15	16	15	13	11	15
Community and economic development	3	3	3	3	3	3	3	4	3	3
Municipal jail	8	8	8	7	7	7	7	7	6	5
Water	11	11	10	10	10	11	9	9	9	9
Sewer	11	11	11	10	9	9	8	10	11	10
Golf course	5	5	5	5	5	5	5	5	5	5
<b>Total</b>	<b>199</b>	<b>198</b>	<b>189</b>	<b>187</b>	<b>181</b>	<b>184</b>	<b>186</b>	<b>197</b>	<b>194</b>	<b>189</b>

**Source:** City Administration

**Note:** A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave).  
Full-time equivalent employment is calculated by dividing total labor hours by 2,080.



Table 21

**CITY OF BELTON, MISSOURI**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government <sup>b</sup>										
Public safety:										
Arrests	2,720	2,807	2,446	2,440	2,503	2,384	2,334	2,757	3,697	2,928
Traffic and other citations	9,152	7,329	7,197	7,808	8,658	7,041	7,726	6,575	6,498	6,349
Public works <sup>a</sup> :										
Asphalt overlay (miles)	2.28	-	13.50	1.70	1.15	-	9.00	6.54	-	4.54
Sidewalks (feet)	1,512	65	6,200	183	315	434	393	2,329	1,173	92
Curbs (feet)	2,676	50	19,485	789	4,605	296	1,304	3,142	360	657
Fire and emergency services:										
Emergency responses	2,667	3,171	3,517	4,080	4,001	4,289	4,950	5,735	6,011	5,852
Fires	84	657	105	141	76	87	115	118	92	129
Inspections	677	650	796	545	618	723	767	806	696	369
Civil defense <sup>b</sup>										
Parks and recreation:										
Athletic fields	9	7	7	7	7	7	7	6	6	6
Baseball/softball diamonds	11	11	11	11	11	11	11	12	12	12
Football/soccer fields	7	11	9	8	8	8	8	10	10	10
Community Center admissions	228,978	239,006	249,275	245,968	242,536	247,907	205,729	210,459	207,851	175,019
Community and economic development:										
Code violations	1,773	1,640	1,536	2,111	1,454	941	1,075	919	1,140	1,010
Tickets issued	185	251	162	179	260	463	301	116	211	128
Commercial building permits	1	1	11	4	9	11	8	6	5	5
Residential building permits	47	54	24	2	10	19	20	112	122	59
Municipal jail,										
Inmates	3,551	3,335	2,885	3,053	3,417	1,260	3,279	2,757	1,361	3,574
Water:										
Water main breaks	11	25	55	70	33	33	23	32	30	29
New connections	35	50	27	8	11	11	20	113	116	89
Average daily use	1,838,606	1,855,910	1,775,792	2,000,000	2,700,000	2,000,000	1,700,000	2,000,000	2,020,000	1,900,000
Average daily maximum use	2,301,656	2,750,106	2,731,990	3,000,000	6,400,000	4,300,000	2,200,000	2,300,000	2,200,000	2,000,000
Capacity of water plant per day (gallons)	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000	5,300,000
Water storage capacity per day (gallons)	3,800,000	1,800,000	3,800,000	3,800,000	3,800,000	3,800,000	6,800,000	6,800,000	6,800,000	6,800,000
Sewer:										
Average daily flow (million gallons)	1.58	1.63	1.00	0.96	1.27	1.27	1.45	1.06	1.50	1.41
Treatment plant average load per day (pounds)	1,448	1,645	1,305	1,506	1,905	1,905	1,823	1,732	3,137	2,195
Treatment plant capacity per day	2,260,000	2,260,000	2,260,000	2,260,000	2,260,000	2,260,000	2,260,000	2,260,000	2,260,000	2,260,000
Golf course,										
Rounds	22,811	21,894	23,718	23,189	24,483	25,528	24,657	25,230	24,239	24,246

<sup>a</sup> Indicators were not available for all years<sup>b</sup> Indicators were not available for this function**Source:** Various City departments

Table 22

**CITY OF BELTON, MISSOURI  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government										
Public safety:										
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol units	9	9	9	9	9	9	9	9	9	9
Public works:										
Streets (miles)	336	286	243	286	286	254	286	286	286	265
Street lights	1,100	1,159	1,159	1,160	1,160	1,165	1,160	1,160	1,289	1,340
Fire and emergency services,										
Fire stations	2	2	2	2	2	2	2	2	2	2
Civil defense										
Parks and recreation:										
Community center	1	1	1	1	1	1	1	1	1	1
Acreage	168	161	160	165	222	222	222	229	257	257
Playgrounds	11	5	6	4	6	6	6	6	5	6
Community and economic development										
Municipal jail	1	1	1	1	1	1	1	1	1	1
Water,										
Fire hydrants	1,216	1,253	1,226	1,232	1,241	1,220	1,206	1,297	1,297	1,297
Sewer:										
Sanitary sewers (miles)	124	129	125	126	128	126	129	129	129	130
Storm sewers (miles)	48	49	50	51	51	51	51	51	51	53
Golf course	1	1	1	1	1	1	1	1	1	1

**Source:** Various City departments

## **APPENDIX C**

### **PROPOSED FORM OF OPINION OF BOND COUNSEL**

City of Belton, Missouri  
Belton, Missouri

Janney Montgomery Scott LLC  
Philadelphia, Pennsylvania

Re: \$20,000,000 City of Belton, Missouri General Obligation Bonds, Series 2019

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the City of Belton, Missouri (the “City”), of the above-captioned bonds (the “Bonds”).

We have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

**1.** The Bonds are valid and legally binding general obligations of the City, payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City.

**2.** The interest on the Bonds (i) is excludable from gross income for federal income tax purposes, (ii) is exempt from income taxation by the State of Missouri, and (iii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the City complies with all requirements of the Internal Revenue Code of 1986, as amended (the “Code”), that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal and Missouri income tax purposes. The City has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Bonds to be included in gross income for federal and Missouri income tax purposes retroactive to the date of issuance of the Bonds. The Bonds have not been designated as “qualified tax-exempt obligations” within the meaning of Section 265(b) of the Code.

We express no opinion regarding the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion.

The rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally and by equitable principles, whether considered at law or in equity.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

Very truly yours,

**APPENDIX D**

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**CONTINUING DISCLOSURE UNDERTAKING**

**Dated as of October 8, 2019**

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**By**

**CITY OF BELTON, MISSOURI**

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**\$20,000,000**  
**GENERAL OBLIGATION BONDS**  
**SERIES 2019**

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## CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of October 8, 2019 (this “**Continuing Disclosure Undertaking**”), is executed and delivered by **CITY OF BELTON, MISSOURI** (the “**Issuer**”).

### RECITALS

1. This Continuing Disclosure Undertaking is executed and delivered by the Issuer in connection with the issuance by the Issuer of **\$20,000,000 General Obligation Bonds, Series 2019** (the “**Bonds**”), pursuant to an ordinance adopted by the governing body of the Issuer on September 24, 2019 (the “**Ordinance**”).

2. The Issuer is entering into this Continuing Disclosure Undertaking for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “**Rule**”). The Issuer is the only “**obligated person**” with responsibility for continuing disclosure hereunder.

The Issuer covenants and agrees as follows:

**Section 1. Definitions.** In addition to the definitions set forth in the Ordinance, which apply to any capitalized term used in this Continuing Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Annual Report**” means any Annual Report provided by the Issuer pursuant to, and as described in, **Section 2** of this Continuing Disclosure Undertaking.

“**Beneficial Owner**” means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“**Business Day**” means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal office or designated payment office of the paying agent or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

“**Dissemination Agent**” means any entity designated in writing by the Issuer to serve as dissemination agent pursuant to this Continuing Disclosure Undertaking and which has filed with the Issuer a written acceptance of such designation.

“**EMMA**” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at [www.emma.msrb.org](http://www.emma.msrb.org).

“**Financial Obligation**” means (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not

include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

**“Fiscal Year”** means the **12-month** period beginning on **April 1** and ending on **March 31** or any other **12-month** period selected by the Issuer as the Fiscal Year of the Issuer for financial reporting purposes.

**“Material Events”** means any of the events listed in **Section 3** of this Continuing Disclosure Undertaking.

**“MSRB”** means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

**“Participating Underwriter”** means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

## **Section 2. Provision of Annual Reports.**

- (a) The Issuer shall, not later than the last day of the **sixth** month after the end of the Issuer’s Fiscal Year, commencing with the year ending March 31, 2020, file with the MSRB, through EMMA, the following financial information and operating data (the **“Annual Report”**):

(1) The audited financial statements of the Issuer for the prior Fiscal Year, prepared in accordance with accounting principles generally accepted in the United States. If audited financial statements are not available by the time the Annual Report is required to be provided pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be provided in the same manner as the Annual Report promptly after they become available. The audited financial statements of the Issuer are currently prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. If the Issuer changes the format of its financial statements, (1) notice of such change shall be given in the same manner as for a Material Event, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

(2) Updates as of the end of the Fiscal Year of certain financial information and operating data contained in the final Official Statement related to the Bonds, as described in **Exhibit A**, in substantially the same format contained in the final Official Statement with such adjustments to formatting or presentation determined to be reasonable by the Issuer.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an **“obligated person”** (as defined by the Rule), which have been provided to the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the

MSRB on EMMA. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer's Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3**, and the Annual Report deadline provided above shall automatically become the last day of the sixth month after the end of the Issuer's new fiscal year.

- (b) The Annual Report shall be filed with the MSRB in such manner and format as is prescribed by the MSRB.

**Section 3. Reporting of Material Events.** Not later than **10** Business Days after the occurrence of any of the following events, the Issuer shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds ("**Material Events**"):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the obligated person;
- (13) the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
- (15) incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

If the Issuer has not submitted the Annual Report to the MSRB by the date required in **Section 2(a)**, the Issuer shall send a timely notice to the MSRB of the failure of the Issuer to file on a timely basis the Annual Report, which notice shall be given by the Issuer in accordance with this **Section 3**.

**Section 4. Termination of Reporting Obligation.** The Issuer's obligations under this Continuing Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Issuer's obligations under this Continuing Disclosure Undertaking are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing Disclosure Undertaking in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

**Section 5. Dissemination Agents.** The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign as dissemination agent hereunder at any time upon **30** days prior written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Continuing Disclosure Undertaking.

**Section 6. Amendment; Waiver.** Notwithstanding any other provision of this Continuing Disclosure Undertaking, the Issuer may amend this Continuing Disclosure Undertaking and any provision of this Continuing Disclosure Undertaking may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Issuer with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Undertaking.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Undertaking, the Issuer shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

**Section 7. Additional Information.** Nothing in this Continuing Disclosure Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that required by this Continuing Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that specifically required by this Continuing Disclosure Undertaking, the Issuer shall have no obligation under this Continuing Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.



**Section 8. Default.** If the Issuer fails to comply with any provision of this Continuing Disclosure Undertaking, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Continuing Disclosure Undertaking. A default under this Continuing Disclosure Undertaking shall not be deemed an event of default under the Ordinance or the Bonds, and the sole remedy under this Continuing Disclosure Undertaking in the event of any failure of the Issuer to comply with this Continuing Disclosure Undertaking shall be an action to compel performance.

**Section 9. Beneficiaries.** This Continuing Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Participating Underwriter, and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

**Section 10. Severability.** If any provision in this Continuing Disclosure Undertaking, the Ordinance or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 11. Electronic Transactions.** The arrangement described herein may be conducted and related documents may be sent, received, or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**Section 12. Governing Law.** This Continuing Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of Missouri.

**Section 13. Counterparts.** This Continuing Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

*[Remainder of Page Intentionally Left Blank.]*

**IN WITNESS WHEREOF**, the Issuer has caused this Continuing Disclosure Undertaking to be executed as of the day and year first above written.

**CITY OF BELTON, MISSOURI**

By: \_\_\_\_\_  
Title: Mayor

**EXHIBIT A**  
**TO CONTINUING DISCLOSURE UNDERTAKING**

**FINANCIAL INFORMATION AND OPERATING DATA TO BE  
INCLUDED IN ANNUAL REPORT**

The financial information and operating data contained in the following sections and tables contained in Appendix A of the final Official Statement relating to the Bonds:

**DEBT STRUCTURE OF THE CITY**

Authority to Incur Debt

Current Long-Term Indebtedness and Other Obligations

**FINANCIAL INFORMATION CONCERNING THE CITY**

Sources of Revenue

Retail Sales Taxes

**PROPERTY TAX**

Assessed Valuation

Tax Rates – The table showing tax levies

Tax Collections