

CITY OF CRESTWOOD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2024

CITY OF CRESTWOOD, MISSOURI

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor, Board of Aldermen
and City Administrator of
CITY OF CRESTWOOD, MISSOURI

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Crestwood, Missouri, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Crestwood, Missouri, as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Crestwood, Missouri, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Prior Period Adjustment

As discussed in Note 14 to the financial statements, the City issued \$10,874,927 in Tax Increment Revenue Notes, which were not recorded as a liability in the statement of net position as of December 31, 2023. As a result the beginning net position has been reduced by \$10,874,927. Our opinion is not modified with respect to this matter.

Responsibility of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Crestwood, Missouri's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Crestwood, Missouri's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and other required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

UHY LLP

July 15, 2025

**CITY OF CRESTWOOD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024**

The discussion and analysis of the City of Crestwood, Missouri's financial performance provides an overview and analysis of the City's financial activities for the fiscal year ended December 31, 2024. It should be read in conjunction with the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

- On a government-wide basis the assets of the City of Crestwood, Missouri exceeded its liabilities for the most recent fiscal year by \$35,623,499.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$47,734,473. Total governmental funds revenues exceeded expenditures by \$37,390,176, as a result of unspent proceeds from general obligation bonds issued during 2024 and tax increment financing notes issued in 2023.
- At the end of the current fiscal year, the ending fund balance for the General Fund was \$9,372,183.
- The City's total long-term liabilities increased by \$33,340,000 during the current fiscal year. In September 2024 the City issued \$33,340,000 in general obligation bonds to finance the constructing, furnishing and equipping of a new community center, renovating existing recreation facilities and other park and recreation improvements in and adjacent to City parks. Tax Increment Financing Notes in the amount of \$10,874,927 were issued for the redevelopment of Crestwood Plaza in December 2023. These notes will be repaid by sales tax and other payments received within the redevelopment district. The City's assets will not be used to repay any portion of the TIF Notes.

REPORT LAYOUT

The report consists of the Management's Discussion and Analysis (MD&A), government-wide statements, fund financial statements, notes to the financial statements, and supplementary information. The first couple statements are highly condensed and present a government-wide view of the City's finances. Within this view, all City operations are categorized and reported as either governmental or business-type activities. Governmental activities include basic services such as police, fire, public works, parks and recreation and general government administration. The City currently does not have any business-type activities. These government-wide statements are designed to be more corporate-like in that all activities are consolidated into a total for the City.

Basic Financial Statements

- The Statement of Net Position focuses on resources available for future operation. In simple terms, this statement presents a snap-shot view of the assets the community owns, the liabilities it owes and the net difference. The net difference is further separated into amounts restricted for specific purposes and unrestricted amounts. Governmental activities reflect capital assets including infrastructure and long-term liabilities. Governmental activities are reported on the full accrual basis of accounting.
- The Statement of Activities focuses on gross and net costs of City programs and the extent to which such programs rely upon general tax and other revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.
- Fund financial statements focus separately on major governmental funds. Governmental fund statements follow the more traditional presentation of financial statements. The City's major governmental funds are presented in their own column and the remaining funds are combined into a column titled "Other Non-major Funds". Budgetary comparisons for the General Fund and major special revenue funds are presented as required supplementary information. The City does not prepare a budget for the Tax Increment Financing Fund and the Sappington House Fund.
- The notes to the financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the City's financial condition.

The MD&A is intended to explain the significant changes in financial position and differences in operation between the current and prior years.

THE CITY AS A WHOLE

Government-wide Financial Analysis

The City's net position was \$35,623,499 as of December 31, 2024. This analysis focuses on the net position (Table 1), and changes in general revenues (Table 2) and significant expenses of the City's governmental activities.

The City's net position consists of its investment in capital assets (e.g., land, buildings, improvements, vehicles, infrastructure and equipment); less accumulated depreciation and any related debt used to acquire those assets that is still outstanding and unrestricted balances. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table 1

Statement of Net Position

	<u>2024</u>	<u>2023</u>	<u>Variance</u>
Assets:			
Current and other assets	\$ 55,539,745	\$ 11,735,586	\$ 43,804,159
Capital assets, net of depreciation	<u>29,048,027</u>	<u>33,384,866</u>	<u>(4,336,839)</u>
Total Assets	<u>84,587,772</u>	<u>45,120,452</u>	<u>39,467,320</u>
Deferred outflows	<u>2,841,103</u>	<u>1,332,408</u>	<u>1,508,695</u>
Liabilities:			
Current and other liabilities	1,648,862	1,026,091	622,771
Long-term liabilities	<u>49,560,277</u>	<u>2,704,650</u>	<u>46,855,627</u>
Total Liabilities	<u>51,209,139</u>	<u>3,730,741</u>	<u>47,478,398</u>
Deferred inflows	<u>596,237</u>	<u>400,909</u>	<u>195,328</u>
Net Position:			
Net investment in capital assets	27,856,744	26,020,704	1,836,040
Restricted	10,388,313	2,688,479	7,699,834
Unrestricted	<u>(2,621,558)</u>	<u>13,612,027</u>	<u>(16,233,585)</u>
Total Net Position	<u>\$ 35,623,499</u>	<u>\$ 42,321,210</u>	<u>\$ (6,697,711)</u>

Governmental activities increased the City's net position by \$4,177,216 however a prior period adjustment reduced the net position by \$10,874,927 for a net change of \$(6,697,711). The key elements of this change are as follows:

Table 2

Statement of Activities

	<u>2024</u>	<u>2023</u>	<u>Variance</u>
Revenues:			
Program revenues:			
Charges for service	\$ 2,743,518	\$ 2,301,581	\$ 441,937
Capital and operating grants	1,033,232	1,395,924	(362,692)
General revenues:			
Taxes	18,368,492	14,018,472	4,350,020
Interest income	728,016	325,158	402,858
Miscellaneous	601,183	1,042,159	(440,976)
Total Revenues	<u>23,474,441</u>	<u>19,083,294</u>	<u>4,391,147</u>
Expenses:			
General government	2,448,927	2,005,348	443,579
Public works	5,064,510	4,149,815	914,695
Public safety - Police	4,545,867	4,038,658	507,209
Public safety - Fire	4,816,486	3,561,090	1,255,396
Parks and recreation	768,834	1,465,164	(696,330)
Interest and fiscal charges	1,652,601	-	1,652,601
Total Expenses	<u>19,297,225</u>	<u>15,220,075</u>	<u>4,077,150</u>
Increase (decrease) in net position	4,177,216	3,863,219	313,997
Net position, beginning of year			
as previously stated	42,321,210	38,457,991	3,863,219
Prior period adjustment	(10,874,927)	-	(10,874,927)
Net position, end of year	<u>\$ 35,623,499</u>	<u>\$ 42,321,210</u>	<u>\$ (6,697,711)</u>

Total 2024 revenues shown in Table 2 were \$23,474,441, compared with total revenues of \$19,083,294 in 2023 which is an increase in total revenues of \$4,391,147, or an increase of 23%. Property tax revenues increased \$3.2 million. Approximately \$2.0 million of the increase was due to a new debt service tax approved by the voters to pay principal and interest on the general obligation bonds issued in 2024 to construct a new community center and make other park improvements. In addition there was increased sales tax revenues to service the tax incremental financing notes related to the Crestwood Plaza redevelopment. Approximately \$500,000 of the increase in property taxes was from Payments In Lieu of Taxes (PILOTS) received from the TIF District, which can only be used to service the TIF Debt. Sales tax increased approximately \$1.0 million, due to approximately \$600,000 in new sales taxes collected within the TIF District, which also can only be used to service the TIF Debt.

Charges for service increased approximately \$440,000, most of this increase was due to the City starting to collect charges on ambulance services toward the end of 2023.

Total 2024 expenses increased by \$4,077,150 from \$15,220,075 in 2023. The most significant factor in the increase was a difference of approximately \$1.5 million in the amount of other post employment benefit (OPEB) expense recognized in the government-wide statements. OPEB expense is recognized in the government-wide financial statements based on the estimated benefits earned compared to actual benefits paid in the fund financial statements. Depreciation expense also increased almost \$700,000 compared to 2023, because the City placed over \$4.5 million of capital assets into service in 2024. Finally \$1.6 million of the increase in expenses related to the payment of interest on outstanding debt. Of the \$1.6 million, \$1.2 million related to interest on the TIF Notes. The principal and interest on the TIF Notes can only be paid out of the revenue collected in the TIF District through economic activity taxes (EATS) and PILOTS. Even though the City is required to reflect this debt and interest costs on its government-wide statements, none of the City's assets can be used to repay the outstanding debt and interest.

Governmental Funds

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

Table 3

	2024	2023	Variance
Taxes	\$ 17,799,621	\$ 13,810,042	\$ 3,989,579
Licenses and permits	1,267,298	1,215,427	51,871
Fines and Fofeitures	100,719	56,775	43,944
Charges for services	1,343,677	1,029,379	314,298
Investment earnings	728,016	325,158	402,858
Grants	1,033,232	1,393,572	(360,340)
Other	601,183	1,094,510	(493,327)
Total	<u>\$ 22,873,746</u>	<u>\$ 18,924,863</u>	<u>\$ 3,948,883</u>

Total 2024 revenues in the governmental funds increased \$3,948,883 or 21%. A majority of the increase is due to an increase in property taxes (Prop A and PILOTS) and sales tax (EATS) for servicing the recently issued debt (G.O. Bonds and TIF Notes). Combined with increases in investment earnings related to favorable market rates and increased balances from unspent bond proceeds of approximately \$33,000,000 in interest bearing accounts. Increases were offset by decrease in grant revenue and other income from one-time reimbursements in 2023 for road and median improvements.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the fiscal year 2024, the City had \$29,048,027 invested in a broad range of capital assets, net of depreciation, including police, fire and public works equipment, buildings, park facilities and roads. This amount represents a net increase (including additions and deductions) of \$3,027,323 over the prior year. The following table represent the cost of the capital assets. More detailed information is presented in note 5 of the financial statements.

Table 4

	2024	2023	Variance
Land	\$ 1,908,702	\$ 1,908,702	\$ -
Construction in progress	2,555,649	2,309,332	246,317
Buildings and other structures	23,850,959	23,903,577	(52,618)
Vehicles	4,101,424	3,357,219	744,205
Machinery and equipment	2,692,075	2,715,214	(23,139)
Infrastructure	17,823,068	16,020,152	1,802,916
Total	<u>\$ 52,931,877</u>	<u>\$ 50,214,196</u>	<u>\$ 2,717,681</u>

The most significant additions to capital assets this fiscal year was for completed road and other improvement projects totaling \$2,922,842, a firetruck for \$816,802, a second ambulance for \$285,485, combined with construction costs incurred to date of \$1,602,223 on the new community center project.

Long-term Liabilities

At year-end, the City had long-term liabilities totaling \$49,560,277 compared to \$13,579,577 as restated in 2023. This includes \$34,915,811 in outstanding debt and premiums from the general obligation bonds issued in September 2024 for the new community center. There was also \$10,874,927 in outstanding debt from the tax increment financing notes issued in December 2023 for Crestwood Plaza redevelopment. The remaining balance is from the liabilities related to employment benefits, including compensated absences, and other post employment benefit obligations. More detailed information on the City's long-term liabilities is presented in notes 6 and 8 of the financial statements.

THE CITY'S FUNDS

Fund balance increased \$1,716,365 in the General Fund in 2024. General Fund revenues exceeded expenditures by \$1,786,281, as a result of the increased tax collections and timing of planned expenditures. Tax revenue increased approximately \$700,000 in 2024 compared to 2023.

Fund balance in the Prop A Fund increased by \$35,383,065, as a result of the City issuing bonds totaling \$33,340,000. The most significant amount of the bond proceeds will be spent over the next two to three years as the City constructs a new community center and makes other park improvements.

The Capital Improvements Fund and the Parks and Stormwater Fund had small changes in fund balance decreasing of \$82,342 and \$150,668, respectively in 2024. Expenditures match revenue in these funds during most years.

General Fund Budgetary Highlights

For 2024, actual revenues in the General Fund were \$15,507,000 as compared to the budget amount of \$14,518,581. Actual expenditures were \$13,720,719 as compared to the budget amount of \$14,432,357. The net positive budget variance of \$1,630,141, resulted in a surplus of \$1,716,365 after transfers and other sources for the year ended December 31, 2024.

The City's expenditures were under budget by \$711,638. This was due primarily to timing of filling staff vacancies, and related decreases in retirement plan obligations for terminated employees.

The City made no budget amendments to the General Fund during 2024.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City has seen an improving local economy, centered around the Watson Road business corridor. The redevelopment of the former Crestwood Court mall site, which represented the largest development opportunity in the City, has seen the main phases completed, and now is getting into the later outlot development phases.

That said, economic uncertainty due to global economic factors continues to be an issue impacting city forecasts. Rising inflation has led to increased sales tax revenues, but also has increased costs. The labor shortages of a few years have eased, slightly, but wages increased in order to remain competitive. Material costs continue to rise, which impact various city projects and services.

Crestwood has weathered the economic turbulence. The City budget's financial base, anchored by grocery stores like Schnuck's, Sam's Club, Aldi's, and the new Dierbergs, continue to perform well. The Watson Road corridor continues to attract development interest.

In April 2024, Crestwood voters approved Proposition A, a major bond issue, to fund the construction of a new community center, as well as other park-related projects. The completion of this new community center is expected to generate more revenue than the existing community center, and operate in a more financially sustainable way. Construction of the new center is under way with completion expected in late 2026.

As a best practice, the City will continue to conservatively forecast revenues (excluding grants) in all of its major funds. Accordingly, the General Fund revenues in 2025 are budgeted at \$15,187,661 and expenditures were estimated at \$15,234,886, yielding a deficit of \$47,225. For the year-end 2025, the City projects a fund balance of \$8,187,754.

The 2025 Capital Improvement Fund budget envisioned revenues of \$2,235,128 along with \$2,480,000 of expenditures, yielding a deficit of \$244,872. This deficit would result in a fund balance of \$832,717 at the end of 2025.

The 2025 Park and Stormwater Fund budget estimated revenues of \$2,537,564 and expenditures of \$2,721,396 yielding a deficit of \$183,832. The estimated fund balance for the Park and Stormwater Fund is projected to be \$676,448 at the end of 2025.

The 2025 Sewer Lateral Fund budget estimated revenues of \$154,400 and expenditures of \$153,312 yielding a surplus of \$1,088. The estimated fund balance for the Sewer Lateral Fund would be \$405,014 at the end of 2025.

The City will continue to focus on maintaining fund balances and being fiscally responsible with the assets of the City, while providing a high-quality level of service to the citizens of the City of Crestwood, Missouri. As a standing practice, the City will continue exploring possible options to increase other revenue sources and control expenditures in order to provide adequate long-term funding.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives.

If you have questions about this report or would like additional financial information, please visit our website, or contact the Finance Officer of the City of Crestwood, Missouri, One Detjen Drive, MO 63126.

CITY OF CRESTWOOD, MISSOURI

STATEMENT OF NET POSITION

DECEMBER 31, 2024

	Governmental Activities
ASSETS	
Cash and investments	\$ 10,195,403
Cash and investments - restricted	33,788,887
Taxes receivables:	
Property	2,860,261
Sales	1,853,696
Other	197,459
Grants receivable	408,454
Ambulance receivable	66,516
Leases receivable, net	510,398
Interest receivable	50,920
Other assets	90,152
Net pension asset	5,517,599
Capital assets - net:	
Nondepreciable	4,464,351
Depreciable	24,583,676
TOTAL ASSETS	84,587,772
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflow - Pension	2,841,103
LIABILITIES	
Accounts payable and accrued liabilities	511,520
Accrued wages	315,398
Accrued interest	790,428
Refundable deposits	31,516
Noncurrent liabilities:	
Due in one year - bonds	400,000
Due in more than one year:	
Bonds and bond premiums	45,390,738
Compensated absences	589,305
Net OPEB liability	3,180,234
TOTAL LIABILITIES	51,209,139
DEFERRED INFLOWS OF RESOURCES	
Deferred inflow - Leases	463,346
Deferred inflow - Pension	132,891
TOTAL DEFERRED INFLOWS	596,237
NET POSITION	
Investment in capital assets	27,856,744
Restricted:	
Public safety	34,161
Debt service	1,857,328
Capital projects	1,150,384
Parks and stormwater	911,916
Sewer repairs	444,075
Tax increment financing	472,850
Net pension asset	5,517,599
Unrestricted	(2,621,558)
TOTAL NET POSITION	\$ 35,623,499

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

CITY OF CRESTWOOD, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Change in Net Position
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
General government	\$ 2,448,927	\$1,263,335	\$ 522,480	\$ -	\$ (663,112)
Public works	5,064,510	139,286	-	475,070	(4,450,154)
Public safety:					
Police	4,545,867	-	35,682	-	(4,510,185)
Fire	4,816,486	410,985	-	-	(4,405,501)
Parks and recreation	768,834	929,912	-	-	161,078
Interest and fiscal charges	1,652,601	-	-	-	(1,652,601)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 19,297,225	\$2,743,518	\$ 558,162	\$ 475,070	(15,520,475)
General Revenues:					
Taxes:					
Sales					10,093,064
Property					6,038,294
Utilities					1,528,564
Other					708,570
Investment income					728,016
Miscellaneous					601,183
TOTAL GENERAL REVENUES					19,697,691
CHANGE IN NET POSITION					4,177,216
NET POSITION - BEGINNING OF YEAR, AS PREVIOUSLY STATED					42,321,210
Prior period adjustment					(10,874,927)
NET POSITION - BEGINNING OF YEAR					31,446,283
NET POSITION - END OF YEAR					\$ 35,623,499

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

CITY OF CRESTWOD, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	General Fund	Prop A Fund	Capital Improvement Fund	Parks & Stormwater Fund	Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 7,777,885	\$ 117,289	\$ 935,029	\$ 789,335	\$ 575,865	\$ 10,195,403
Taxes receivables:						
Sales	1,264,705	-	250,963	285,878	52,150	1,853,696
Property	1,719,635	1,103,171	-	-	37,455	2,860,261
Other	197,459	-	-	-	-	197,459
Grants receivable	408,454	-	-	-	-	408,454
Ambulance receivable	66,516	-	-	-	-	66,516
Leases receivable, net	510,398	-	-	-	-	510,398
Interest receivable	33,972	16,948	-	-	-	50,920
Prepaid items	90,152	-	-	-	-	90,152
Due from other funds	223,482	802,558	-	-	297,263	1,323,303
Cash and investments - restricted	64,359	33,724,528	-	-	-	33,788,887
TOTAL ASSETS	<u>\$ 12,357,017</u>	<u>\$ 35,764,494</u>	<u>\$ 1,185,992</u>	<u>\$ 1,075,213</u>	<u>\$ 962,733</u>	<u>\$ 51,345,449</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ 490,289	\$ -	\$ -	\$ 21,231	\$ -	\$ 511,520
Accrued wages	315,398	-	-	-	-	315,398
Due to other funds	1,099,821	-	35,608	142,066	45,808	1,323,303
Refundable deposits	31,516	-	-	-	-	31,516
TOTAL LIABILITIES	<u>1,937,024</u>	<u>-</u>	<u>35,608</u>	<u>163,297</u>	<u>45,808</u>	<u>2,181,737</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue:						
Property taxes	552,640	381,429	-	-	-	934,069
Leases	463,346	-	-	-	-	463,346
Ambulance	31,824	-	-	-	-	31,824
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,047,810</u>	<u>381,429</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,429,239</u>
FUND BALANCES						
Nonspendable - prepaid items	90,152	-	-	-	-	90,152
Restricted for:						
Public safety	34,161	-	-	-	-	34,161
Sewer lateral repairs	-	-	-	-	444,075	444,075
Tax increment financing	-	-	-	-	472,850	472,850
Capital improvements	-	33,525,737	1,150,384	-	-	34,676,121
Parks and stormwater	-	-	-	911,916	-	911,916
Debt Service	-	1,857,328	-	-	-	1,857,328
Assigned for future appropriations	47,225	-	-	-	-	47,225
Unassigned	9,200,645	-	-	-	-	9,200,645
TOTAL FUND BALANCES	<u>9,372,183</u>	<u>35,383,065</u>	<u>1,150,384</u>	<u>911,916</u>	<u>916,925</u>	<u>47,734,473</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OR RESOURCES AND FUND BALANCES	<u>\$ 12,357,017</u>	<u>\$ 35,764,494</u>	<u>\$ 1,185,992</u>	<u>\$ 1,075,213</u>	<u>\$ 962,733</u>	<u>\$ 51,345,449</u>

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

CITY OF CRESTWOOD, MISSOURI
RECONCILIATION OF THE STATEMENT OF NET POSITION
OF GOVERNMENTAL FUNDS TO THE BALANCE SHEET
AS OF DECEMBER 31, 2024

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

Total fund balance per balance sheet	\$ 47,734,473
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	29,048,027
Receivables not collected in the current period are not available to pay current expenditures and, therefore, are deferred in the funds.	965,893
The net pension assets reported in governmental activities does not provide current financial resources and, therefore, is not reported in the funds.	5,517,599
Deferred outflows and inflows of resources related to pension are applicable to future periods and, therefore are not reported in the funds.	2,708,212
Accrued interest payable recorded in the statement of net position does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.	(790,428)
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.	
Long-term liabilities at year-end consist of:	
Other post employment benefit obligation	(3,180,234)
Accrued compensated absences	(589,305)
Outstanding debt, including premiums	<u>(45,790,738)</u>
Net position of governmental activities	<u><u>\$ 35,623,499</u></u>

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

CITY OF CRESTWOOD, MISSOURI**STATEMENT OF ACTIVITIES -****GOVERNMENTAL FUNDS****DECEMBER 31, 2024**

	General Fund	Prop A Fund	Capital Improvement Fund	Parks & Stormwater Fund	Nonmajor Funds	Total Governmental Funds
REVENUES						
Taxes:						
Sales	\$ 6,603,188	\$ -	\$ 1,332,357	\$ 1,523,264	\$ 634,255	\$ 10,093,064
Property	3,107,328	1,857,328	-	-	504,767	5,469,423
Utility	1,528,564	-	-	-	-	1,528,564
Other	708,570	-	-	-	-	708,570
Licenses and permits	1,267,298	-	-	-	-	1,267,298
Fines and forfeitures	100,719	-	-	-	-	100,719
Charges for services	274,479	-	-	929,912	139,286	1,343,677
Investment earnings	367,512	241,567	47,251	44,867	26,819	728,016
Grants	1,012,407	-	20,825	-	-	1,033,232
Other	536,935	-	41,234	23,014	-	601,183
TOTAL REVENUES	15,507,000	2,098,895	1,441,667	2,521,057	1,305,127	22,873,746
EXPENDITURES						
Current:						
General government	2,070,407	-	-	-	31,208	2,101,615
Public works	2,998,316	-	1,190,330	534,857	104,808	4,828,311
Public safety:						
Police	4,024,536	-	-	-	-	4,024,536
Fire	4,627,460	-	-	-	-	4,627,460
Parks and recreation	-	-	-	2,116,222	-	2,116,222
Capital outlay	-	1,487,606	371,068	20,646	-	1,879,320
Debt service:						
Principal, interest and fiscal charges	-	226,972	-	-	718,138	945,110
TOTAL EXPENDITURES	13,720,719	1,714,578	1,561,398	2,671,725	854,154	20,522,574
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,786,281	384,317	(119,731)	(150,668)	450,973	2,351,172
OTHER FINANCING SOURCES (USES)						
Proceeds from the issuance of debt	-	33,340,000	-	-	-	33,340,000
Bond premium	-	1,658,748	-	-	-	1,658,748
Sale of capital assets	2,867	-	37,389	-	-	40,256
Transfers in (out)	(72,783)	-	-	-	72,783	-
TOTAL OTHER FINANCING SOURCES (USES)	(69,916)	34,998,748	37,389	-	72,783	35,039,004
CHANGE IN FUND BALANCE	1,716,365	35,383,065	(82,342)	(150,668)	523,756	37,390,176
FUND BALANCES - BEGINNING OF YEAR	7,655,818	-	1,232,726	1,062,584	393,169	10,344,297
FUND BALANCES - END OF YEAR	\$ 9,372,183	\$ 35,383,065	\$ 1,150,384	\$ 911,916	\$ 916,925	\$ 47,734,473

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

CITY OF CRESTWOOD, MISSOURI
RECONCILIATION OF THE STATEMENT OF ACTIVITIES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

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

Change in fund balance-total governmental funds	\$ 37,390,176
Revenues that do not provide current financial resources are not included in the fund financial statements.	600,695
The acquisition of capital assets requires the use of current financial resources but has no effect on net position.	5,109,533
In the statement of activities, only the gain or loss on the disposal of capital assets is reported, whereas in the governmental funds financial resources received are reflected as revenue. As a result, the change in net position differs from the change in fund balance by the net book value of the disposed capital assets.	(199,456)
The cost of capital assets is allocated over their estimated useful lives and are reported as depreciation expense in the statement of revenues, expenses, and changes in net position.	(1,882,754)
Compensated absence expenses in the statement of activities do not require the use of current financial resources, and therefore are not report as an expenditure in the governmental funds.	(159,968)
The amortization of bond premiums affect the long-term liabilities in the statement of net position but do not provide current financial resources to the funds.	82,937
Interest is reported as an expenditure when due in the governmental funds but is accrued in the statement of activities.	(790,428)
Issuance of debt is current financial resources and reported as an addition to fund balance in the fund statements. It is recorded as a noncurrent liability in the statement net position.	(34,998,748)
The costs of providing employee benefits in future periods are recognized as an expense in the statement of revenues, expenses, and changes in net position when the benefit is earned, however it is not recognized as an expenditure until paid.	(974,771)
Change in net position of governmental activities	<u><u>\$ 4,177,216</u></u>

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

CITY OF CRESTWOOD, MISSOURI
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Crestwood, Missouri is a charter city governed by a mayor and an eight member board of aldermen.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. Generally accepted accounting principles include all relevant Government Accounting Standards Board (GASB) pronouncements.

Reporting Entity

The City defines its financial reporting entity in accordance with Governmental Accounting Standards Board Statements No. 14 and No. 39. The criteria for including a potential component unit within the reporting entity includes the governing body's ability to exercise financial accountability. Financial accountability includes control or dependence over budget adoption, taxing authority, funding and appointment of the respective board. Based upon the application of these criteria, the City does not have any component units.

Government-Wide Financial Statements

Government-Wide Financial Statements - The Statement of Net Position and the Statement Of Activities present financial information about the City as a whole. These statements include the financial activities of the primary government and distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. The City does not have any business-type activities.

The Statement of Net Position presents the financial condition of the governmental activities of the City at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Amounts reported as program revenues include (a) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes, unrestricted interest earnings, gains and other miscellaneous revenue not properly included among program revenues are presented instead as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the City.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Fund Financial Statements

Fund Financial Statements - Following the government-wide financial statements are separate financial statements for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The total fund balances for all governmental funds is reconciled to total net position for governmental activities as shown on the Statement of Net Position. The net change in fund balance for all governmental funds is reconciled to the total change in net position as shown on the Statement of Activities in the government-wide financial statements.

The fund financial statements of the City are organized on the basis of funds, each of which is considered a separate accounting entity with self-balancing accounts that comprise its assets and deferred outflows, liabilities and deferred inflows, fund balances, revenues and expenditures. Governmental 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 summarized by type in the basic financial statements. The following fund types are used by the City:

Governmental Fund Types - Governmental funds are those through which most governmental functions are financed. The acquisition, uses, and balances of the City's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income.

The following are the City's governmental major funds:

General Fund - The General Fund is the general operating fund of the City. All general tax revenues and other revenues that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The fund pays the general operating expenditures, the fixed charges and the capital improvement costs that are not paid through other funds.

Prop A Fund - The Prop A Fund is used to account for financial resources from the issuance of general obligations bonds for the new community center and park improvements. The Prop A Fund also collects the ad valorem tax used to repay the general obligations bond's principal and interest.

Capital Improvement Fund - The Capital Improvement Fund is used to account for financial resources to be used for the acquisition, construction or maintenance of major capital items.

Parks and Stormwater Fund - The Park and Stormwater Fund is used to account for financial resources to be used for the operations of park and stormwater activities as well as the acquisition, construction or maintenance of major capital items related to parks and stormwater projects.

The other governmental funds of the City are considered nonmajor. They are special revenue and debt service funds, which account for specific revenue sources that are legally restricted to expenditures for specific purposes.

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

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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 fund financial statements are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current financial resources generally are included on the balance sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are reported. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

GASB 33 groups non-exchange transactions into the following four classes, based upon their principal characteristics: derived tax revenues, imposed non-exchange revenues, government mandated non-exchange transactions, and voluntary non-exchange transactions.

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

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

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

Measurement Focus and Basis of Accounting - continued

Intergovernmental revenues, representing grants and assistance received from other governmental units, are generally recognized as revenues in the period when all eligibility requirements, as defined by GASB 33, have been met. Any resources received before eligibility requirements are met are reported as deferred revenues.

Charges for services in the governmental funds, which are exchange transactions and are therefore not subject to the provisions of GASB 33, are recognized as revenues when received in cash because they are generally not measurable until actually received.

Budget and Budgetary Accounting

An annual budget is legally adopted through passage of an appropriation ordinance by the Board of Aldermen for the General Fund, Capital Improvement Fund, Parks and Stormwater Fund and the Sewer Lateral Fund, prior to the beginning of each fiscal year. Budgets are adopted on a basis consistent with U.S. generally accepted accounting principals. The Board of Aldermen follow the procedures outlined below in establishing the budgetary data reflected in the accompanying basic financial statements:

- Department heads prepare departmental operating budgets and the Finance Officer makes revenue projections on or before September 15. The Finance Department edits and assembles the data for review.
- The City Administrator and Finance Officer review and revise departmental operating budgets based upon estimated revenue projections and operational priorities.
- At least forty-five days prior to the beginning of each fiscal year, the City Administrator shall submit to the Board of Aldermen a proposed final budget and accompanying written narrative.
- The Ways and Means Committee review a preliminary budget approximately three months prior to the new fiscal year to discuss revenue and fund balance projections, and proposed expenditures for all funds.
- Following any recommendations by the Way and Means Committee, the Board of Aldermen conducts budget work sessions in which board members express their opinions on the proposed budget.
- Based on the Board's recommendations, a budget ordinance is prepared. After a fifteen-day public notice, the Board of Aldermen holds a public hearing to hear taxpayer comments of the proposed budget.
- The budget is then adopted by ordinance.
- Budgeted expenditures cannot legally exceed appropriations at the fund level. Revenue estimates are adjusted to reflect any unencumbered or undesignated balance from the previous year.

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

Budget and Budgetary Accounting - continued

- During the year, the City Administrator may transfer all or any part of any unencumbered appropriation balance among accounts within a department. The Board of Aldermen may, by motion of the Board, transfer part or all of any unencumbered appropriation balance from one department to another.
- At the end of each budget period, all appropriated balances lapse and may be reappropriated in the next budget period.
- The City's budgets are prepared on the modified accrual basis.

Cash and Cash Equivalents

The City considers all highly liquid investments with a maturity of three months or less to be cash equivalents. Certificates of deposits held at banks with an original maturity in excess of three months are reported at cost and reported as certificates of deposit in the financial statements.

Missouri State Statute requires that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits.

Capital Assets and Depreciation

The City's property, plant, equipment, and infrastructure with useful lives of more than one year are stated at original or estimated original cost and comprehensively reported in the government-wide financial statements. Donated assets are stated at acquisition value on the date donated. The City generally capitalizes assets with cost of \$5,000 or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives for depreciable assets are as follows:

<u>Major Group</u>	<u>Life</u>
Buildings and structures	40 years
Improvements other than buildings	3 - 15 years
Furniture, fixtures, and equipment	3 - 15 years
Infrastructure	20 - 40 years

General infrastructure assets acquired after January 1, 2002, were recorded as capital assets and consist of the road network assets that were acquired or that received substantial improvements and are reported at historical cost. The costs of normal maintenance and repairs that do not add value to the asset or materially extend the assets lives are not capitalized.

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

Compensated Absences

Under terms of the City’s personnel policy, vacations accrue immediately after employment and employees are eligible for vacation time after six months employment with the City. Upon termination, the employee is entitled to payment for accrued vacation benefits. Sick leave is accumulated based upon length of service and is available only to provide compensation during periods of illness. Eligible employees who retire from the City are eligible to receive a sick leave benefit payout, up to \$10,000, based on accumulated sick leave. The accrued benefit liability for unused vacation, sick leave and compensation time in the amount of \$589,305 has been recorded in the government-wide financial statements. The City adopted GASB 101, *Compensated Absences*, effective January 1, 2024. This had no effect on net assets or financial statement presentation, as City continues to report the net liability.

Property Tax Revenue

The City’s property tax is levied each year on the assessed value listed as of the prior January 1 for all real and personal property located in the City. Taxes are levied on October 1 and payable by December 31. A lien is placed on the property on January 1 and is then subject to interest and penalties. The adjusted assessed value at January 1, 2024, upon which the 2024 levy was based on real, personal and public utility property, was \$422,115,123.

The City’s tax rate was levied as follows:

	Real Estate		Personal
	Residential	Commercial	Property
General Fund	\$.5160	\$.6990	\$.7280
Debt Service	.5200	.5200	.5200

Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2024, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

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

Long-Term Liabilities

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

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

Leases - Lessor

The City is a lessor for noncancellable leases with wireless companies for cell tower space on land owned by the City. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

Lease Receivable – The City initially measures the leases at the present value of payments expected to be received during the lease period, in accordance with GASB No. 87. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received.

The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases. This rate is reduced if the incremental borrowing rate is more than the implied rate in the lease.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payment payments from the lease.

The City monitors changes in circumstances that would require a remeasurement of its leases, and will remeasure the lease receivable or payable if certain changes occur that are expected to significantly affect the amounts of the lease.

Use of Estimates

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The statement of net position reports \$4,836,553 of restricted net position, all of which is restricted by enabling legislation. All other net position is reported as unrestricted. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balance Classification - The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Authority is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable - Resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.

Restricted - Resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provision or enabling legislation.

Committed - Resources which are subject to limitations the government imposes upon itself at its highest level of decision making (ordinance), and that remain binding unless removed in the same manner.

Assigned - Resources neither restricted nor committed for which a government has a stated intended use as established by the Board of Aldermen or an official to which the Board of Aldermen has delegated the authority to assign amounts for specific purposes.

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

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

2. CASH AND INVESTMENTS

Deposits - The City's bank deposits are required by state law to be secured by the deposit of certain securities specified at RSMo 30.270 with the City or trustee institution. The value of the securities must amount to the total of the City's cash not insured by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2024, the carrying amount of the City's bank deposits totaled \$2,804,880 with bank balances of \$3,011,262. The entire bank balance was covered by the FDIC or was covered by collateral pledged in the name of the City and held by the pledging bank's trust department or agent.

Missouri Securities Investment Program (MOSIP) – The City has \$41,179,410 invested in the MOSIP money market as of December 31, 2024. All funds in the program are invested in accordance with Section 165.051 Missouri Revised Statutes. Each entity owns a pro-rata share of each investment or deposit which is held in the name of the Fund. Since the Fund has the characteristics of a mutual fund, it is not reported by risk category in accordance with the Governmental Accounting Standards Board.

Investments - State statutes and City policy authorize the investment in obligations of the U.S. Treasury, agencies and instrumentalities, collateralized public deposits (certificates of deposit) and repurchase agreements.

Interest Rate Risk - The City minimizes the risk that the market values of securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in shorter-term securities. Investments are limited to maturities of five years or less from the date of purchase. The weighted average of maturities should not exceed three years.

Custodial Credit Risk - For an investment, the custodial risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The City minimizes credit risk by pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the City does business and diversifying the portfolio so that potential losses on individual securities is minimized.

Concentration of Credit Risk - It is the City's policy to limit investments to the maximum percentages as follows:

U.S. treasuries and securities having principal and/or interest guaranteed by the U.S government	100%
Collateralized time and demand deposits	100
Collateralized repurchase agreements	50

3. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Balances of due to/from other funds at December 31, 2024 are as follows:

	<u>Due From</u>	<u>Due To</u>
General Fund	\$ 223,482	\$ 1,099,821
Capital Improvements	-	35,608
Parks and Stormwater	-	142,066
Prop A	802,558	-
Sewer Lateral	-	45,808
TIF	297,263	-
	<u>\$ 1,323,303</u>	<u>\$ 1,323,303</u>

The outstanding balances between funds result from the time lag between the dates the reimbursable expenditures occur and the payments are made.

Interfund transfers for the period ending December 31, 2024 are as follows:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund		\$ 72,783
TIF	\$ 72,783	

4. LEASE RECEIVABLE

The City leases space to two tenants for cell towers under noncancelable operating leases with initial term of 5 years, and additional 5-year renewals through 2043. Monthly payments increase during the lease period, under each of the leases. The City recognized \$35,488 in lease revenue and \$57,118 in interest revenue during the current fiscal year related to these leases. As of December 31, 2024, the City's receivable for lease payments was \$510,398. The deferred inflow of resources associated with this lease as of December 31, 2024, was \$463,346. Future minimum lease payments as of the years ending December 31 are as follows:

	<u>Future Minimum Lease Payments</u>
2025	46,892
2026	46,892
2027	46,892
2028	47,487
2029	50,463
Thereafter (2030-2043)	<u>443,370</u>
Total payments	681,997
Portion representing interest	<u>(171,599)</u>
Lease receivable	<u>\$ 510,398</u>

5. CAPITAL ASSETS

The following is a summary of changes in capital assets for the period ended December 31, 2024:

	Balance Beginning Of Year	Additions	Deletions	Balance End of Year
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 1,908,702	\$ -	\$ -	\$ 1,908,702
Construction in progress	2,309,332	2,784,688	(2,538,371)	2,555,649
Total capital assets, not depreciated	<u>4,218,034</u>	<u>2,784,688</u>	<u>(2,538,371)</u>	<u>4,464,351</u>
Capital assets, being depreciated				
Buildings	23,903,577	107,954	(160,572)	23,850,959
Equipment	2,715,214	278,517	(301,656)	2,692,075
Vehicles	3,357,219	1,553,903	(809,698)	4,101,424
Infrastructure	16,020,152	2,922,842	(1,119,926)	17,823,068
Total capital assets, being depreciated	<u>45,996,162</u>	<u>4,863,216</u>	<u>(2,391,852)</u>	<u>48,467,526</u>
Less accumulated depreciation:				
Buildings	(13,734,308)	(406,159)	117,453	(14,023,014)
Equipment	(2,006,147)	(219,256)	301,656	(1,923,747)
Vehicles	(2,266,017)	(433,877)	796,413	(1,903,481)
Infrastructure	(6,187,020)	(823,462)	976,874	(6,033,608)
Total accumulated depreciation	<u>(24,193,492)</u>	<u>(1,882,754)</u>	<u>2,192,396</u>	<u>(23,883,850)</u>
Net capital assets being depreciated	<u>21,802,670</u>	<u>2,980,462</u>	<u>(199,456)</u>	<u>24,583,676</u>
Subtotal governmental activities	<u>\$ 26,020,704</u>	<u>\$ 5,765,150</u>	<u>\$ (2,737,827)</u>	<u>\$ 29,048,027</u>

Within the statement of revenues, expenses, and changes in net position, depreciation expense is charged to functions of the primary government as follows:

Government Activities:	
General Government	\$ 235,872
Police	202,331
Fire	261,375
Public Works	903,936
Parks and Recreation	279,240
Total	<u>\$ 1,882,754</u>

6. LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

	Beginning Of Year Restated	Additions	Reductions	End Of Year	Amounts Due in One Year
GO Bonds	\$ -	\$ 33,340,000	\$ -	\$ 33,340,000	\$ 400,000
TIF Notes	10,874,927	-	-	10,874,927	-
Issuance premiums	-	1,658,748	(82,937)	1,575,811	-
Compensated absences	429,337	159,968	-	589,305	-
	<u>\$ 11,304,264</u>	<u>\$ 35,158,716</u>	<u>\$ (82,937)</u>	<u>\$ 46,380,043</u>	<u>\$ 400,000</u>

Direct Placement Debt

In December 2023, the City issued Tax Increment Revenue Notes - Series 2023 for the redevelopment of Crestwood Plaza. The notes were issued for the purpose of reimbursing eligible redevelopment expenses incurred during the redevelopment of RPA 1 TIF District within the City of Crestwood, Missouri. The bonds are special, limited obligations of the City, payable solely from Pledged Revenue. Payment of the debt service will be made from the RPA 1 TIF Fund, which will collect the following revenues imposed within the district: 1) Economic Activity Sales Taxes; 2) Payments in Lieu of Taxes; and 3) CID Sales Tax. As of December 31, 2024, the outstanding balance is as follows:

Tax Increment Revenue Notes	<u>\$10,874,927</u>
Interest - WSJ Rate plus 2.5%	
Matures - 2039	
Payments are due on March 1 and September 1	

Principal and interest is paid based on available revenues, therefore no future payment schedule is available.

Non direct placement debt

In September 2024, the City issued General Obligation Bonds Series 2024 to finance the constructing, furnishing and equipping a new community center, renovating existing recreation facilities and other park and recreation improvements in and adjacent to City parks. The debt will be serviced by an ad valorem tax approved by the voters of the City and recorded in the Prop A Fund. As of December 31, 2024, the outstanding balance is as follows:

General Obligation Bonds - Series 2024	<u>\$33,340,000</u>
Interest - 4% to 5%	
Matures - 2044	
Payments are due on March 1 and September 1	

The annual principal and interest requirements for the General Obligation Bonds are as follows for the years ending December 31:

6. **LONG-TERM LIABILITIES - continued**

For the Year ending December 31	Principal	Interest	Total
2025	\$ 400,000	\$ 1,342,230	\$ 1,742,230
2026	755,000	1,384,525	2,139,525
2027	815,000	1,345,275	2,160,275
2028	930,000	1,301,650	2,231,650
2029	1,000,000	1,253,400	2,253,400
2030-2034	6,630,000	5,374,000	12,004,000
2035-2039	9,540,000	3,660,000	13,200,000
2040-2044	13,270,000	1,393,600	14,663,600
	<u>\$ 33,340,000</u>	<u>\$ 17,054,680</u>	<u>\$ 50,394,680</u>

Acceleration clause

None of the City's outstanding debt contains an acceleration clause that allows the lender to accelerate payment of the entire principal and unpaid interest to become immediately due if an Event of Default occurs.

7. **PENSION PLAN**

Plan Description

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

Benefits Provided

LAGERS provides retirement, death, and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police and fire) with 5 or more years of service are entitled to an allowance for life based upon the benefits 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.

7. PENSION PLAN - continued

Benefits Provided - continued

Benefit multiplier	1.50%
Final average salary	3 years
Member contributions	0%

Benefit terms provide for annual post-retirement adjustments to each members' 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 February 28, 2024, the date of the valuation, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	110
Inactive employees entitled to but not yet receiving benefits	57
Active employees	82
Total	<u>249</u>

Contributions

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer do not contribute to the pension plan. Employer contribution rates are 2.4% (General), 7.6% (Police) and 5.4% (Fire) of active member payroll.

Net Pension Liability

The employer's net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2024.

Actuarial Assumptions

The total pension liability in the February 28, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

7. PENSION PLAN - continued

Actuarial Assumptions - continued

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

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

The actuarial assumptions used in the February 28, 2024 valuation were based on the results of an actuarial experience study for the period March 1, 2016 through February 28, 2021.

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 expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Alpha	5.00%	2.37%
Equity	39.00%	5.37%
Fixed income	23.00%	1.47%
Real Assets	33.00%	3.45%
Strategic assets	7.00%	3.46%
Cash/leverage	-7.00%	-0.26%

Discount Rate

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

7. **PENSION PLAN - continued**

Changes in Net Pension Asset

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balanace as of December 31, 2023	\$ 33,532,627	\$ 40,896,789	\$ (7,364,162)
Changes for the year:			
Service cost	587,769	-	587,769
Interest	2,292,586	-	2,292,586
Differences between expected and actual experience	1,566,500	-	1,566,500
Change in assumption	-	-	-
Contributions - employer	-	335,053	(335,053)
Net investment income	-	2,112,450	(2,112,450)
Benefit payments	(2,177,449)	(2,177,449)	-
Administrative expense	-	(29,965)	29,965
Other (net transfers)	-	182,754	(182,754)
Net changes	2,269,406	422,843	1,846,563
Balance as of December 31, 2024	\$ 35,802,033	\$ 41,319,632	\$ (5,517,599)

Sensitivity of the net pension liability to changes in the discount rate

The following presents the Net Pension Asset of the employer, calculated using the discount rate of 7.00%, as well as what the employer's Net Pension Asset would be using a discount rate that is 1 percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate.

	1% Decrease	Current	1% Increase
Net Pension Liability (Asset)	\$ (1,139,797)	\$ (5,517,599)	\$ (9,177,958)

Pension Expense

For the year ended December 31, 2024, the employer recognized pension expense of \$420,283. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

7. **PENSION PLAN - continued**

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

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 1,515,637	\$ 45,276
Changes in assumptions	-	87,615
Net difference between projected and actual earnings on pension plan investments	1,150,916	-
Contributions subsequent to the measurement date	174,550	-
Totals	<u>\$ 2,841,103</u>	<u>\$ 132,891</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 ended December 31, 2024. Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	Amount
2025	\$ 136,120
2026	1,315,257
2027	686,943
2028	320,730
2029	74,612

8. **POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

Plan Description

The City of Crestwood, Missouri administers a single-employer defined benefit healthcare plan (“the Retiree Health Plan”). The plan provides healthcare insurance for eligible retirees and their spouses through the City’s group health insurance plan, which covers both active and retired members, until the retiree reaches the age of 65. The benefit was established through an ordinance of the City. The Retiree Health Plan does not issue a separate publicly available financial report.

Funding Policy

The City pays 95% of the retirees’ insurance if they meet the requirements to participate in the Plan. Spouses of retirees may purchase insurance through the City’s Plan, however the City does not cover any of the premium. The Plan is funded on a pay as you go basis, the amount of implicit rate subsidy and actual premiums paid totaled \$250,622 for the year ended December 31, 2024.

8. **POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS - continued**

OPEB Liability

As of December 31, 2024, the measurement date, the City does not fund the OPEB Plan. The Plan fiduciary net position at December 31, 2024 therefore is \$-0-.

Changes in OPEB Liability

Changes in net OPEB Liability are as follows:

Balanace as of June 30, 2023	\$ <u>2,275,313</u>
Changes for the year:	
Service cost	228,807
Interest	86,000
Differences between expected and actual experience	(40,359)
Change in assumptions	881,095
Benefit payments	(250,622)
Net changes	<u>904,921</u>
Balance as of June 30, 2024	\$ <u><u>3,180,234</u></u>

Assumptions

The other post-employment benefit liability was calculated as of December 31, 2024 using the following assumptions:

Actuarial cost method	Entry age normal
Inflation rate	3.0%
Health care inflation rate	4.5%
Discount rate	Current year - 4.28%; prior year - 4.0%
Mortality	Public Safety – PubS.H-2010 Mortality Table with mortality improvements using Scale MP-2020 All Others – PubG.H-2010 Mortality Table with mortality improvements using Scale MP-2020

The discount rate was increased from 4.0% to 4.28% with the December 31, 2024 valuation.

Sensitivity of the Net OPEB Liability

Discount Rate Sensitivity - The following presents the net OPEB liability of the City, calculated using the discount rate of 4.28%, as well as what the City’s net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (3.28%) or 1 percentage-point higher (5.28%) than the current rate:

8. **POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS - continued**

OPEB Liability - continued

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
OPEB Liability	\$ 2,966,258	\$ 3,180,234	\$ 3,414,350

Healthcare Trend Rate Sensitivity - The following presents the net OPEB liability of the City, calculated using the healthcare trend rates, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
OPEB Liability	\$ 3,503,382	\$ 3,180,234	\$ 2,902,600

For the year ended December 31, 2024, the City recognized OPEB expense of \$1,155,543. At December 31, 2024, the City did not report any deferred inflow or out flows under the alternative measurement reporting method.

9. **RISK MANAGEMENT**

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

The City is a member of the St. Louis Area Insurance Trust (SLAIT), which is a not-for-profit, self-insurance risk pool formed by various St. Louis County municipalities.

In order to operate as a group self-insurer of workers' compensation, SLAIT was formed in August 1986. In addition to insurance protection, the program provides risk management services with emphasis on loss control, claims administration and management information services. The trust is also able to provide the required excess reinsurance at a discount based on volume and the existence of the loss control program. Coverage is provided by the trust for general and auto liability subject to a \$500 deductible per occurrence. SLAIT is fully funded by its member participants and employs an outside service company to process all claims.

The trust requires an annual premium payment by members to cover estimated claims payable and reserves for claims. The members of the trust have no legal interest in the assets, liabilities or fund balances of the insurance trust. However, the City retains a contingent liability to fund its pro rata share of any deficit incurred by the trust should the trust cease operation at some future date. The City's 2024 expenditures for the trust totaled \$494,580 to SLAIT.

The City also purchases commercial insurance to cover risk related to travel, public official liability, earthquakes and employee blanket bonds. Settled claims resulting from these risks have not exceeded coverage in any of the past three years.

10. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. In accordance with the provisions of Governmental Accounting Standards Board Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, the assets and liabilities of the deferred compensation plan are not included in the accompanying basic financial statements.

A trust, custodial account, or annuity contract exists; assets are owned by the trustee, custodian, or insurer for the exclusive benefit of the participants and beneficiaries and are not subject to the claims of public employer creditors, nor can they be used by the public employer for any purpose other than the payment of benefits to those individuals participating in the plan or their designed beneficiaries.

11. CONTINGENCIES

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

12. COURT FINES AND FEES

Missouri State statutes require municipalities to report an accounting of the percent of “annual general operating revenue” from fines and costs for traffic violations. All fines and costs from traffic violations in excess of 20% of the City’s “annual general operating revenue” is required to be remitted to the director of the department of revenue for annual distribution to the schools of the county. “Annual general operating revenue of the City” is defined by the Missouri State Auditor as revenue that is not required by the enacting ordinance law or Constitution to be used only for a designated purpose and can be used pay any bill or obligation of the City. This includes, but is not limited to general sales tax, general property tax, and fees from certain licenses and permits, interest fines, and penalties. “General Operation Revenues” does not include other items, designated sales or use taxes, user fees, grant funds, or other revenue designated by law, ordinance, or Constitution for a specific purpose. The City collected \$100,719 of court fines and costs for traffic violations which represents 0.7% of general operating revenues for the year ended December 31, 2024.

13. TAX ABATEMENTS

Saint Louis County has granted tax abatements through the Advanced Industrials Manufacturing Zones Act Program, Industrial Development Bonds Program, Enhanced Enterprise Zone Initiative Program, and the Urban Development Corporations Program. These programs are under Chapters 68, 100, 135, and 353 of the Local Code in the tax jurisdiction of the District. Chapter 68 encourages industrial development through the issuance of bonds by the Port Authority. Chapter 100 encourages industrial development through the issuance of bonds by the County or Municipality. Chapter 135 encourages the expansion or development of new businesses in an Enhanced Enterprise Zone (EEZ), and Chapter 353 encourages the redevelopment of blighted areas by way of a Redevelopment Corporation. For the calendar year ended 2024, the total amount of property tax abated was \$6,207.

14. **PRIOR PERIOD ADJUSTMENT**

The City issued Tax Increment Revenue Notes - Series 2023 in December of 2023. The notes were not recorded as a liability in the statement of net position as of December 31, 2023. As a result, a prior period adjustment was made to beginning net position of \$10,874,927. There was no affect on beginning fund balance.

15. **SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date of the independent auditor's report, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CRESTWOOD, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Taxes:				
Sales	\$ 6,555,692	\$ 6,555,692	\$ 6,603,188	\$ 47,496
Property	2,926,223	2,926,223	3,107,328	181,105
Utility	1,373,363	1,373,363	1,528,564	155,201
Other	631,350	631,350	708,570	77,220
Licenses and permits	1,108,560	1,108,560	1,267,298	158,738
Fines and forfeitures	57,512	57,512	100,719	43,207
Charges for services	300,000	300,000	274,479	(25,521)
Investment earnings	180,000	180,000	367,512	187,512
Grants	1,196,881	1,196,881	1,012,407	(184,474)
Other	189,000	189,000	536,935	347,935
TOTAL REVENUES	14,518,581	14,518,581	15,507,000	988,419
EXPENDITURES				
Current:				
General government:				
Mayor's office	14,702	14,702	12,667	2,035
Board of Aldermen	45,113	45,113	43,775	1,338
Municipal court	121,133	121,133	116,337	4,796
City Clerk's office	200,658	200,658	190,367	10,291
Finance department	251,148	251,148	259,132	(7,984)
City administrator	545,490	545,490	553,745	(8,255)
MIS	184,000	184,000	196,651	(12,651)
General supporting services	1,068,818	1,068,818	697,733	371,085
Public works:				
General public works	2,252,309	2,252,309	1,739,043	513,266
Administrative services	297,317	297,317	269,766	27,551
Maintenance services	1,078,428	1,078,428	812,160	266,268
Mechanical services	183,735	183,735	177,347	6,388
Public Safety:				
Police	3,748,090	3,748,090	4,024,536	(276,446)
Fire	4,441,416	4,441,416	4,627,460	(186,044)
TOTAL EXPENDITURES	14,432,357	14,432,357	13,720,719	711,638
EXCESS OF REVENUES OVER EXPENDITURES	86,224	86,224	1,786,281	1,700,057
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	2,867	2,867
Transfers in (out)	-	-	(72,783)	(72,783)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(69,916)	(69,916)
CHANGE IN FUND BALANCE	86,224	86,224	1,716,365	\$ 1,630,141
FUND BALANCES - BEGINNING OF YEAR	7,655,818	7,655,818	7,655,818	
FUND BALANCES - END OF YEAR	\$ 7,742,042	\$ 7,742,042	\$ 9,372,183	

CITY OF CRESTWOOD, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Sales taxes	\$ 1,272,304	\$ 1,272,304	\$ 1,332,357	\$ 60,053
Investment earnings	20,000	20,000	47,251	27,251
Grants	330,675	330,675	20,825	(309,850)
Other	30,000	30,000	41,234	11,234
TOTAL REVENUES	<u>1,652,979</u>	<u>1,652,979</u>	<u>1,441,667</u>	<u>(211,312)</u>
EXPENDITURES				
Current:				
General government:				
Capital outlay	300,000	300,000	77,105	222,895
Public works:				
Street maintenance:				
Contractual services	1,130,000	1,130,000	1,190,330	(60,330)
Capital outlay	638,900	638,900	251,493	387,407
Public safety:				
Police:				
Capital outlay	174,000	174,000	42,470	131,530
TOTAL EXPENDITURES	<u>2,242,900</u>	<u>2,242,900</u>	<u>1,561,398</u>	<u>681,502</u>
EXCESS OF REVENUES UNDER EXPENDITURES	(589,921)	(589,921)	(119,731)	470,190
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	37,389	37,389
CHANGE IN FUND BALANCE	(589,921)	(589,921)	(82,342)	<u>\$ 507,579</u>
FUND BALANCE - BEGINNING OF YEAR	<u>1,232,726</u>	<u>1,232,726</u>	<u>1,232,726</u>	
FUND BALANCE - END OF YEAR	<u>\$ 642,805</u>	<u>\$ 642,805</u>	<u>\$ 1,150,384</u>	

CITY OF CRESTWOOD, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
PARKS AND STORMWATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Sales taxes	\$ 1,496,001	\$ 1,496,001	\$ 1,523,264	\$ 27,263
Charges for services:				
Aquatic Center	422,100	422,100	469,096	46,996
Community Center	103,500	103,500	101,723	(1,777)
Recreation programs	336,900	336,900	345,870	8,970
Historic facility	16,200	16,200	13,223	(2,977)
Investment earnings	20,000	20,000	44,867	24,867
Grants	488,400	488,400	-	(488,400)
Other	19,500	19,500	23,014	3,514
TOTAL REVENUES	<u>2,902,601</u>	<u>2,902,601</u>	<u>2,521,057</u>	<u>(381,544)</u>
EXPENDITURES				
Current:				
Public works:				
Contractual services	9,500	9,500	-	9,500
Park maintenance:				
Personnel services	339,268	339,268	317,022	22,246
Contractual services	168,344	168,344	185,949	(17,605)
Commodities	35,450	35,450	31,886	3,564
Capital outlay	-	-	20,646	(20,646)
Parks and recreation:				
Recreation services:				
Personnel services	715,136	715,136	722,092	(6,956)
Contractual services	375,525	375,525	342,627	32,898
Commodities	81,487	81,487	73,719	7,768
Capital outlay	922,000	922,000	126,755	795,245
Aquatic center:				
Personnel services	54,649	54,649	60,003	(5,354)
Contractual services	724,478	724,478	659,030	65,448
Commodities	63,200	63,200	55,456	7,744
Capital outlay	26,850	26,850	21,655	5,195
Historic facilities:				
Contractual services	50,040	50,040	51,976	(1,936)
Commodities	3,000	3,000	2,909	91
Capital outlay	6,500	6,500	-	6,500
TOTAL EXPENDITURES	<u>3,575,427</u>	<u>3,575,427</u>	<u>2,671,725</u>	<u>903,702</u>
EXCESS OF REVENUES UNDER EXPENDITURES	(672,826)	(672,826)	(150,668)	<u>\$ 522,158</u>
FUND BALANCES - BEGINNING OF YEAR	<u>1,062,584</u>	<u>1,062,584</u>	<u>1,062,584</u>	
FUND BALANCE - END OF YEAR	<u>\$ 1,062,584</u>	<u>\$ 1,062,584</u>	<u>\$ 1,062,584</u>	

CITY OF CRESTWOOD, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

1. BUDGETARY INFORMATION

The City prepares its budget on a basis consistent with generally accepted accounting principles. The budgetary process is detailed in footnote 1 of the notes to the financial statements.

The City did not prepare a budget for the TIF Fund for 2024.

CITY OF CRESTWOOD, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
YEARS ENDED DECEMBER 31,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ 587,769	\$ 569,156	\$ 554,234	\$ 529,404	\$ 500,618	\$ 492,840	\$ 468,014	\$ 454,524	\$ 431,543	\$ 416,778
Interest on the total pension liability	2,292,586	2,220,794	2,119,366	2,158,435	2,095,836	2,084,455	1,999,228	1,944,646	1,836,833	1,792,291
Difference between expected and actual experience	1,566,500	262,472	553,115	337,326	(101,550)	(904,500)	216,104	(235,574)	(348,568)	(315,549)
Changes of assumptions	-	-	-	(776,598)	-	-	-	-	879,304	-
Benefit payments	(2,177,449)	(1,899,192)	(1,674,760)	(1,833,084)	(1,464,583)	(1,572,792)	(1,469,021)	(1,367,485)	(1,280,699)	(1,291,903)
Net change in total pension liability	2,269,406	1,153,230	1,551,955	415,483	1,030,321	100,003	1,214,325	796,111	1,518,413	601,617
Total pension liability - beginning	33,532,627	32,379,397	30,827,442	30,411,959	29,381,638	29,281,635	28,067,310	27,271,199	25,752,786	25,151,169
Total pension liability - ending	\$ 35,802,033	\$ 33,532,627	\$ 32,379,397	\$ 30,827,442	\$ 30,411,959	\$ 29,381,638	\$ 29,281,635	\$ 28,067,310	\$ 27,271,199	\$ 25,752,786
Plan Fiduciary Net Position										
Contributions-employer	\$ 335,053	\$ 308,872	\$ 288,937	\$ 273,931	\$ 249,490	\$ 217,642	\$ 194,954	\$ 212,684	\$ 263,271	\$ 301,492
Contributions-employee	-	-	-	-	-	-	-	-	36,318	-
Net investment income	2,112,450	1,451,192	30,113	9,460,955	451,713	2,243,419	3,992,982	3,479,077	(88,524)	597,101
Benefit payments, including refunds	(2,177,449)	(1,899,192)	(1,674,760)	(1,833,084)	(1,464,583)	(1,572,792)	(1,469,021)	(1,367,485)	(1,280,699)	(1,291,903)
Pension plan administrative expense	(29,965)	(33,179)	(24,195)	(21,564)	(28,498)	(24,383)	(17,072)	(15,760)	(15,728)	(16,963)
Other (net transfer)	182,754	(323,836)	(91,102)	233,499	(48,943)	(434,863)	89,975	(94,477)	362,878	(566,884)
Net change in plan fiduciary net position	422,843	(496,143)	(1,471,007)	8,113,737	(840,821)	429,023	2,791,818	2,214,039	(722,484)	(977,157)
Plan fiduciary net position - beginning	40,896,789	41,392,932	42,863,939	34,750,202	35,621,023	35,192,000	32,400,182	30,186,143	30,908,627	31,885,784
Plan fiduciary net position - ending	\$ 41,319,632	\$ 40,896,789	\$ 41,392,932	\$ 42,863,939	\$ 34,780,202	\$ 35,621,023	\$ 35,192,000	\$ 32,400,182	\$ 30,186,143	\$ 30,908,627
Employer net pension liability (asset)	\$ (5,517,599)	\$ (7,364,162)	\$ (9,013,535)	\$ (12,036,497)	\$ (4,368,243)	\$ (6,239,385)	\$ (5,910,365)	\$ (4,332,872)	\$ (2,914,944)	\$ (5,155,841)
Plan fiduciary net position as a percentage of the total pension liability	115.41%	121.96%	127.84%	139.04%	114.36%	121.24%	120.18%	115.44%	110.69%	120.02%
Covered payroll	\$ 6,281,392	\$ 5,339,000	\$ 5,476,812	\$ 5,084,980	\$ 4,784,980	\$ 4,877,977	\$ 4,501,219	\$ 4,491,703	\$ 4,228,937	\$ -
Net pension liability (asset) as a percentage of covered payroll	-87.8%	-137.9%	-164.6%	-236.7%	-91.3%	-127.9%	-131.3%	-96.5%	-68.9%	0.0%

Note to schedule:

Amounts presented for the year-end were determined as of June 30, the measurement date.

CITY OF CRESTWOOD, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS
LAST TEN FISCAL YEARS

Year ended December 31,	Actuarial Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll	
2015	\$ 302,490	\$ 296,525	\$ 5,965	\$ 4,418,069	6.71	%
2016	233,947	233,947	-	4,647,296	5.03	
2017	187,895	187,895	-	4,535,160	4.14	
2018	220,408	207,121	13,287	4,703,011	4.40	
2019	260,595	243,206	17,389	5,076,050	4.79	
2020	259,511	259,511	-	5,176,973	5.01	
2021	266,120	266,120	-	5,392,287	4.94	
2022	312,962	312,962	-	5,677,920	5.51	
2023	312,630	312,630	-	6,020,676	5.19	
2024	352,386	349,962	2,424	6,723,153	5.21	

Notes to Schedule of Contributions

Valuation date: 2/28/2024

Notes: The roll-forward of total pension liability from February 28, 2024 to June 30, 2024 reflects expected service cost and interest reduced by actual benefit payments.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal and Modified Terminal Funding
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Asset valuation method	5-year smoothed fair value; 20% corridor
Inflation	
Salary increases	2.75% - 6.75% including wage inflation
Investment rate of return	7.00%, net of investment expenses
Retirement age	Experience-based table of rates that are specific to the type of eligibility
Mortality	The healthy retiree mortality tables, for post-retirement mortality, were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups.

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

CITY OF CRESTWOOD, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS
FOR THE YEARS ENDED DECEMBER 31,

The following OPEB liability was calculated using the valuation method required in GASB 75:

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB Liability									
Service cost	\$ 228,807	\$ -	\$ 204,286	\$ -	\$ 126,532	\$ 126,173	\$ -	\$ -	\$ -
Interest on total OPEB liability	86,000	-	62,536	-	29,694	19,024	-	-	-
Difference between expected and actual experience	(40,359)	-	(294,569)	-	1,671,475	(17,573)	-	-	-
Change in assumptions	881,095	-	(384,403)	-	317,917	-	-	-	-
Benefit payments, including refunds	(250,622)	-	(183,794)	-	(189,255)	(64,850)	-	-	-
Net change in total OPEB liability	904,921	-	(595,944)	-	1,956,363	62,774	-	-	-
Total OPEB liability - beginning of year	2,275,313	2,275,313	2,871,257	2,871,257	914,894	852,120	-	-	-
Total OPEB liability - end of year	<u>\$ 3,180,234</u>	<u>\$ 2,275,313</u>	<u>\$ 2,275,313</u>	<u>\$ 2,871,257</u>	<u>\$ 2,871,257</u>	<u>\$ 914,894</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan Fiduciary Net Position									
Contributions-employer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,850	\$ -	\$ -	\$ -
Benefit payments, including refunds	-	-	-	-	-	(64,850)	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-	-	-	-	-
Plan fiduciary net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability - end of year	<u>\$ 3,180,234</u>	<u>\$ 2,275,313</u>	<u>\$ 2,275,313</u>	<u>\$ 2,871,257</u>	<u>\$ 2,871,257</u>	<u>\$ 914,894</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	<u>\$ 5,921,052</u>	<u>N/A</u>	<u>\$ 5,380,518</u>	<u>N/A</u>	<u>\$ 4,972,545</u>	<u>\$ 5,116,350</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
OPEB liability as a percentage of covered payroll	<u>53.7 %</u>	<u>N/A</u>	<u>42.3 %</u>	<u>N/A</u>	<u>57.7 %</u>	<u>17.9 %</u>	<u>- %</u>	<u>- %</u>	<u>- %</u>

Notes: The City adopted GASB Statement No. 75 in 2019 and therefore, the above information is not available for the years 2016-2018.

Notes to Schedule

Valuation Date:

January 1, 2024

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal funding method
Amortization method	Level percentage of payroll, closed
Inflation	3.0%
Health care inflation	4.5%
Salary increases	3%
Discount rate	4.28%
Retirement age	Age 57 with 20 years of service
Mortality - Pre-Retirement	Public Safety: PubS.H-2010 Mortality Table with Mortality Improvement using Scale MP-2020
Mortality - Post-Retirement	All Others: PubG.H-2010 Mortality Table with Mortality Improvement using Scale MP-2020

SUPPLEMENTARY INFORMATION

CITY OF CRESTWOOD, MISSOURI
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	Special Revenue Fund <u>Sewer Lateral Fund</u>	Debt Service Fund <u>TIF Fund</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 452,428	\$ 123,437	\$ 575,865
Taxes receivable			
Sales	-	52,150	52,150
Property	37,455	-	37,455
Due from other funds	-	297,263	297,263
TOTAL ASSETS	<u>489,883</u>	<u>472,850</u>	<u>962,733</u>
LIABILITIES			
Due to other funds	<u>45,808</u>	<u>-</u>	<u>45,808</u>
FUND BALANCES			
Restricted	<u>444,075</u>	<u>472,850</u>	<u>916,925</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 489,883</u>	<u>\$ 472,850</u>	<u>\$ 962,733</u>

CITY OF CRESTWOOD, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Special Revenue Fund <u>Sewer Lateral Fund</u>	Debt Service Fund <u>TIF Fund</u>	<u>Total</u>
REVENUES			
Taxes			
Sales	\$ -	\$ 634,255	\$ 634,255
Property	-	504,767	504,767
Charges for services	139,286	-	139,286
Investment income	16,428	10,391	26,819
TOTAL REVENUES	<u>155,714</u>	<u>1,149,413</u>	<u>1,305,127</u>
EXPENDITURES			
General government	-	31,208	31,208
Public works	104,808	-	104,808
Debt service:			
Principal, interest and fiscal charges	-	718,138	718,138
TOTAL EXPENDITURES	<u>104,808</u>	<u>749,346</u>	<u>854,154</u>
EXCESS OF REVENUES OVER EXPENDITURES	50,906	400,067	450,973
OTHER FINANCING SOURCES			
Operating transfer in	<u>-</u>	<u>72,783</u>	<u>72,783</u>
NET CHANGE IN FUND BALANCE	50,906	472,850	523,756
FUND BALANCES - BEGINNING OF YEAR	<u>393,169</u>	<u>-</u>	<u>393,169</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 444,075</u></u>	<u><u>\$ 472,850</u></u>	<u><u>\$ 916,925</u></u>

CITY OF CRESTWOOD, MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
PROP A FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Property taxes	\$ -	\$ -	\$ 1,857,328	\$ 1,857,328
Investment earnings	-	-	241,567	241,567
TOTAL REVENUES	-	-	2,098,895	2,098,895
EXPENDITURES				
Capital Outlay	-	1,711,943	1,487,606	224,337
Debt service				
Principal, interest and fiscal charges	-	500,000	226,972	273,028
TOTAL EXPENDITURES	-	2,211,943	1,714,578	497,365
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(2,211,943)	384,317	2,596,260
OTHER FINANCING SOURCES				
Proceeds from the issuance of debt	-	33,987,414	33,340,000	(647,414)
Bond premium	-	-	1,658,748	1,658,748
TOTAL OTHER FINANCING SOURCES	-	33,987,414	34,998,748	1,011,334
CHANGE IN FUND BALANCE	-	31,775,471	35,383,065	\$ 3,607,594
FUND BALANCE - BEGINNING OF YEAR	-	-	-	
FUND BALANCE - END OF YEAR	\$ -	\$ 31,775,471	\$ 35,383,065	

CITY OF CRESTWOOD, MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
SEWER LATERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Charges for services	\$ 139,400	\$ 139,400	\$ 139,286	\$ (114)
Investment earnings	6,000	6,000	16,428	10,428
TOTAL REVENUES	<u>145,400</u>	<u>145,400</u>	<u>155,714</u>	<u>10,314</u>
EXPENDITURES				
Current:				
Public works				
Personnel services	32,756	32,755	32,891	(136)
Capital Outlay	120,096	87,205	71,917	15,288
TOTAL EXPENDITURES	<u>152,852</u>	<u>119,960</u>	<u>104,808</u>	<u>15,152</u>
EXCESS OF REVENUES OVER EXPENDITURES	(7,452)	25,440	50,906	<u>\$ 25,466</u>
FUND BALANCE - BEGINNING OF YEAR	<u>393,169</u>	<u>393,169</u>	<u>393,169</u>	
FUND BALANCE - END OF YEAR	<u>\$ 385,717</u>	<u>\$ 418,609</u>	<u>\$ 444,075</u>	