

CITY OF MARSHFIELD, MISSOURI



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended
December 31, 2022

Report Prepared and Submitted by the Finance Department

Sam Rost, City Administrator

and

Monica Robinson, Finance Director

BUILDING COMMUNITY *Together*

CITY OF MARSHFIELD, MISSOURI

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BY THE FINANCE DEPARTMENT

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TABLE OF CONTENTS

	Pages
SECTION I – INTRODUCTORY SECTION	
Letter of Transmittal	i-vi
Principal Officials	vii
Organizational Chart	viii
 SECTION II – FINANCIAL SECTION	
Independent Auditor’s Report	1-3
Management’s Discussion and Analysis	4-13
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	14
Statement of Activities	15
Fund Financial Statements	
Balance Sheet – Governmental Funds	16
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position	17
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to Statement of Activities	19
Statement of Net Position – Proprietary Funds	20
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	21
Statement of Cash Flows – Proprietary Funds	22
Notes to Financial Statements	23-49
 Required Supplementary Information	
Notes to Budgetary Comparison Information	50
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – (Budgetary Basis) Major Governmental Funds	51-52
Schedule of Changes in Net Pension Liability and Related Ratios	53
Schedule of Pension Plan Contributions	54

Other Supplementary Information

Combining Balance Sheet – Nonmajor Governmental Funds	55
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	56
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Nonmajor Governmental Funds	57

SECTION III – STATISTICAL SECTION (UNAUDITED)

Statistical Section Overview	58
Financial Trends	
Net Position by Component	59
Changes in Net Position	60-61
Fund Balances in Governmental Funds	62
Changes in Fund Balances of Governmental Funds	63-64
Revenue Capacity	
Tax Revenues by Source, Governmental Funds	65
Property Tax Rates, Direct and Overlapping Governments	66
Assessed and Estimated Actual Value of Property	67
Direct City Sales Tax Revenues by Type	68
Direct and Overlapping Sales Tax Rates	69
Debt Capacity	
Ratios of Outstanding Debt by Type	70
Ratios of General Bonded Debt Outstanding	71
Direct and Overlapping Governmental Activities Debt	72
Legal Debt Margin Information	73
Pledged Revenue Coverage by Fund	74
Demographic and Economic Information	
Demographic and Economic Statistics	75
Operating Information	
Full-Time Equivalent Employees by Function/Program	76
Operating Indicators by Function	77
Capital Asset Statistics by Function	78

SECTION I – INTRODUCTORY SECTION

June 27, 2023

Honorable Mayor
Board of Aldermen
Citizens of the City of Marshfield, Missouri

We are pleased to present for your review the City of Marshfield's Annual Comprehensive Financial Report (ACFR) for the fiscal year that ended December 31, 2022. This report represents the culmination of twelve months of financial activity that is presented in conformance with generally accepted accounting principles (GAAP).

City staff is responsible for the completeness and accuracy of the financial data being presented. It is to the best of our knowledge and belief that the information being reported in this document presents fairly the financial position of the City and the results of operations, in all material respects.

The City's financial statements were audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants, Decker & DeGood. The purpose of Decker & DeGood's audit is to express an opinion on the City's financial statements by obtaining a reasonable assurance that the financial statements are free from material misstatement. The independent audit involved performing procedures to obtain audit evidence of the appropriateness of accounting policies used, the amounts and disclosures in the financial statements as well as evaluating the overall presentation of the financial statements. The independent auditor's report is located at the beginning of the financial section of the ACFR.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it. The basic financial statements and notes provide an overview of the City's financial position and operating results. The combining statements for nonmajor funds, and other schedules provide detailed information relative to the basic financial statements.

BUILDING COMMUNITY *Together*

Mayor Natalie McNish

Aldermen J.C. Cunningham, John Quinn, Robert Boggs & Stacy Lee

The statistical section includes selected financial and demographic information, generally presented in a multi-year basis. This section is designed to provide the user with a broader and more complete understanding of the City and its financial affairs than is possible from only the financial statements and supporting schedules presented in the financial section.

CITY OF MARSHFIELD, MISSOURI

Marshfield is located in southwest Missouri, is the county seat of Webster County has approximately 7,686 residents. The City encompasses an estimated five square miles of land and is approximately 25 miles northeast of Springfield. In addition to Interstate 44, two cross-country routes, the legendary Route 66 and bicycle Route 76 intersect in Marshfield.

The City of Marshfield provides a full range of services, including water services, wastewater services, street maintenance, cemetery, police, parks and recreational facilities and programs, planning and zoning, municipal court, and general administrative services. The City's Street Maintenance Department provides maintenance for surfaced streets and alleys, City owned right of ways, property, buildings, and structures. Marshfield's Public Water System provides water to approximately 3,000 metered customers. The City provides quality drinking water from three (3) deep water wells. These wells produce between 650 and 750 GPM (gallons per minute). Marshfield has an average daily flow of approximately 600,000 gallons with a peak demand up to 1,100,000 gallons. The water system maintains its pressure from four (4) elevated storage tanks capable of storing 1,100,000 gallons of water. The City operates a modern, EPA and MoDNR permitted, Complete Mix Activated Sludge Wastewater Facility. The Facility can provide treatment of up to 1.5 million gallons per day of sewage and up to 3.5 million gallons per day of wet weather inflow to the collection system.

PROFILE OF THE GOVERNMENT

The City of Marshfield operates as a fourth-class city under the Revised Statutes of the State of Missouri (RsMO) and is divided into two wards, the West Ward and the East Ward. The City is governed by a Mayor and four aldermen, two from each Ward. The Mayor is elected at large by the voters of the city every two years. Aldermen are elected by the voters in their respective Wards to serve a staggered two-year term.

As the legislative body, the Board of Aldermen is responsible for enacting all ordinances, resolutions and regulations governing the City. Appointment of the City Administrator, City Clerk, Municipal Judge, City Collector, Chief of Police, City Attorney are made by the Mayor with the consent and approval of the majority of the members of the Board of Aldermen.

The City Administrator is the Chief Administrative Assistant to the Mayor and has general superintending control of the administration and management of the government business, officers and employees of the City, subject to the direction and supervision of the Mayor.

The annual budget serves as the foundation for the City's financial planning and control. The budget preparation begins with each department's detailed estimates of revenues and expenditures. The estimates are evaluated with the City's Finance Advisory Committee, which is comprised of citizens appointed by the Mayor; City Administrator; department supervisors; and

ultimately the Mayor and Board of Aldermen. The Board of Aldermen must approve the annual budget no later than December 31st preceding the beginning of the new fiscal year.

LOCAL ECONOMY

The total tax revenue for the City rose by 7.4% in 2022 and sales tax revenue increased by 7.0%. The City is empowered to levy property taxes on both real and personal property located within its boundaries and has the authority to extend its corporate limits through annexation when deemed appropriate and is approved by City Council.

ECONOMIC

Historically, the City has partnered on economic development efforts with the Marshfield Development League and the Marshfield Chamber of Commerce. While these partnerships continue, Marshfield was one of five Missouri communities to be a part of the Growth in the Rural Ozarks (GRO) Grant program in 2016. This grant program has helped to promote entrepreneurship, job creation and an improved quality of life in Marshfield through economic and workforce development. The grant was co-funded by the Community Foundation of the Ozarks (CFO), and the U.S. Department of Agriculture (USDA) and supported by the Marshfield Area Community Foundation (MACF). 2016 was the first year of the three-year grant and has evolved into the formal formation of GRO Marshfield as a non-profit entity with the Office of the Missouri Secretary of State. The GRO Marshfield program is focused on the following areas that collectively strive to improve the economy and quality of life in Marshfield:

- **Community Development**
 - Community Beautification
 - Housing Preservation
 - Community Growth
 - Community Health
- **Focused Business Growth**
 - Business Attraction
 - Business Outreach
 - Business Development and Resource
- **Entrepreneurship and Innovation**
 - Student Engagement
- **Community Marketing**
 - Community Engagement and Branding
 - Webster County Route 66

MAJOR INITIATIVES

During Fiscal Year 2022, the City of Marshfield completed and continued work on the following major initiatives:

- Construction began on the second interchange on I-44 near mile marker 103 in October 2019. Much of the construction phase was in 2020 and completed in 2021. Financial closeout is expected by the end of the year 2023.
- In 2019 the City awarded the contract for the improvements to the Highway CC-Banning Street -Buffalo Street intersection to address transportation safety issues. Most of the construction phase was in 2020 and completed in 2021.
- In 2019 construction began on awarded contracts for the improvements to the city's water system. Engineering and construction continued through 2021. These improvements are anticipated to be completed in 2023.
- Awarded contracts for improvements to the city's wastewater system in 2019. Majority of the construction was completed in 2020 and completed spring of 2022.
- Continued implementation of a long-range 'Growth Plan' for the community that was adopted in 2020.
- Continued implementation of a long-range Parks & Recreation Master Plan for the City's Park facilities and recreational programs that was completed and adopted in 2020.
- Completed construction of the North Elm Street extension which connects the new Highway CC corridor to Hubble Drive. A multi-purpose trail was constructed and completed in 2022 along N. Elm that connects to the trail on CC Highway. The city submitted a grant request for a TAP grant to connect the trail to the Junior High School.
- Completed subgrade stabilization and overlay of Banning Street.
- The City commissioned a water and sewer rate study to evaluate the rates of each utility system, including operational costs, projected repair and replacement budgets, materials and labor, emergency funds, debt services, regulatory obligations, inflation and more. The study was completed early 2022 with a recommended five-year plan to adjust the water and sewer rates to a point in which they can adequately fund the necessary costs for the systems.

FINANCIAL INFORMATION

Consideration is given to the adequacy of internal accounting controls in developing the City's accounting system. Internal accounting controls are designed to provide reasonable assurance, but not absolute, that assets are effectively safeguarded, and transactions are performed in accordance with management's authorization and are properly recorded. The cost of a control should not exceed the benefits and is recognized in the concept of reasonable assurance through the evaluation of cost and benefit estimates. It is our belief that within this framework the City's internal accounting control system adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

Internal Budgeting Controls

All funds are budgeted on an annual basis. The Budget Officer is designated by the Board of Aldermen. Under the direction of the Budget Officer, the annual budget for all funds is prepared and submitted to the Board for approval. Management use the annual budget as a control tool for financial planning and a measurement tool for operational expenditure levels. Budgeting of the enterprise activity is necessary to ensure the level of user rates is sufficient to cover operational costs and to service debt.

The Board adopts the budget before the beginning of the fiscal year by ordinance. In no event shall the total authorized expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year. During the fiscal year, the City shall not increase the total amount authorized for expenditure from any fund, unless the Board adopts a resolution setting forth the facts and reasons making the increase necessary and adopts an ordinance authorizing the expenditures.

Relevant Financial Policies

Several policies have been developed and implemented by the City to ensure protection of the City's assets and to provide internal controls. Effective December 2012, the City's Purchasing Policy covers topics such as conflict of interest, competitive bidding and other purchasing procedures. Other City policies include Identity Theft Policy, Anti-Fraud Policy, Water and Sewer Rate Adjustment Policy, and Vehicle & Fleet Policy. In May 2018 the City adopted an Investment Policy. The Investment Policy establishes the parameters for investing the City's unallocated funds and identifies the investment objectives, preferences, constraints on the where these funds can be invested as well as how the investment program is to be managed. The Internal Control Policy was adopted March 2022 which documents the procedures that make up the City's internal controls. April 2022 the Grants Policies and Procedures was adopted to establish guidelines and requirements for the application, acceptance, and use of grant revenue.

Debt Administration

As of December 31, 2022, the City of Marshfield had an outstanding debt balance of \$21,990,667 compared to a balance of \$23,379,754 on December 31, 2021. Of this balance, \$8,810,000 is general obligation debt. The remainder of the debt balance is comprised of the following:

- General Leasehold Agreements - \$20,667
- General Certificates of Participation - \$2,885,000
- Enterprise Revenue Bonds - \$10,275,000
- Enterprise Leasehold Agreements - \$0.00

OTHER INFORMATION

A community Vision Casting process was undertaken in 2013 and concluded in 2014. In 2018, in advance of undertaking the community Growth Plan, as previously described, a second Vision Casting effort was undertaken. In each of these efforts, the Vision Casting sessions began with meetings involving community groups: Business, Civic Leaders, Educators, Government, Parents, Pastors, Realtors, and Up and Comers (11th and 12 grade students), Older Adults, and Persons with Disabilities. These sessions were designed to bring the Marshfield community together to inclusively identify priorities and future goals. These priorities and goals are the foundation for the design and implementation of the City's Strategic Plan and Growth Plan. As a result of the community Vision Casting process, various community needs were identified and

prioritized by each of the eight groups. The needs and priorities of each group were then discussed and combined that resulted in the following three community priorities:

- Economic Development
- Activities / Entertainment
- Employment Opportunities

The direction established by the Marshfield Community Vision Casting process, is now leading the initiatives and direction of the community and influences the initiatives undertaken by the city as well as the city's annual budgeting process.

ACKNOWLEDGEMENTS

We would like to extend our appreciation to the Mayor, the Board of Aldermen, the department directors, all city employees, and those volunteers who serve on the City's Finance Advisory Committee for their oversight of the of the City's resources in providing quality services to Marshfield residents. We would also like to thank our auditors, Decker & DeGood, P.C., for their help in formulating this report.

Respectfully submitted,



Sam Rost
City Administrator



Monica Robinson
Finance Director

CITY OF MARSHFIELD, MISSOURI

Principal Officials

As of December 31, 2022

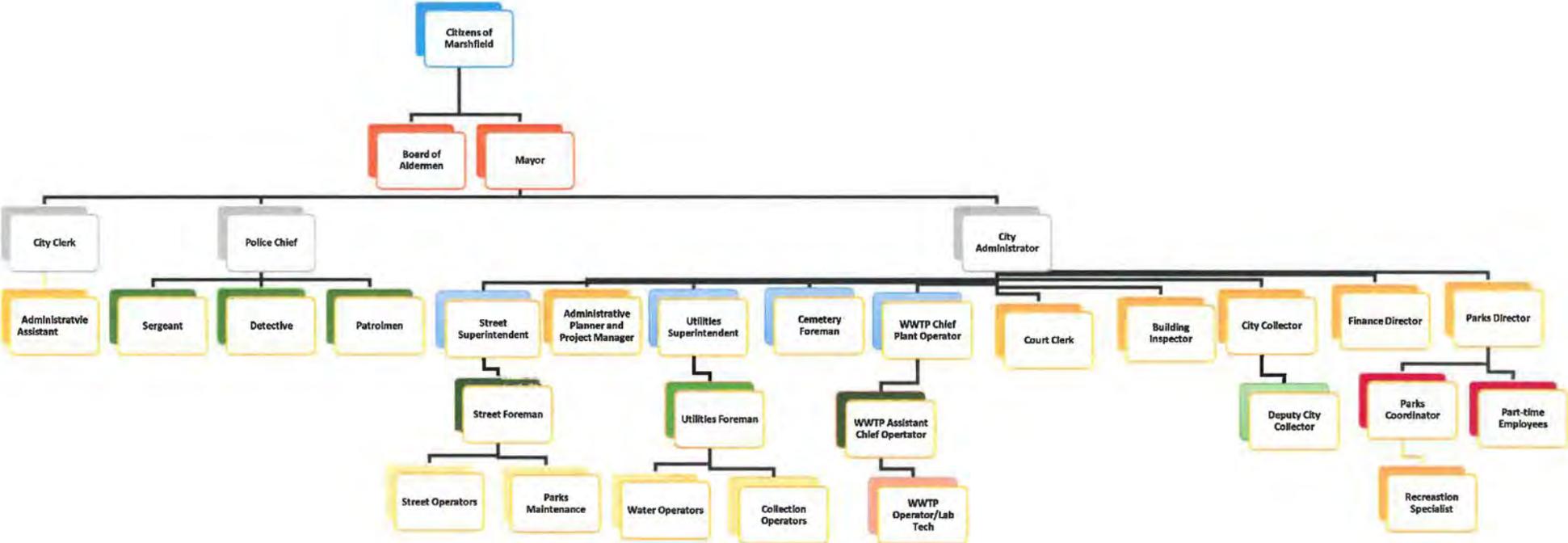
Mayor and Board of Aldermen

Mayor	Natalie McNish
East Ward	JC Cunningham
East Ward	John Quinn
West Ward	Robert Boggs
West Ward	Stacy Lee

City Administration

City Administrator	Sam Rost
City Clerk	Karen Rost
City Collector	Julie Rieke
Finance Director	Monica Robinson
City Attorney	Paul Link
Utilities Superintendent	Richard Nevills
Wastewater Treatment Plant Chief Plant Operator	Trevor Hathcock
Police Chief	Doug Fannen

Organizational Chart



SECTION II – FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Marshfield, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marshfield, Missouri as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City of Marshfield, Missouri'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, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marshfield, Missouri, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof 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 the City of Marshfield, Missouri and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 the City of Marshfield, 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 risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Marshfield, Missouri's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Marshfield, 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 budgetary comparison information on pages 4 to 13 and 51 to 52 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.

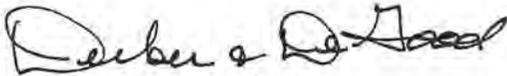
Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the combining and budget to actual of nonmajor funds and the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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



Decker & DeGood, PC

Springfield, Missouri

May 1, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Marshfield, Missouri (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2022. We encourage readers to use this document in conjunction with the transmittal letter in the Introductory Section of this report and with the City's financial statements, which begin on page 12.

Financial Highlights and Significant Events

- On a government-wide basis, the assets, and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources for the most recent fiscal year by \$ 33,288,442. The City has an unrestricted net position totaling \$ 9,259,989 which can be used to fund the City's functions/programs.
- As of December 31, 2022, governmental activities and business-type activities had net positions of \$ 18,800,115 and \$ 14,488,327, respectively.
- At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$ 9,215,791, an increase of \$ 705,362 in comparison with the prior year. Approximately 45.11 percent or \$ 4,156,841 is available for discretionary spending by the City. The remaining fund balance is either restricted by outside parties or not in spendable form.
- The unassigned fund balance for the General Fund, \$ 4,156,841, is 98.48% of total General Fund expenditures, and is an increase in comparison with the prior year unassigned fund balance.
- The City's long-term debt obligations decreased by \$ 989,087 or 4.30% as compared to fiscal year 2021.

Overview of the Financial Statements

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

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Marshfield's finances, in a manner similar to private-sector business. All governmental and business-type activities are consolidated to arrive at a total for the City. There are two government-wide statements, the statement of net position and the statement of activities, which are described below.

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

The Statement of Activities presents information showing how the government's net assets changed during the current fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Marshfield that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, judiciary, public safety, transportation, culture and recreation. The business-type activities include the Water and Sewer systems.

The government-wide financial statements can be found on pages 14 and 15 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control and accountability over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State law, while others are established to help control and manage money for a particular purpose. The City's two kinds of funds are as follows:

- Governmental funds – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the accrual method of accounting, which measures cash when earned and expenditures incurred. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation at the bottom of the fund financial statements.

The City of Marshfield adopts an annual budget for its governmental funds and a comparison of actual to budget has been provided to demonstrate compliance with the authorized budget. The Statement of Revenues, Expenditures and Changes in Fund Balance on a Budgetary Basis can be found on pages 51-52 and 57.

The basic governmental fund financial statements (Balance Sheet and Statement of Revenues, Expenditures and Change in Fund Balance) can be found on pages 16-19 of this report.

- Proprietary funds – When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise fund is the same as the business-type activities we report in the government-wide statements but provides more detail and additional information, such as cash flows. The basic proprietary fund financial statements (Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows) can be found on pages 20-22 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-49 of this report.

Required Supplemental Information

In addition to the basic financial statements the required supplementary information can be found on pages 50-54 of this report with the supplementary information on pages 55-57.

Government-Wide Financial Analysis

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$ 33,288,442 at the close of the most recent fiscal year.

The City's net investment in capital assets (land, construction in progress, buildings, equipment, improvements, and infrastructure) totals \$ 18,425,048. As capital assets, these resources are not available for future spending, nor can they be readily liquidated to pay off their related liabilities. Resources needed to repay capital-related debt must be provided from other sources.

City of Marshfield's Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current Assets and other assets	\$ 10,877,149	\$ 9,689,326	\$ 7,304,448	\$ 7,393,928	\$ 18,181,597	\$ 17,083,254
Capital Assets	22,822,332	23,250,709	18,722,886	18,724,494	41,545,218	41,975,203
Total Assets	<u>33,699,481</u>	<u>32,940,035</u>	<u>26,027,334</u>	<u>26,118,422</u>	<u>59,726,815</u>	<u>59,058,457</u>
Deferred Outflows of Resources						
Deferred pension related	304,582	222,613	70,991	100,919	375,573	323,532
Total Deferred Outflows	<u>304,582</u>	<u>222,613</u>	<u>70,991</u>	<u>100,919</u>	<u>375,573</u>	<u>323,532</u>
Current Liabilities	1,911,530	986,557	422,830	417,475	2,334,360	1,404,032
Long-term Debt	13,113,381	13,785,826	11,091,853	11,369,757	24,205,234	25,155,583
Total Liabilities	<u>15,024,911</u>	<u>14,772,383</u>	<u>11,514,683</u>	<u>11,787,232</u>	<u>26,539,594</u>	<u>26,559,615</u>
Deferred Inflows						
Deferred pension related	179,037	584,909	95,315	394,736	274,352	979,645
Total Deferred Inflows	<u>179,037</u>	<u>584,909</u>	<u>95,315</u>	<u>394,736</u>	<u>274,352</u>	<u>979,645</u>
Net Position:						
Invested in capital assets-net	10,706,665	10,423,955	7,718,383	7,415,939	18,425,048	17,839,894
Restricted	4,989,685	5,275,745	613,720	613,720	5,603,405	5,889,465
Unrestricted	3,103,765	2,105,656	6,156,224	6,007,714	9,259,989	8,113,370
Total net position	<u>\$ 18,800,115</u>	<u>\$ 17,805,356</u>	<u>\$ 14,488,327</u>	<u>\$ 14,037,373</u>	<u>\$ 33,288,442</u>	<u>\$ 31,842,729</u>

**City of Marshfield
Changes in Net Position**

Government-Wide Financial Analysis-continued

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$ 9,259,989 is explained further below.

At the end of the current fiscal year, the City is able to report positive balances in both categories of net position for the City as a whole. The reporting model includes the reporting of the City's infrastructure as a capital asset, including assets acquired retroactive to 1980.

Changes in Position. The City's total net position increased by \$ 1,445,713. This increase in net position is a result of continued economic growth. Key elements to the changes in net position follow:

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charge for services	\$ 459,383	\$ 403,555	\$ 3,019,938	\$ 2,652,310	\$ 3,479,321	\$ 3,055,865
Operating grants and contributions	12,000	9,000	50,300	-	62,300	9,000
Capital grants and contributions	-	-	-	-	-	-
General Revenues:						
Taxes	5,257,188	4,927,509	-	-	5,257,188	4,927,509
Interest	35,712	29,737	37,294	60,317	73,006	90,054
Other	32,372	498,439	15,800	-	48,172	498,439
Total Revenue	<u>5,796,655</u>	<u>5,868,240</u>	<u>3,123,332</u>	<u>2,712,627</u>	<u>8,919,987</u>	<u>8,580,867</u>

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Expenses:						
Administration	450,646	290,763	-	-	450,646	290,763
Law and public safety	1,274,054	902,597	-	-	1,274,054	902,597
Streets	969,185	804,609	-	-	969,185	804,609
Municipal court	118,059	73,062	-	-	118,059	73,062
Building inspection	-	98,431	-	-	-	98,431
Economic development	48,000	109,397	-	-	48,000	109,397
Animal control	38,174	27,684	-	-	38,174	27,684
Cemetery	143,385	117,098	-	-	143,385	117,098
Park	931,917	785,473	-	-	931,917	785,473
Interest	486,149	503,194	-	-	486,149	503,194
Water	-	-	1,308,854	1,153,611	1,308,854	1,153,611
Sewer	-	-	1,267,701	1,189,341	1,267,701	1,189,341
Total Expense	4,459,569	3,712,308	2,576,555	2,342,952	7,036,124	6,055,260
Increase (decrease) in net position before transfers	1,775,236	2,155,932	546,777	369,675	2,322,013	2,525,607
Transfers	95,823	94,786	(95,823)	(94,786)	-	-
Change in Net Position	1,432,909	2,250,718	450,954	274,889	2,322,013	2,525,607
Net Position, beginning-Restated	17,367,206	15,554,638	14,037,373	13,762,484	31,404,579	29,317,122
Net Position, ending	\$ 18,800,115	\$ 17,805,356	\$ 14,488,327	\$ 14,037,373	\$ 33,726,592	\$ 31,842,729

Governmental activities. Governmental activities increased the City's net position by \$ 1,432,909, thereby accounting for 76.06% of the total growth in the net position of the City. Compared to last year's growth for Governmental activities, this was a decrease of \$ 817,809, which was most notable due to an increase in Law and Public Safety of \$ 371,457 noting that in the past year the City had sold a building located downtown for \$ 464,872.

Business-type activities. Business-type activities increased the City's net position by \$ 450,954, thereby accounting for 23.94% of the total growth in the net position of the City. This was an increase of \$ 233,603 over the prior year. This was due to an increase in operating revenue of \$ 367,628 and offset by an increase in expenditure of \$ 233,603.

In reviewing the current to the past year on the Water and Sewer Funds, we noted the following:

	2022	2021	Change	
			Amount	%
Water Fund				
Revenue	\$ 1,469,191	\$ 1,421,920	\$ 47,271	3.32%
Expense net of Depreciation	930,083	926,721	3,362	0.36%
Operating Income	304,557	412,067	(107,510)	-26.09%
Sewer Fund				
Revenue	1,550,747	1,230,390	320,357	26.04%
Expense net of Depreciation	880,094	951,802	(71,708)	-7.53%
Operating Income (Loss)	418,965	185,443	233,522	125.93%

Financial Analysis of the City of Marshfield's Funds

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

Governmental Funds

The focus of the City's governmental funds is to provide information on the near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Governmental fund balance is reported in five separate categories: Nonspendable, restricted, committed, assigned, and unassigned. Nonspendable fund balance includes amounts that cannot be spent for legal or practical reasons. Examples include prepaid items and inventory. Restricted fund balance includes amounts restricted to specific purposes by external parties such as amounts restricted for specific purposes such as streets and parks.

Committed fund balance includes amounts that have been set aside by the City Council for a specific purpose prior to the end of the fiscal year. Assigned fund balance includes amounts that have been set aside by the City Council for a specific purpose, but subsequent to the end of the fiscal year. Unassigned fund balance includes all remaining amounts.

As of the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$ 9,215,791 with an increase of \$ 705,362 compared to the prior fiscal year increase of 788,709. Of the total balance, \$ 91,937 is nonspendable, \$ 4,967,013 is restricted, and \$ 4,156,841 unassigned.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the General Fund reported a fund balance of \$ 4,226,106 of which \$ 69,265 is nonspendable and \$ 4,156,841 is unassigned.

Fund balance of the General Fund increased \$ 629,136 as compared to the prior year of \$ 1,320,022 over the prior year as compared to the prior year totals were different due to last year with the sale of building \$ 626,228 and an increase this year in capital outlays.

The fund balance of the Transportation Sales Tax Fund decreased (\$ 147,951) as compared to the prior year of a decrease of (\$ 703,268) which was attributable to a transfer of \$ 450,000 to the Debt Service Fund and a decrease in capital outlay of \$ 553,918.

The Park Fund balance increased \$ 155,952 as compared to the prior year of \$ 166,386 which was slight modifications in revenue and expense.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position in the City's major proprietary funds totaled the following: \$ 2,882,635 in the Water Fund and \$ 3,273,589 in the Sewer Fund. The finances of these funds were discussed earlier as part of the business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City's 2022 budget was adopted on December 15, 2021. The General Fund revenue budget was \$ 2,387,428 and expenditure budget were \$ 2,577,866. The actual General Fund expenditures were 9.4% less than budgeted, mostly due to supply chain issues. Transfers in include the payment-in-lieu of taxes (PILOT) from the Water and Sewer Funds. As the year progressed the Council upon review did not see any need to amend the budget as all items were coming in under the budgeted amounts.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City of Marshfield's investment in capital assets for its governmental and business-type activities as of December 31, 2022, amounts to \$ 41,975,203 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery, equipment, vehicles, roads, water and sewer treatment plants. The total increase in capital assets for the current year was approximately 2.98%.

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 899,533	\$ 899,533	\$ 612,433	\$ 612,433	\$ 1,511,966	\$ 1,511,966
Construction in Progress	11,188,545	11,188,545	9,175,017	8,866,298	20,363,562	20,054,843
Plant			8,321,024	8,674,080	8,321,024	8,674,080
Buildings	5,217,558	5,474,800	-	-	5,217,558	5,474,800
Infrastructure	5,215,568	5,053,954	-	-	5,215,568	5,053,954
Equipment	185,632	281,742	257,819	221,957	443,451	503,699
Vehicles	115,496	352,135	357,593	349,726	473,089	701,861
	<u>\$ 22,822,332</u>	<u>\$ 23,250,709</u>	<u>\$ 18,723,886</u>	<u>\$ 18,724,494</u>	<u>\$ 41,546,218</u>	<u>\$ 41,975,203</u>

Information on the City's capital assets can be found in Note D of the notes to the financial statements of this report.

Long-term Debt

At year-end, the City had \$ 21,990,667 outstanding notes as compared to the prior year of \$ 22,979,754.

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenue Bonds	\$ -	\$ -	\$ 10,275,000	\$ 10,553,000	\$ 10,275,000	\$ 10,553,000
G.O. Bonds	8,810,000	9,210,000	-	-	8,810,000	9,210,000
Certificate of Part.	2,885,000	3,175,000	-	-	2,885,000	3,175,000
Lease Obligations	20,667	41,754	-	-	20,667	41,754
TOTALS	\$ 11,715,667	\$ 12,426,754	\$ 10,275,000	\$ 10,553,000	\$ 21,990,667	\$ 22,979,754

Additional information on the City’s long-term debt can be found in Note E of the notes to the financial statements of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The City of Marshfield’s FY22 Operating Budget identifies a total of \$8,906,820 in revenues and \$8,788,468 in expenses. Water, Sewer and Transportation capital projects expenditures total \$2,852,881.

The City’s General Fund FY22 Operating Budget revenues are projected to be \$2,455,181, including transfers in, and \$2,455,503 in expenses, including transfers out and encumbrances. Transfers into the General Fund include PILOT transfers from the Water and Sewer Funds. The General Fund provides funding for the City’s General Administration Department, Street Department, Police Department, Municipal Court, Building and Code Enforcement Department, Animal Control and a transfer to the Parks Department.

The City’s General Administration Department is projected to expend \$346,276 for operations and maintenance. Street Department revenues are \$270,841 and expenditures are \$508,701. The Police Department revenues are \$1,800 and expenditures are \$1,192,764. The Municipal Court revenues are budgeted as \$60,000 and expenditures are \$164,009. The Building and Code Enforcement Department revenues are projected to be \$31,500 and the expenditures as \$125,554. Animal Control Department revenues are budgeted as \$1,900 and expenditures as \$43,468.

General Fund FY22 Operating Budget

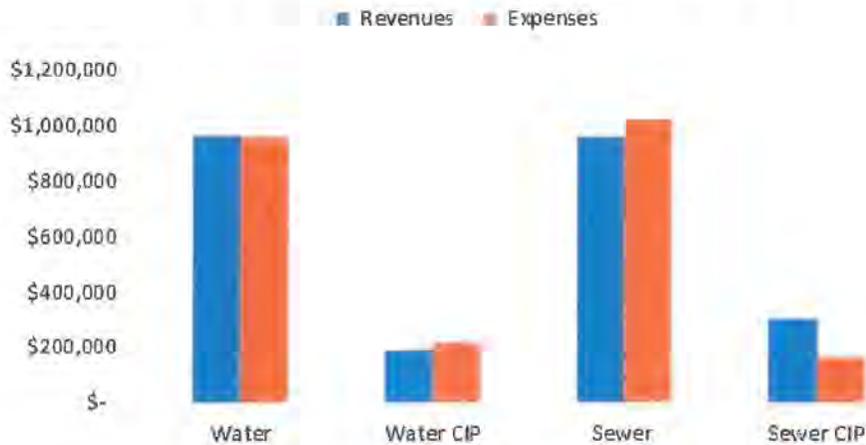


The Parks Fund revenues are budgeted as \$1,109,642 and a transfer in from the General Fund for \$56,041. This transfer in is \$10,000 less than the budgeted amount for FY21. The goal of the Parks Department is to reduce the transfer each year by growing the department revenues through activity fees. The Certificates of Participation (COPs) that were issued in 2018 to build an aquatic pool have been closed out. The remaining balance of those funds were transferred to the Parks Fund and the Transportation Fund in FY21 to reimburse expenses paid for the project. The FY22 Park Fund expenditures are budgeted as \$1,153,696, which includes the principal and interest debt service payments for the COPs of \$400,344.

The City's Wastewater Treatment Plant Fund (Sewer Fund) revenues are budgeted as \$957,440 and expending \$1,022,371. Included in the budget numbers is an Engineering Report Grant through the Clean Water State Revolving Fund that was awarded to the City in FY21. The total expense of the grant is \$62,500 and the balance of the expense, \$25,465 and the full reimbursement of \$50,000 is budgeted for FY22. The Water Fund revenues are budgeted as \$962,611 and expenses as \$960,915 and transferring \$37,140 to the Water Replacement Reserve Fund. The City has undertaken an extensive water and sewer rate study with an engineering firm to establish a five-year plan to adjust the rates so they can adequately fund operational costs, projected repair and replacement budgets, materials and labor, emergency funds, inflation, debt service and regulatory obligations. The rate study was completed in early 2022 and the rates will be adjusted mid-year. The FY22 revenues for both water and sewer do not include any rate adjustments.

The Water and Sewer Capital Improvement Plan (CIP) revenues come from a monthly capital improvement fee added to each customer's bill. The Water CIP revenues are budgeted as \$192,671 and expenditures as \$221,414. The WWTP CIP revenues are budgeted as \$303,149 and expenditures as \$170,156. The expenditures include debt service for Water and Sewer System Improvements Revenue Bonds and other capital projects.

Water & Sewer FY22 Budgets



The Transportation Fund revenues are budgeted as \$793,391 and expenditures as \$1,474,827. The revenues include \$12,000 as a Transportation Engineering Assistance Program (TEAP) Grant, and the expense of this grant is \$19,500. Expenditures also include the remaining contract balance for the extension of Elm Street and resurfacing North Marshall St.

The FY22 Budget identifies \$1,842,580 in Growth Areas expenditures. Growth Areas are capital asset needs, infrastructure maintenance and upgrades, and other needs of the city that are in addition to the Operating Budget and require Board approval before proceeding. Many of the items identified in the Growth Areas are projected to be cost shared by departments and funds. Some of the cost shared items are the City Hall improvements which may include remodeling and expanding the current building, roof repair for City Hall and the Police/Street/Municipal Court building, IT services, website design, vehicles and equipment.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, 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 need additional financial information, contact the Finance Office at 798 S. Marshall Street, Marshfield, Missouri

Monica Robinson,
Finance Director

CITY OF MARSHFIELD, MISSOURI

STATEMENT OF NET POSITION

DECEMBER 31, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 9,438,926	\$ 6,270,659	\$ 15,709,585
Receivables, net			
Taxes	1,335,254	-	1,335,254
Utilities	-	275,424	275,424
Restricted assets-Cash and cash equivalents			
Industrial Park	11,032	-	11,032
Debt reserves	-	623,334	623,334
Capital projects	-	-	-
Prepaid items	91,937	55,562	147,499
Capital assets:			
Land	899,533	611,433	1,510,966
Construction in progress	11,188,545	9,175,017	20,363,562
Other capital assets, net of accumulated depreciation	10,734,254	8,936,436	19,670,690
Net pension assets	-	79,469	79,469
Total Assets	<u>33,699,481</u>	<u>26,027,334</u>	<u>59,726,815</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred outflow of resources related to pensions	304,582	70,991	375,573
LIABILITIES			
Accounts payable	-	8,779	8,779
Accrued wages and payroll taxes	53,141	25,075	78,216
Accrued interest	173,037	116,626	289,663
Unearned revenue	1,547,156	-	1,547,156
Customer deposits	-	272,350	272,350
Net pension liability	138,196	-	138,196
Noncurrent Liabilities:			
Due within one year:			
Long-term debt	810,538	312,787	1,123,325
Due in more than one year:			
Long-term debt	12,302,843	10,779,066	23,081,909
Total Liabilities	<u>15,024,911</u>	<u>11,514,683</u>	<u>26,539,594</u>
DEFERRED INFLOW OF RESOURCES			
Deferred inflow of resources related to pensions	179,037	95,315	274,352
Total Deferred Inflow of Resources	<u>179,037</u>	<u>95,315</u>	<u>274,352</u>
NET POSITION			
Net investment in capital assets	10,706,665	7,718,383	18,425,048
Restricted			
Debt	423,712	613,720	1,037,432
Streets	1,993,256	-	1,993,256
Cemetery	611,224	-	611,224
Parks	1,961,493	-	1,961,493
Unrestricted	3,103,765	6,156,224	9,259,989
Total Net Position	<u>\$ 18,800,115</u>	<u>\$ 14,488,327</u>	<u>\$ 33,288,442</u>

See the accompanying notes to the financial statements.

CITY OF MARSHFIELD, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 450,646	\$ 68,722	\$ -	\$ -	\$ (381,924)	\$ -	\$ (381,924)
Law and public safety	1,274,054	88,618	-	-	(1,185,436)	-	(1,185,436)
Street	969,185	-	12,000	-	(957,185)	-	(957,185)
Municipal court	118,059	-	-	-	(118,059)	-	(118,059)
Economic development	48,000	-	-	-	(48,000)	-	(48,000)
Animal control	38,174	-	-	-	(38,174)	-	(38,174)
Cemetery	143,385	32,900	-	-	(110,485)	-	(110,485)
Park	931,917	269,143	-	-	(662,774)	-	(662,774)
Interest on long-term debt	486,149	-	-	-	(486,149)	-	(486,149)
Total governmental activities	4,459,569	459,383	12,000	-	(3,988,186)	-	(3,988,186)
Business-type activities:							
Water	1,308,854	1,469,191	-	-	-	160,337	160,337
Sewer	1,267,701	1,550,747	50,300	-	-	333,346	333,346
Total business-type activities	2,576,555	3,019,938	50,300	-	-	493,683	493,683
Total Government	\$ 7,036,124	\$ 3,479,321	\$ 62,300	\$ -	(3,988,186)	493,683	(3,494,503)

General Revenues

Taxes:

Property taxes levied for cemetery	142,819	-	142,819
Property taxes levied for debt service	421,999	-	421,999
Property taxes levied for parks	119,869	-	119,869
Franchise taxes	334,603	-	334,603
Sales taxes	3,910,576	-	3,910,576
Missouri motor fuel taxes	327,322	-	327,322
Interest and dividends	35,712	37,294	73,006
Miscellaneous	12,772	15,800	28,572
Transfers	95,823	(95,823)	-
Gain on sale of capital assets	19,600	-	19,600
Total general revenues and transfers	5,421,095	(42,729)	5,378,366
Change in net position	1,432,909	450,954	1,883,863
Net position beginning-Restated	17,367,206	14,037,373	31,404,579
Net position ending	\$ 18,800,115	\$ 14,488,327	\$ 33,288,442

See the accompanying notes to the financial statements.

CITY OF MARSHFIELD, MISSOURI
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	General Fund	Transportation Sales Tax Fund	Park Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 5,268,721	\$ 1,829,236	\$ 1,698,975	\$ 641,994	\$ 9,438,926
Accounts receivable-					
Sales tax	351,354	164,020	164,021	-	679,395
Franchise tax	53,404	-	-	-	53,404
Motor fuel taxes	62,647	-	-	-	62,647
Property taxes-net	-	-	97,769	442,039	539,808
Restricted assets-cash and cash equivalents	11,032	-	-	-	11,032
Prepaid items	69,265	-	19,272	3,400	91,937
TOTAL ASSETS	\$ 5,816,423	\$ 1,993,256	\$ 1,980,037	\$ 1,087,433	\$ 10,877,149
LIABILITIES					
Accrued wages and benefits	\$ 43,161	\$ -	\$ 7,486	\$ 2,494	\$ 53,141
Unearned revenue	1,547,156	-	-	-	1,547,156
Total Liabilities	1,590,317	-	7,486	2,494	1,600,297
DEFERRED INFLOWS OF RESOURCES					
Unavailable property tax revenue	-	-	11,058	50,003	61,061
FUND BALANCES					
Nonspendable	69,265	-	19,272	3,400	91,937
Restricted for:					
Debt	-	-	-	423,712	423,712
Streets	-	1,993,256	-	-	1,993,256
Cemetery	-	-	-	607,824	607,824
Parks	-	-	1,942,221	-	1,942,221
Unassigned	4,156,841	-	-	-	4,156,841
Total Fund Balances	4,226,106	1,993,256	1,961,493	1,034,936	9,215,791
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 5,816,423	\$ 1,993,256	\$ 1,980,037	\$ 1,087,433	\$ 10,877,149

See the accompanying notes to the financial statements.

CITY OF MARSHFIELD, MISSOURI
RECONCILIATION OF THE GOVERNMENT FUNDS
BALANCE SHEET TO THE GOVERNMENT-WIDE
STATEMENT OF NET POSITION
DECEMBER 31, 2022

Total Fund Balances-Governmental Funds		\$ 9,215,791
<p>Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.</p>		
Non-depreciable assets	12,088,078	
Depreciable assets	<u>10,734,254</u>	
		22,822,332
<p>Property taxes assessed by the City, but not collected as of year end, are deferred within the fund financial statements. However, revenue for this amount is recognized in the government-wide statements.</p>		
		61,061
<p>Net pension liabilities are not due and payable in the current period and therefore are not reported in the funds.</p>		
Net pension liability		(138,196)
Deferred outflows - pension related		304,582
Deferred inflows - pension related		(179,037)
<p>Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the same statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
Lease payable		(20,667)
Certificate of participation		(2,885,000)
General Obligation bond		(9,210,000)
<p>Liabilities and premium on debt issuance are recognized only when due in the governmental fund statements but are accrued in the government-wide statements.</p>		
Compensated absences		(176,775)
Unamortized bond premium		(820,939)
Accrued interest		<u>(173,037)</u>
Net position of governmental activities		<u>\$ 18,800,115</u>

See the accompanying notes to the financial statements.

CITY OF MARSHFIELD, MISSOURI
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	General Fund	Transportation Sales Tax Fund	Park Fund	Total Nonmajor Funds	Total Governmental Funds
REVENUES					
Taxes:					
Property taxes	\$ -	\$ -	\$ 119,869	\$ 564,450	\$ 684,319
Franchise taxes	334,603	-	-	-	334,603
Sales taxes	2,002,354	954,146	954,076	-	3,910,576
Intergovernmental:					
Missouri motor fuel taxes	327,322	-	-	-	327,322
Financial institutional tax	2,915	-	-	-	2,915
User charges:					
Cemetery-sale of plots & grave openings	-	-	-	32,900	32,900
Park activity fees	-	-	269,143	-	269,143
Licenses & permits	49,995	-	-	-	49,995
Fines & forfeitures	88,618	-	-	-	88,618
Interest and dividends	17,980	7,149	7,453	3,130	35,712
Grants	-	12,000	-	-	12,000
Rent	18,727	-	-	-	18,727
Miscellaneous	6,555	-	1,226	2,076	9,857
Total Revenues	2,849,069	973,295	1,351,767	602,556	5,776,687
EXPENDITURES					
Current:					
General government	437,354	-	-	-	437,354
Law and public safety-					
Police	1,147,432	-	-	-	1,147,432
Municipal court	116,605	-	-	-	116,605
Street	489,573	64,315	-	-	553,888
Building inspection	-	-	-	-	-
Economic development	16,000	-	16,000	16,000	48,000
Animal control	38,791	-	-	-	38,791
Cemetery	-	-	-	144,442	144,442
Park	-	-	733,621	-	733,621
Capital outlay	66,873	606,931	44,266	-	718,070
Debt service:					
Principal	21,087	-	290,000	400,000	711,087
Interest and agents fees	1,641	-	111,928	423,889	537,458
Total Expenditures	2,335,356	671,246	1,195,815	984,331	5,186,748
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	513,713	302,049	155,952	(381,775)	589,939
OTHER FINANCING SOURCES (USES)					
Transfers in	95,823	-	-	450,000	545,823
Transfers Out	-	(450,000)	-	-	(450,000)
Sale of general capital assets	19,600	-	-	-	19,600
CHANGES IN FUND BALANCE	629,136	(147,951)	155,952	68,225	705,362
FUND BALANCES - BEGINNING	3,596,970	2,141,207	1,805,541	966,711	8,510,429
FUND BALANCES - ENDING	\$ 4,226,106	\$ 1,993,256	\$ 1,961,493	\$ 1,034,936	\$ 9,215,791

See the accompanying notes to the financial statements.

CITY OF MARSHFIELD, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

Net change in fund balances--total governmental funds	\$	705,362
<p>Amounts reported for <i>governmental activities</i> in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay		718,070
Depreciation expense		(708,297)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds</p>		
Change in pension expense		44,961
Change in compensated absences		(89,951)
Amortization on bond premium		51,309
Change in accrued interest		4,927
<p>Because some revenues will not be collected for several months after the City's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Unavailable revenues decreased by this amount this year.</p>		
		(4,559)
<p>Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the same statement of net position. Repayment of bond principal is an</p>		
Payment on long term debt		711,087
Change in net position of governmental activities	\$	1,432,909

See the accompanying notes to the financial statements.

CITY OF MARSHFIELD, MISSOURI

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

DECEMBER 31, 2022

ASSETS	Business-type Activities		Total
	Water Fund	Sewer Fund	Enterprise Funds
Current Assets:			
Cash and cash equivalents	\$ 3,027,876	\$ 3,242,783	\$ 6,270,659
Accounts receivable utilities, net	163,653	111,771	275,424
Prepaid items	24,925	30,637	55,562
Restricted Assets:			
Cash for debt reserves	439,349	183,985	623,334
Total Current Assets	3,655,803	3,569,176	7,224,979
Noncurrent Assets:			
Capital Assets:			
Land	105,543	506,890	612,433
Construction in progress	6,331,812	2,843,205	9,175,017
Other capital assets, net of accumulated depreciation	4,430,485	4,504,951	8,935,436
Net pension assets	14,900	64,569	79,469
Total Noncurrent Assets	10,882,740	7,919,615	18,802,355
Total Assets	14,538,543	11,488,791	26,027,334
DEFERRED OUTFLOW OF RESOURCES			
Deferred outflow of resources related to pensions	52,753	18,238	70,991
LIABILITIES			
Current Liabilities:			
Accounts payable	8,779	-	8,779
Accrued wages	11,204	13,871	25,075
Accrued interest	34,988	81,638	116,626
Customer deposits	272,350	-	272,350
Current portion of long-term debt	289,907	22,880	312,787
Total Current Liabilities	617,228	118,389	735,617
Noncurrent Liabilities:			
Long-term debt	6,979,350	3,799,716	10,779,066
Total Noncurrent Liabilities	6,979,350	3,799,716	10,779,066
Total Liabilities	7,596,578	3,918,105	11,514,683
DEFERRED INFLOW OF RESOURCES			
Deferred inflow of resources related to pensions	42,858	52,457	95,315
NET POSITION			
Net investment in capital assets	3,639,490	4,078,893	7,718,383
Restricted-			
Debt reserves	429,735	183,985	613,720
Unrestricted	2,882,635	3,273,589	6,156,224
Total Net Position	\$ 6,951,860	\$ 7,536,467	\$ 14,488,327

See the accompanying notes to the financial statements.

CITY OF MARSHFIELD, MISSOURI
STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Business-type Activities		Total Enterprise Funds
	Water Fund	Sewer Fund	
OPERATING REVENUES:			
Charges for services	\$ 1,469,191	\$ 1,550,747	\$ 3,019,938
Total Operating Revenues	<u>1,469,191</u>	<u>1,550,747</u>	<u>3,019,938</u>
OPERATING EXPENSES:			
Computer software and expenses	20,296	9,582	29,878
Depreciation	234,551	251,688	486,239
Dues and training	6,878	7,740	14,618
Economic development	16,000	16,000	32,000
Gas and oil	17,431	14,184	31,615
Insurance	19,448	35,838	55,286
Miscellaneous	2,162	1,979	4,141
Office supplies and postage	8,346	8,231	16,577
Professional fees	15,569	47,852	63,421
Repairs & maintenance	214,313	99,116	313,429
Salaries, benefits and retirement	411,641	513,855	925,496
Supplies	111,120	4,964	116,084
Telephone	5,997	5,854	11,851
Tests and permits	1,603	22,450	24,053
Uniforms	2,326	4,272	6,598
Utilities	72,347	79,312	151,659
Vehicle expense	4,606	8,865	13,471
Total Operating Expenses	<u>1,164,634</u>	<u>1,131,782</u>	<u>2,296,416</u>
OPERATING INCOME	<u>304,557</u>	<u>418,965</u>	<u>723,522</u>
NON-OPERATING REVENUES (EXPENSES):			
Interest and dividend income	13,131	24,163	37,294
Rent income	15,800	-	15,800
Interest expense and agents fee	(144,220)	(135,919)	(280,139)
Total Non-operating Revenues (Expenses)	<u>(115,289)</u>	<u>(111,756)</u>	<u>(227,045)</u>
INCOME BEFORE TRANSFERS	189,268	307,209	496,477
Transfer (out)	(844,727)	-	(844,727)
Transfers in	-	844,727	844,727
Grants	-	50,300	50,300
Transfers (out)-Fee in Lieu of taxes to General Fund	(54,437)	(41,386)	(95,823)
CHANGE IN NET POSITION	(709,896)	1,160,850	450,954
TOTAL NET POSITION - BEGINNING	<u>7,661,756</u>	<u>6,375,617</u>	<u>14,037,373</u>
TOTAL NET POSITION - ENDING	<u>\$ 6,951,860</u>	<u>\$ 7,536,467</u>	<u>\$ 14,488,327</u>

See the accompanying notes to the financial statements.

CITY OF MARSHFIELD, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Business-type Activities		Total
	Water Fund	Sewer Fund	Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 1,459,565	\$ 1,515,058	\$ 2,974,623
Payments to suppliers	(521,433)	(370,146)	(891,579)
Payments to employees	(453,811)	(565,209)	(1,019,020)
Net Cash Provided by Operating Activities	<u>484,321</u>	<u>579,703</u>	<u>1,064,024</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers (Out)-Fee In Lieu of taxes to General Fund	(54,437)	(41,386)	(95,823)
Grants	-	50,300	50,300
Rent income	15,800	-	15,800
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(38,637)</u>	<u>8,914</u>	<u>(29,723)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition of capital assets	(51,094)	(125,818)	(176,912)
Cash from Water to Sewer for shared improvements	(59,406)	(248,218)	(307,624)
Principal paid	(278,000)	-	(278,000)
Interest paid	(144,220)	(135,919)	(280,139)
Net Cash (Used for) Capital and Related Financing Activities	<u>(532,720)</u>	<u>(509,955)</u>	<u>(1,042,675)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest and dividend earned	13,131	24,163	37,294
Net Cash Provided by Investing Activities	<u>13,131</u>	<u>24,163</u>	<u>37,294</u>
NET CASH (DECREASE) INCREASE FOR THE YEAR	<u>(73,905)</u>	<u>102,825</u>	<u>28,920</u>
CASH AT BEGINNING OF YEAR	<u>3,541,130</u>	<u>3,323,943</u>	<u>6,865,073</u>
CASH AT END OF YEAR	<u>\$ 3,467,225</u>	<u>\$ 3,426,768</u>	<u>\$ 6,893,993</u>
CASH SUMMARY			
Cash and cash equivalents	\$ 3,027,876	\$ 3,242,783	\$ 6,270,659
Restricted assets-cash and cash equivalents	439,349	183,985	623,334
Total	<u>\$ 3,467,225</u>	<u>\$ 3,426,768</u>	<u>\$ 6,893,993</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating Income	\$ 304,557	\$ 418,965	\$ 723,522
Adjustments to reconcile net operating income to net cash provided by operating activities:			
Depreciation expense	234,551	251,688	486,239
(Increase) Decrease in prepaid items	(4,098)	(3,908)	(8,006)
(Increase) Decrease in receivables	(12,217)	(35,689)	(47,906)
(Increase) Decrease in pension assets	95,894	78,418	174,312
(Increase) Decrease in deferred outflow of resources	(8,695)	38,623	29,928
(Decrease) Increase in accounts payable	1,107	-	1,107
(Decrease) Increase in accrued wages, taxes, etc.	104	1,553	1,657
(Decrease) Increase in deferred inflow of resources	(129,473)	(169,948)	(299,421)
Increase in meter deposits	2,591	-	2,591
Net Cash Provided by Operating Activities	<u>\$ 484,321</u>	<u>\$ 579,702</u>	<u>\$ 1,064,023</u>

See the accompanying notes to the financial statements.

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Marshfield (the City) were prepared in accordance with accounting principles generally accepted in the United States of America for governmental entities (U.S. GAAP). The following summary of the more significant policies of the City is presented to assist the reader in interpreting these financial statements and should be viewed as an integral part of this report.

THE REPORTING ENTITY

Entity status for financial reporting purposes is governed by Governmental Accounting Standards Board (GASB). The GASB is the standard-setting body for the establishment of GAAP in governmental entities. The financial statements of the City present the financial activities of the City and any component units. The City is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's Board or because the component unit will provide a financial benefit or impose a financial burden on the City. The City does not have any component units.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Government-wide financial statements do not provide information by fund but distinguish between the City's governmental activities and business-type activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund financial statements. Separate financial statements are provided for governmental funds and proprietary funds. Separate columns are presented for each major governmental fund and for each major enterprise fund. Non-major funds are aggregated and presented in a single column labeled “Nonmajor Governmental Funds.”

Governmental Fund Types: Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City’s expendable financial resources and the related liabilities (other than those in proprietary funds) are accounted for through governmental funds. The following are the City’s major governmental funds:

General Fund

The General Fund is the government’s primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Transportation Sales Tax Fund

This fund was established to account for the proceeds of transportation sales tax that is legally restricted to expenditures for the purpose of street improvements, repairs and maintenance, and payment of 2022 General Obligation Bond for street improvements.

Park Fund

This fund was established to account for the proceeds of property tax revenue that is legally restricted to expenditures for the purpose of park and recreation activities. In addition, the City passed a one-half cent sales tax for park/storm water which is reported in this fund.

Proprietary Fund Types: Proprietary funds are used to account for the City’s ongoing activities that are similar to those often found in the private sector. The following are the City’s major proprietary funds:

Water Fund

The Water Fund accounts for the operations of providing water services to the residents of the City.

Sewer Fund

The Sewer Fund accounts for the operations of providing sewer services to the residents of the City.

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Additionally, the government reports the following nonmajor fund:

Cemetery Fund

This fund was established to account for the proceeds of property tax revenue and other sources that are legally restricted to expenditures for the purpose of operation of the City cemetery.

Debt Service Fund

This fund was established to account for the proceeds of property tax revenue that is legally restricted to expenditures for the purpose of retirement of principal, interest and agents' fees for general obligation bonds.

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, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recognized at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current fixed period. All other revenue items are considered to be measurable and available only when cash is received by the City.

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. General revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation, the principal operating revenues of the enterprise fund are charges for services. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

ASSETS, LIABILITIES AND NET POSITION/FUND BALANCE

Cash and Cash Equivalents

The City pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

Statement of Cash Flows

For the purpose of the statement of cash flows, the City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Investments

State statutes authorize the City to invest in obligations of the U.S. Treasury, federal agencies, commercial paper, corporate bonds, and repurchase agreements. Investments are stated at fair value. For the year ended the City had no certificates of deposits in excess of 90 days.

Restricted Assets

The City elects to use restricted assets before unrestricted assets when the situation arises where either can be used. Certain assets are classified as restricted assets because their use is limited by applicable debt or other agreements.

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Due to and due from other funds

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed.

Inventories

The purchase method is used to account for inventories. Under the purchase method, inventories are recorded as expenditures when purchased.

Prepaid items

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items. The cost of governmental fund-type prepaids is recorded as an expenditure when consumed rather than when purchased.

Accounts receivable and Unbilled Usage

Accounts receivables are stated at net with allowance for doubtful accounts of \$ 4,196 for water, \$ 2,866 for sewer and a total of \$ 16,695 for property taxes. All other receivables represent amounts collected within 60 days and therefore no need for an allowance. Unbilled usage for services consumed between periodic billing dates is recognized as revenue in the period in which service is provided.

Capital Assets and Depreciation

Capital assets, which include property, equipment, and infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of more than \$ 1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation. The estimated useful lives for each major class of depreciable capital assets are as follows:

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets and Depreciation - continued

Utility plants	20 to 50 years
Buildings	40 years
Infrastructure	20 to 40 years
Furniture and equipment	5 to 10 years
Vehicles	5 to 10 years

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. At this time, the City has one item that meets the definition of deferred outflows of resources. This amount is related to pension outflows as per GASB 68.

Deferred Inflows of Resources/Unavailable Revenue

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. In the Governmental Funds the item reported as a deferred inflow of resources arises only under a modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Inflows of Resources/Unavailable Revenue - continued

At this time, the City has one item that meets the definition of deferred inflows of resources. It is the deferred gain on refunding reported in the government-wide statement of net position and the statement of net position for proprietary funds. The item is related to pension inflows as per GASB 68.

Obligation for Bond Arbitrage Rebate

Pursuant to Section 148(f) of the U. S. Internal Revenue Code, the City must rebate to the United State Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. Arbitrage rebate, if any, is due and payable on each five-year anniversary of the respective debt issue.

Pensions

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

Long-term Debt

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt is reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, and losses on refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed during the current period.

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

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balances

Fund balances are classified as follows:

Nonspendable-This classification includes amounts that cannot be spent because they are in a nonspendable form, or they are required to be maintained intact.

Restricted-This classification includes amounts that can be spent only for specific purposes because of the City Charter, City Code, state or federal laws, or externally imposed conditions by grantors or creditors.

Committed-This classification includes amounts that can be used only for specific purposes determined by a formal action by the City Council. Such formal action may be in the form of an ordinance and may only be modified or rescinded by a subsequent formal action.

Assigned-This classification includes amounts that are intended by the City to be used for a specific purpose but are neither restricted nor committed. Assignments may be made only by the government body or official.

Unassigned-This classification represents the residual positive net resources of the General Fund in excess of what can properly be classified in one of the other four categories and include all deficit amounts in all other government funds.

The details of the fund balances are included in the Governmental Funds Balance Sheet (page 13). As discussed in Note A, restricted funds are used first as appropriate. Assigned Funds are reduced to the extent that expenditure authority has been budgeted by Council or the Assignment has been changed by the Mayor. Decreases to fund balance first reduce Unassigned Fund balance; in the event that Unassigned Fund Balance becomes zero, then Assigned and Committed Fund Balance are used in that order.

The fund balance of the City's General Fund has been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities. Currently the General Fund has set aside \$ 1,550,184.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of the cost of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net investment in capital assets amount also is adjusted by any bond issuance deferral amounts. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors,

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position - continued

grantors or laws or regulations of other governments. 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 assets are available.

Use of Estimates

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

Compensated Absences

City employees are entitled to certain compensated absences based on their length of employment. With minor exceptions, compensated absences either vest or accumulate and are accrued when they are earned.

Revenue Recognition

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and are due and payable at that time. All unpaid taxes levied October 1 become delinquent January 1, of the following year. Levy for 2022 was \$.5996 with a valuation base of \$ 109,608,489 broken down as follows: \$.1244 Cemetery, \$.1052 Parks, and \$.3700 Debt Service.

Sales Taxes

The City has three sales tax authorizations, a one cent City general sales tax, ½ cent transportation tax that was voted to extend past the original 2022 deadline, and a ½ cent park/storm water sales tax reported in the park fund.

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The City is required by Missouri State Law RSMo 105.485 to prepare a budget each year based on estimates of revenues and expected expenditures which include at a minimum a budget message, budget summary, schedule with prior year comparison of estimated revenue and expenditures, schedule of bonded debt obligations and budget approval letter. The accompanying

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - continued

statement of revenues, expenditures and changes in fund balance - budget and actual includes the budgeted expenditures for the year, along with management’s estimate of revenues for the year for both the original budget and the final budget which is reflective of any amendments throughout the fiscal year. The legal level of budgetary control is at the total fund level.

Budgetary basis of accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (modified accrual basis) for all governmental funds.

Excess of expenditures over appropriations

For the year ended December 31, 2022, expenditures did not exceed appropriations in any of the Governmental Funds.

Bond Reserve Compliance

The City was in compliance with required bonded debt reserves for the year.

Debt restrictions

General obligation debt

Article VI, Sections 26 (b) and (c), Constitution of Missouri, limits the outstanding amount of authorized general obligation debt of a City to 20 percent of the assessed valuation of taxable tangible property as shown by the last completed assessment for state or county purposes. Authorization for debt issuance requires four-sevenths at the general municipal election day, primary or general elections and two-thirds at all other elections, vote of the qualified electors thereof. The computed legal debt margin of the City on December 31, 2022, was:

Constitutional Debt Limit	\$ 21,921,698
Outstanding G.O. Bonds	<u>(9,210,000)</u>
Legal debt margin	<u>\$ 12,711,698</u>

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Debt restrictions - continued

Other long-term debt

Article VI, Section 26 (a), Constitution of Missouri, limits the outstanding indebtedness of a City without popular vote to an amount exceeding in any year the income and revenue provided for such year plus any unencumbered balances from previous years. For the year ended December 31, 2022, the city was in compliance with this requirement.

DETAILED NOTES ON ALL FUNDS

NOTE B – CASH AND INVESTMENTS

The City maintains a cash and investment account for each fund. Each fund account is displayed on the combined balance sheet as either "cash, investments, board designated investments, or bank overdrafts". In addition, investments are separately held by several of the City's funds. Deposits and investments are stated at cost, which approximates market.

Deposits. Certificates of deposit are classified as investments but are considered deposits for custodial risk determination. Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned, or the City will not be able to recover collateral securities in the possession of an outside party. The City's bank deposits are required by state law to be secured by the deposit 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.

As of December 31, 2022, the City's bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

Investment Policies

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City does have a written investment policy covering credit risk.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City policy is to limit the length of investments to meet cash flow requirements for ongoing operations, thereby avoiding the need to sell securities before maturity.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City is to invest in only those instruments approved by the State of Missouri which have minimal risk.

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE B – CASH AND INVESTMENTS (Continued)

Investment Policies - continued

Custodial Credit Risk is the risk that in the event of a broker/agent failure, securities that are uninsured and not registered in the name of the City and are held by either the counterparty to the transaction or the counterparty’s trust department or agent but not in the government’s name will not be returned to the City. The City does have a written investment policy on custodial credit risk in which all investments are either insured or registered in the City’s name and held by the City’s agent.

NOTE C – RESTRICTED CASH/NET POSITION

Restricted cash consisted of the following as of December 31, 2022:

	Cash	Net Position
Proprietary Funds		
2020 Depreciation and Replacement	\$ 623,334	\$ 613,720

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE D – CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended December 31, 2022, was as follows:

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 899,533	\$ -	\$ -	\$ 899,533
Construction in progress	11,188,545	-	-	11,188,545
Total capital assets, not being depreciated	<u>12,088,078</u>	<u>-</u>	<u>-</u>	<u>12,088,078</u>
Capital assets, being depreciated:				
Buildings	7,274,356	33,418	158,295	7,149,479
Infrastructure	15,424,560	603,225	16,607	16,011,178
Equipment	1,365,017	51,568	513,147	903,438
Vehicles	2,034,268	29,859	943,994	1,120,133
Total capital assets being depreciated	<u>26,098,201</u>	<u>718,070</u>	<u>1,632,043</u>	<u>25,184,228</u>
Less: Accumulated depreciation for:				
Buildings	1,799,556	204,952	72,587	1,931,921
Infrastructure	10,370,606	431,024	6,020	10,795,610
Equipment	1,083,275	27,264	392,733	717,806
Vehicles	1,682,133	45,057	722,553	1,004,637
Total accumulated depreciation	<u>14,935,570</u>	<u>708,297</u>	<u>1,193,893</u>	<u>14,449,974</u>
Capital assets being depreciated, net	<u>11,162,631</u>	<u>9,773</u>	<u>438,150</u>	<u>10,734,254</u>
Governmental activities capital assets, net	<u>\$ 23,250,709</u>	<u>\$ 9,773</u>	<u>\$ 438,150</u>	<u>\$ 22,822,332</u>

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

Governmental Activities:	
General government	\$ 25,397
Law and public safety	38,586
Street	426,646
Animal control	262
Cemetery	4,644
Parks	212,762
	<u>\$ 708,297</u>

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE D – CAPITAL ASSETS AND DEPRECIATION (Continued)

Business-type Activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 612,433	\$ -	\$ -	\$ 612,433
Construction in Progress	8,866,298	308,719	-	9,175,017
Total capital assets, not being depreciated	<u>9,478,731</u>	<u>308,719</u>	<u>-</u>	<u>9,787,450</u>
Capital assets, being depreciated:				
Plant	18,875,805	47,483	-	18,923,288
Equipment	588,663	57,026	-	645,689
Vehicles	780,496	64,818	-	845,314
Total capital assets, being depreciated	<u>20,244,964</u>	<u>169,327</u>	<u>-</u>	<u>20,414,291</u>
Less Accumulated depreciation for:				
Plant	10,201,725	400,539	-	10,602,264
Equipment	359,121	28,749	-	387,870
Vehicles	430,770	56,951	-	487,721
Total accumulated depreciation	<u>10,991,616</u>	<u>486,239</u>	<u>-</u>	<u>11,477,855</u>
Total capital assets being depreciated, net	<u>\$ 9,253,348</u>			<u>\$ 8,936,436</u>
Business-type activities capital assets, net	<u>\$ 18,732,079</u>			<u>\$ 18,723,886</u>

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

Business-type Activities:

Water Fund	\$ 234,551
Sewer Fund	<u>251,688</u>
	<u>\$ 486,239</u>

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE E – LONG-TERM DEBT

Business-type activities

The following is a summary of Proprietary Fund debt of the City for the year ended December 31, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
Revenue bonds	\$ 10,553,000		\$ 278,000	\$10,275,000	\$ 278,000
Bond premium	755,555		26,052	729,503	26,052
Compensated absences	61,202	86,768	60,620	87,350	8,735
Business-type activities long-term liabilities	<u>\$ 11,369,757</u>	<u>\$ 86,768</u>	<u>\$ 364,672</u>	<u>\$11,091,853</u>	<u>\$ 312,787</u>
				\$ 312,787	
				703,451	
				78,615	
				9,997,000	
				<u>\$11,091,853</u>	

The Proprietary Fund-Water Fund long-term debt as of December 31, 2022, follows:

On January 9, 2020, the City issued \$ 6,164,000 in Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds, State of Missouri-Direct Loan Program, for the purpose of extending and improving the City's combined waterworks and sewerage system. \$ 831,582 of the proceeds was used to redeem the 2003B Refunded issue. Interest rate is .90% with a .50% administrative fee with those payments due July and January 1st of each year and principal due annually on January 1st of each year. Final payment is due January 1, 2040.

\$ 5,610,000

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE E – LONG-TERM DEBT (Continued)

On February 1, 2020, the City issued \$ 4,665,000 in Combined Waterworks and Sewerage System Revenue Bonds for the purpose of extending and improving the City's System (the "Project").

Interest rate is 5.00% with payments due February 1 and August 1st each year and Principal due on February 1st annually. Final payment is February 1, 2050.

4,665,000

Total Revenue Bonds

\$ 10,275,000

The annual requirements to amortize Water Fund bonded debt as of December 31, 2022, follows:

Year Ending December 31,	Water and Sewer Funds		
	Principal	Interest	Totals
2023	\$ 278,000	\$ 283,115	\$ 561,115
2024	285,000	280,599	565,599
2025	289,000	278,026	567,026
2026	294,000	275,415	569,415
2027	299,000	272,756	571,756
2028-2032	1,567,000	1,322,407	2,889,407
2033-2037	1,697,000	1,249,291	2,946,291
2038-2042	1,816,000	1,136,877	2,952,877
2043-2047	2,165,000	728,500	2,893,500
2048-2050	1,585,000	159,000	1,744,000
	<u>\$ 10,275,000</u>	<u>\$ 5,985,986</u>	<u>\$ 16,260,986</u>

For compensated absences, the Water Fund historically liquidates 46.8% and the Sewer Fund 53.2% respectively.

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE E – LONG-TERM DEBT (Continued)

Governmental Activities Debt

The following is a summary of debt transactions of the City for the year ended December 31, 2022:

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
2018 Ford Explorer	\$ 8,840	\$ -	\$ 6,188	\$ 2,652	\$ 2,652
2019 Tahoes	32,914	-	14,899	18,015	15,399
2018 Certificate of Participation	3,175,000	-	290,000	2,885,000	300,000
2018 G.O. Bond	9,610,000	-	400,000	9,210,000	423,500
Unamortized bond premium	872,248	-	51,309	820,939	51,309
Compensated absences	86,824	149,036	59,085	176,775	17,678
Governmental activities long-term liabilities	<u>\$ 13,785,826</u>	<u>\$ 149,036</u>	<u>\$ 821,481</u>	<u>\$ 13,113,381</u>	<u>\$ 810,538</u>
Due and payable within one year				\$ 810,538	
Due and payable in more than one year:					
Lease payable				2,616	
Certificate of Participation				2,585,000	
General Obligation Bond				8,786,500	
Unamortized bond premium				769,630	
Compensated absences				159,097	
				<u>\$ 13,113,381</u>	

For compensated absences, the General Fund historically liquidates 89.9%, the Cemetery Fund 4.5% and the Park Fund 5.6% respectively.

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE E – LONG-TERM DEBT (Continued)

The Governmental-type Activities long-term debt as of December 31, 2022, follows:

<p>On May 1, 2018 the City issued \$ 3,985,000 in Certificates of Participation for the purpose of building an outdoor aqua park complex. The interest rate runs from 4.00% to 3.875% with principal payments due every March 1 and interest due semi-annually on September 1 and March 1 of each year. Final payment is March 1, 2043.</p>	\$ 2,885,000
<p>On April 5, 2018 the City issued \$ 10,000,000 General Obligation Street Improvement Bonds for the purpose of infrastructure improvements near mile marker 103 on I-44. Interest rate on the bonds range from 3.00% to 5.00% with principal payments due March 1 and interest due semi-annually on September 1 and March 1 of each year. Final payment is March 1, 3038.</p>	<u>9,210,000</u>
	<u><u>\$ 12,095,000</u></u>

The annual requirements to amortize Governmental-Type Activities bonded debt as of December 31, 2022, follows:

Year Ending December 31,	Principal	Interest	Totals
2023	\$ 715,000	\$ 506,794	\$ 1,221,794
2024	530,000	481,894	1,011,894
2025	550,000	460,294	1,010,294
2026	570,000	438,394	1,008,394
2027	585,000	416,294	1,001,294
2028-2032	3,295,000	1,714,937	5,009,937
2033-2037	4,085,000	890,872	4,975,872
2038-2042	1,585,000	133,618	1,718,618
2043	180,000	3,488	183,488
	\$ 12,095,000	\$ 5,046,585	\$ 17,141,585

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE E – LONG-TERM DEBT (Continued)

On May 30, 2018 the City entered into a lease for the purchase of a 2018 Ford Explorer (\$ 29,088). Payments are \$ 535.75 per month for 60 months at an interest rate of 4.00%.	\$ 2,652
On March 29, 2019 the City entered into a lease for the purchase of two Tahoes (\$ 72,552). Payments are \$ 1,313.60 per month for 60 months at an interest rate of 3.307%	<u>18,015</u>
	<u>\$ 20,667</u>

The city has entered into these cancelable leases although the city does not foresee exercising its options to cancel. Therefore, these leases are accounted for as a noncancelable capital lease in accordance with Statement of Financial Accounting Standards Board (FASB) No. 13 *Accounting for Leases*.

Governmental Activities Debt

Following is a summary of debt maturities and interest requirements on above leases:

Year Ending	
2023	\$ 18,442
2024	<u>2,627</u>
Total minimum lease payment	21,069
Less: amount representing interest	<u>(402)</u>
Present value of minimum lease payments	<u>\$ 20,667</u>

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE E – LONG-TERM DEBT (Continued)

Assets shown above under capital leases are included in Note D.

One 2018 Ford Explorer Police car	\$	29,088
Two 2019 Tahoes		72,552
Less: Accumulated Depreciation		<u>(92,525)</u>
 Net	 \$	 <u>9,115</u>

NOTE F – DEFINED BENEFIT PENSION PLAN

The City of Marshfield participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee retirement plan for units of local government which is legally separate and fiscally independent of the State of Missouri. The retirement system covers all full-time City employees.

Plan description

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

Benefits provided.

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

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE F – DEFINED BENEFIT PENSION PLAN (Continued)

	2022 Valuation
Benefit Multiplier:	2.00%
Final Average Salary:	5 years
Member Contributions:	4.00%

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

Employees covered by benefit terms.

On June 30, 2022, the following employees were covered by the benefits terms:

Inactive employees or beneficiaries currently receiving benefits	25
Inactive employees entitled to but not yet receiving benefits	14
Active employees	37
Total	76

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 contribute 4.0% of their gross pay to the pension plan. Employers’ contribution rates are 16.0 % General and 20.5% Police of annual covered payroll.

Net Pension Liability

The employer’s net pension liability was measured as June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2022.

The Pension Liability is paid in the ratio of pension contributions by each activity/fund/department.

Actuarial assumptions

The total pension liability in the February 28, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE F – DEFINED BENEFIT PENSION PLAN (Continued)

Inflation	2.75% wage inflation: 2.25% price inflation
Salary increase	2.75% to 6.75% including wage inflation
Investment rate of return	7.00% net of investment

Mortality rates were based on the healthy retiree mortality tables, for post-retirement mortality, were the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables, for post-retirement mortality, were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees' mortality table for males and females.

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2022. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale.

The actuarial assumptions were based on the 5-year experience study for the period March 1, 2010, through February 28, 2015.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment 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>
Equity	39.00%	4.16%
Fixed Income	28.00%	0.89%
Real Assets	33.00%	2.09%

Discount rate

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

CITY OF MARSHFIELD, MISSOURI
 NOTES TO BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2022

NOTE F – DEFINED BENEFIT PENSION PLAN (Continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at 7/1/2021 Liability (Asset)	\$ 7,574,532	\$ (7,988,903)	\$ (414,371)
Changes for the year:			
Service Cost	186,017	-	186,017
Interest	524,260	-	524,260
Difference between expected and actual experience	139,911	-	139,911
Changes in assumptions	-	-	-
Contribution - employer	-	(280,123)	(280,123)
Contribution - employee	-	(65,199)	(65,199)
Net investment income	-	(7,276)	(7,276)
Benefit payments, including refunds	(359,140)	359,140	-
Administrative expense	-	8,177	8,177
Other changes	-	13,662	13,662
Net changes	<u>491,048</u>	<u>28,381</u>	<u>519,429</u>
Balances at 6/30/2022 Liability (Asset)	<u>\$ 8,065,580</u>	<u>\$ (7,960,522)</u>	<u>\$ 105,058</u>

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

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

	1% Decrease 6.00%	Current Single Discount Rate Assumption 7.00%	1% Increase 8.00%
\$	1,303,753	105,058	(878,325)

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE F – DEFINED BENEFIT PENSION PLAN (Continued)

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

For the year ended June 30, 2022, the employer recognized pension expense of \$ 164,772. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ 243,766	\$ (65,753)
Differences in assumptions	22,960	(71,801)
Excess(deficit) in investment returns	-	(136,798)
Contributions subsequent to the measurement date*	155,179	-
Total	\$ 421,905	\$ (274,352)

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a decrease in the Net Pension Liability for the year ending December 31, 2023.

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

Year ended:	
2023	\$ (9,342)
2024	(25,758)
2025	(122,984)
2026	133,179
2027	9,860
Thereafter	7,419
Total	\$ (7,626)

Payable to the Pension Plan

On December 31, 2022, the City of Marshfield reported a payable of \$ 0.00 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2022.

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE G – 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 maintains commercial insurance coverage for property damage and various Missouri Official's bonds. Management believes coverage is sufficient to preclude any significant uninsured losses to the City.

On December 31, 2022, the City maintained commercial insurance coverage for building and contents and employee theft. In the past three years, the City had no losses that exceeded commercial insurance coverage.

NOTE H – GRANTS

Intergovernmental awards received by the City are subject to audit and adjustment by the grantor agencies. If grant revenues are received for expenditures, which are subsequently disallowed, the City may be required to repay the revenues to the funding agencies. No disallowed costs have resulted from this audit and management believes that further examination will not result in any disallowed costs.

NOTE I – INTERFUND TRANSFERS

Interfund transfers for the year ended December 31, 2022, consisted of the following with the purpose of the transfer stated after each category:

	<u>Transfers In</u>	<u>Transfer Out</u>
Transportation Sales Tax Fund	\$ -	\$ 450,000
Debt Service Fund	450,000	-
To fund the cost of bond payment	<u>\$ 450,000</u>	<u>\$ 450,000</u>
Water Fund	\$ -	\$ 54,437
Sewer Fund	-	41,386
General Fund	95,823	-
Fee in Lieu of tax to the General Fund	<u>\$ 95,823</u>	<u>\$ 95,823</u>
Water Fund		\$ 844,727
Sewer Fund	844,727	-
To redistribute cost on construction projects	<u>\$ 844,727</u>	<u>\$ 844,727</u>

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE J – CONSTRUCTION IN PROGRESS

Construction in progress is authorized by actions of the City Council (governing body). A summary of construction in progress as of December 31, 2022, is as follows:

Project	Estimated Cost of Project	Construction in Progress	Remaining Cost to Complete
Water Fund			
Expansion Northside Project	\$ 1,517,735	\$ 376,383	\$ 1,141,352
Water expansion	1,630,000	1,412,977	217,023
2020 Water Improvement	4,662,774	4,542,452	120,322
Sewer Fund			
Sewer Improvements-Engineer fees	541,000	314,332	226,668
ByPass Elimination Plan	<u>3,680,000</u>	<u>2,528,873</u>	<u>1,151,127</u>
Total Business-type Activities	<u>\$ 12,031,509</u>	<u>\$ 9,175,017</u>	<u>\$ 2,856,492</u>
Governmental Activities:			
I-44 Interchange	<u>15,573,280</u>	<u>11,188,545</u>	<u>4,384,735</u>
Total Governmental Activities	<u>\$ 15,573,280</u>	<u>\$ 11,188,545</u>	<u>\$ 4,384,735</u>

NOTE K– FUTURE ACCOUNTING PRONOUNCEMENTS

The accounting principles governing the reported amounts, presentation and related disclosures are subject to change from time to time based on new pronouncements and/or rules issued by various governing bodies. The Governmental Accounting Standards Board (GASB) is responsible for establishing generally accepted accounting principles (GAAP) for state and local governments.

CITY OF MARSHFIELD, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE K- FUTURE ACCOUNTING PRONOUNCEMENTS (Continued)

The City adopted the following statements during the year ended December 31, 2022:

GASB Statement No. 101 Compensated Absences, issued June 2022, will be effective for fiscal years beginning after December 15, 2023, however earlier application is encouraged. The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

GASB Statement No. 100, issued June 2022, Accounting Changes and Error Corrections-An Amendment of GASB statement no. 62, will be effective for fiscal years beginning after June 15, 2023, however earlier application is encouraged. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

The City did not have any changes to report for the year ending December 31, 2022, upon adopting GASB 101 and 100.

The Statement which might impact the City are as follows:

GASB Statement No. 99, *Omnibus 2022*, issued April 2022, will be effective for the year beginning after June 30, 2022. The objective of this statement is to enhance comparability and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

The City's management has not yet determined the effect of this statement will have on the City's financial statements.

NOTE L- RESTATEMENT OF BEGINNING NET POSITION

For 2022 the City transfers all assets related to the Fire Department to Webster County Fire Protection District. This resulted in a decrease of capital assets totaling \$ 438,150 and a corresponding decrease in net position.

REQUIRED SUPPLEMENTAL INFORMATION

CITY OF MARSHFIELD, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON INFORMATION
DECEMBER 31, 2022

Explanation of Budgetary Process

The City Council follows the procedures outlined below in establishing the budgetary data reflected in the basic financial statements:

- a. City department directors prepare departmental operating budgets, and the Director of Finance makes revenue projections on or before September 1st.
- b. Departmental meetings are conducted during the month of October with the City Manager and the Director of Finance to allow the departments to support their budgets.
- c. Preliminary budget summaries of revenues and expenditures/expenses are prepared for review by the City Manager.
- d. Final budget decisions are made by the City Manager by mid-November.
- e. A proposed budget is submitted to the City Council by the end of November.
- f. Prior to January 1st, the budget is legally enacted. Projected expenditures cannot exceed estimated revenues plus fund balances at the beginning of the year.
- g. Budgetary control is exercised by the City Council at the department and fund levels. This is the legal level of control. All unexpended appropriations lapse at year-end.

Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles.

The budgeted amounts included in the basic financial statements are as originally adopted or amended by the City Council, pursuant to State Statutes. The City Council adopts annual budgets for the General Fund, Transportation Sales Tax Fund, Park Fund, Cemetery Fund and Debt Service Fund.

For the year ended December 31, 2022, actual expenditures were within budget.

CITY OF MARSHFIELD, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL -
FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUES	General Fund			
	Budget		Actual	Variance With Final Budget
	Original	Final		
Franchise taxes	\$ 308,500	\$ 308,500	\$ 334,603	\$ 26,103
Sales taxes	1,620,192	1,620,192	2,002,354	382,162
Missouri motor fuel taxes	270,841	270,841	327,322	56,481
Financial institutional tax	2,000	2,000	2,915	915
Licenses & permits	45,409	45,409	49,995	4,586
Fines & forfeitures	113,300	113,300	88,618	(24,682)
Interest and dividends	7,500	7,500	17,980	10,480
Rent	18,690	18,690	18,727	37
Miscellaneous	996	996	6,555	5,559
Total Revenues	<u>2,387,428</u>	<u>2,387,428</u>	<u>2,849,069</u>	<u>461,641</u>
EXPENDITURES				
Current:				
General government	526,286	526,286	437,354	88,932
Law and public safety	1,148,174	1,148,174	1,147,432	742
Street	508,701	508,701	489,573	19,128
Municipal court	125,554	125,554	116,605	8,949
Economic development	-	-	16,000	(16,000)
Animal control	43,468	43,468	38,791	4,677
Capital outlay	225,683	225,683	66,873	158,810
Debt service:				
Principal	-	-	21,087	(21,087)
Interest and fees	-	-	1,641	(1,641)
Total Expenditures	<u>2,577,866</u>	<u>2,577,866</u>	<u>2,335,356</u>	<u>242,510</u>
EXCESS OF REVENUES OVER EXPENDITURES	(190,438)	(190,438)	513,713	704,151
OTHER FINANCING SOURCE (USES)				
Transfer In	-	-	95,823	95,823
Sale of general capital assets	-	-	19,600	19,600
CHANGES IN FUND BALANCE	<u>\$ (190,438)</u>	<u>\$ (190,438)</u>	629,136	<u>\$ 819,574</u>
FUND BALANCES - BEGINNING			<u>3,596,970</u>	
FUND BALANCES - ENDING			<u>\$ 4,226,106</u>	

CITY OF MARSHFIELD, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL -
FOR THE YEAR ENDED DECEMBER 31, 2022

Transportation Sales Tax Fund

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Sales tax	\$ 775,511	\$ 775,511	\$ 954,146	\$ 178,635
Grants	12,000	12,000	12,000	-
Interest and dividends	5,880	5,880	7,149	1,269
Total Revenues	<u>793,391</u>	<u>793,391</u>	<u>973,295</u>	<u>179,904</u>
EXPENDITURES				
Current expense-				
Streets	272,330	272,330	64,315	208,015
Capital Outlay	752,497	752,497	606,931	145,566
Total Expenditures	<u>1,024,827</u>	<u>1,024,827</u>	<u>671,246</u>	<u>353,581</u>
(DEFICIT) OF REVENUE OVER EXPENDITURES	(231,436)	(231,436)	302,049	(533,485)
OTHER FINANCING SOURCE (USES)				
Transfers (Out)	(450,000)	(450,000)	(450,000)	-
CHANGES IN FUND BALANCE	<u>\$ (681,436)</u>	<u>\$ (681,436)</u>	<u>(147,951)</u>	<u>\$ (533,485)</u>
FUND BALANCES - BEGINNING			2,141,207	
FUND BALANCES - ENDING			<u>\$ 1,993,256</u>	

Park Fund

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 109,961	\$ 109,961	\$ 119,869	\$ 9,908
Sales tax	775,445	775,445	954,076	178,631
Activity fees	273,077	273,077	269,143	(3,934)
Interest and dividends	7,200	7,200	7,453	253
Miscellaneous	-	-	1,226	1,226
Total Revenues	<u>1,165,683</u>	<u>1,165,683</u>	<u>1,351,767</u>	<u>186,084</u>
EXPENDITURES				
Current expense-				
Park	751,683	751,683	733,621	18,062
Economic development	-	-	16,000	(16,000)
Capital outlay	328,276	328,276	44,266	284,010
Debt service:				
Principal	290,000	290,000	290,000	-
Interest and agents fees	112,014	112,014	111,928	86
Total Expenditures	<u>1,481,973</u>	<u>1,481,973</u>	<u>1,195,815</u>	<u>286,158</u>
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	<u>\$ (316,290)</u>	<u>\$ (316,290)</u>	<u>155,952</u>	<u>\$ 472,242</u>
FUND BALANCES - BEGINNING			1,805,541	
FUND BALANCES - ENDING			<u>\$ 1,961,493</u>	

CITY OF MARSHFIELD, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION - UNAUDITED
SCHEDULE OF CHANGES IN NET PENSION
LIABILITY AND RELATED RATIOS
FOR THE YEARS ENDED DECEMBER 31

	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability								
Service costs	\$ 186,017	\$ 177,570	\$ 173,790	\$ 170,265	\$ 155,234	\$ 145,581	\$ 147,488	\$ 152,198
Interest on Total Pension Liability	524,260	529,494	497,941	469,942	451,756	429,522	404,521	396,287
Difference between expected and actual experience	139,911	(51,047)	108,752	92,029	(20,905)	51,323	(113,853)	(139,761)
Changes in Assumptions	-	(110,809)	-	-	-	-	240,266	-
Benefit payments, including refunds	(359,140)	(367,173)	(327,795)	(367,085)	(318,998)	(329,773)	(335,427)	(251,726)
Net change in total pension liability	491,048	178,035	452,688	365,151	267,087	296,653	342,995	156,998
Total Pension Liability-beginning	7,574,532	7,396,497	6,943,809	6,578,658	6,311,571	6,014,918	5,671,923	5,514,925
Total Pension Liability-ending	<u>\$ 8,065,580</u>	<u>\$ 7,574,532</u>	<u>\$ 7,396,497</u>	<u>\$ 6,943,809</u>	<u>\$ 6,578,658</u>	<u>\$ 6,311,571</u>	<u>\$ 6,014,918</u>	<u>\$ 5,671,923</u>
Plan Fiduciary Net Position								
Contributions - employer	\$ 280,123	\$ 250,219	\$ 236,635	\$ 210,605	\$ 189,961	\$ 168,259	\$ 155,315	\$ 174,617
Contributions - employee	65,199	61,035	62,126	58,649	57,172	54,578	50,787	53,923
Net investment income	7,276	1,683,953	82,363	378,747	656,331	563,255	5,595	108,433
Benefits payments, including refunds	(359,140)	(367,173)	(327,795)	(367,085)	(318,998)	(329,773)	(335,427)	(251,726)
Pension Plan Administrative Expense	(8,177)	(6,679)	(9,144)	(7,487)	(5,207)	(5,057)	(4,794)	(5,406)
Other (Net Transfer)	(13,662)	49,858	2,730	56,571	(22,528)	25,247	(166,710)	(163,589)
Net change in plan fiduciary net position	(28,381)	1,671,213	46,915	330,000	556,731	476,509	(295,234)	(83,748)
Plan Fiduciary Net Position-beginning	7,988,903	6,317,690	6,270,775	5,940,775	5,384,044	4,907,535	5,202,769	5,286,517
Plan Fiduciary Net Position-ending	<u>\$ 7,960,522</u>	<u>\$ 7,988,903</u>	<u>\$ 6,317,690</u>	<u>\$ 6,270,775</u>	<u>\$ 5,940,775</u>	<u>\$ 5,384,044</u>	<u>\$ 4,907,535</u>	<u>\$ 5,202,769</u>
Net Pension Liability	<u>\$ 105,058</u>	<u>\$ (414,371)</u>	<u>\$ 1,078,807</u>	<u>\$ 673,034</u>	<u>\$ 637,883</u>	<u>\$ 927,527</u>	<u>\$ 1,107,383</u>	<u>\$ 469,154</u>
Plan fiduciary net position as a percentage of the total pension liability	98.70%	105.47%	85.41%	90.31%	90.30%	85.30%	81.59%	91.73%
Covered payroll	\$ 1,626,218	\$ 1,506,690	\$ 1,465,956	\$ 1,411,330	\$ 1,413,405	\$ 1,262,361	\$ 1,247,418	\$ 1,323,582
Net Pension liability as a percentage of covered payroll	6.46%	-27.50%	73.59%	47.69%	45.13%	73.48%	88.77%	35.45%

Notes to schedule:

*Information not available as this represents the first actuarial valuation performed pursuant to GASB Statement No. 67.

This schedule is intended to cover ten years. The City implemented GASB Statement No. 67 in fiscal year 2014. Information for years prior to fiscal year 2014 is therefore unavailable.

CITY OF MARSHFIELD, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION-UNAUDITED
SCHEDULE OF PENSION PLAN CONTRIBUTIONS
LAST TEN FISCAL YEARS
FOR THE YEARS ENDED DECEMBER 31.

Fiscal Year	Actuarially Determined Contribution	Contribution in Relation	Contribution Deficiency	Covered Employee Payroll	Contribution as Percentage
2013	\$ 188,425	\$ 170,016	\$ 18,409	\$ 1,322,645	12.85%
2014	198,948	182,351	16,597	1,363,368	13.38%
2015	176,055	163,112	12,943	1,300,543	12.54%
2016	164,694	157,613	7,081	1,323,145	11.91%
2017	211,804	176,876	34,928	1,384,013	12.78%
2018	236,374	199,507	36,867	1,444,246	13.81%
2019	245,035	223,153	21,882	1,508,749	14.79%
2020	262,579	246,403	16,176	1,561,873	15.78%
2021	271,697	258,963	12,734	1,526,130	16.97%
2022	310,801	304,915	5,886	1,755,217	17.37%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date: February 28, 2022

Notes: The roll-forward of total pension liability from February 28, 2022 to June 30, 2022 reflects expected service cost and interest reduced by actual benefit payments.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method Entry Age Normal and Modified Terminal Funding

Amortization Method A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.

Remaining Amortization Period Multiple bases from 8 to 15 years

Asset Valuation Method 5-Year smoothed market: 20% corridor

Inflation 2.75% wage inflation; 2.25% price inflation

Salary increases 2.75% to 6.75% including wage inflation

Investment Rate of Return 7.00%, net of investment

Retirement Age Experience-based table of rates that are specific to the type of eligibility condition.

Mortality The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled 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.

Other information: None

CITY OF MARSHFIELD, MISSOURI

COMBINING BALANCE SHEET- NONMAJOR GOVERNMENTAL FUNDS DECEMBER 31, 2022

	Debt Service Fund	Cemetery Fund	Total
ASSETS			
Cash and cash equivalents	\$ 134,188	\$ 507,806	\$ 641,994
Accounts receivable-property taxes (net)	326,454	115,585	442,039
Prepaid items	-	3,400	3,400
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 460,642</u>	<u>\$ 626,791</u>	<u>\$ 1,087,433</u>
LIABILITIES			
Accrued wages and benefits	\$ -	\$ 2,494	\$ 2,494
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>-</u>	<u>2,494</u>	<u>2,494</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable property tax revenue	36,930	13,073	50,003
	<u> </u>	<u> </u>	<u> </u>
FUND BALANCES			
Nonspendable	-	3,400	3,400
Restricted-			
Debt Service	423,712	-	423,712
Cemetery	-	607,824	607,824
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>423,712</u>	<u>611,224</u>	<u>1,034,936</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
	<u>\$ 460,642</u>	<u>\$ 626,791</u>	<u>\$ 1,087,433</u>

CITY OF MARSHFIELD, MISSOURI
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES -
 NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Debt Service Fund	Cemetery Fund	Total
REVENUES;			
Property taxes	\$ 421,999	\$ 142,451	\$ 564,450
Cemetery-sale of plots & grave openings	-	32,900	32,900
Interest and dividends	545	2,585	3,130
Miscellaneous	-	2,076	2,076
Total Revenues	<u>422,544</u>	<u>180,012</u>	<u>602,556</u>
EXPENDITURES;			
Current:			
Administration	-	144,442	144,442
Economic development	-	16,000	16,000
Debt service:			
Principal	400,000	-	400,000
Interest and fees	423,889	-	423,889
Total Expenditures	<u>823,889</u>	<u>160,442</u>	<u>984,331</u>
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	(401,345)	19,570	(381,775)
OTHER FINANCING SOURCES			
Transfers in	450,000	-	450,000
FUND BALANCES - BEGINNING	<u>375,057</u>	<u>591,654</u>	<u>966,711</u>
FUND BALANCES - ENDING	<u>\$ 423,712</u>	<u>\$ 611,224</u>	<u>\$ 1,034,936</u>

CITY OF MARSHFIELD, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - NONMAJOR FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

REVENUES	Cemetery Fund			Variance With Final Budget
	Budget		Actual	
	Original	Final		
Property taxes	\$ 129,982	\$ 129,982	\$ 142,451	\$ 12,469
Sale of plots and openings	36,600	36,600	32,900	(3,700)
Interest and dividends	2,400	2,400	2,585	185
Miscellaneous	1,000	1,000	2,076	1,076
Total Revenues	<u>169,982</u>	<u>169,982</u>	<u>180,012</u>	<u>10,030</u>
EXPENDITURES				
Current:				
Cemetery	155,232	155,232	144,442	10,790
Economic development	14,750	14,750	16,000	(1,250)
Total Expenditures	<u>169,982</u>	<u>169,982</u>	<u>160,442</u>	<u>9,540</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES				
	<u>\$ -</u>	<u>\$ -</u>	19,570	<u>\$ 19,570</u>
FUND BALANCES - BEGINNING			<u>591,654</u>	
FUND BALANCES - ENDING			<u>\$ 611,224</u>	

REVENUES	Debt Service Fund			Variance With Final Budget
	Budget		Actual	
	Original	Final		
Property taxes	\$ 385,349	\$ 385,349	\$ 421,999	\$ 36,650
Interest and dividends	720	720	545	(175)
Total Revenues	<u>386,069</u>	<u>386,069</u>	<u>422,544</u>	<u>36,475</u>
EXPENDITURES				
Debt service:				
Principal	400,000	400,000	400,000	-
Interest and fees	426,935	426,935	423,889	3,046
Total Expenditures	<u>826,935</u>	<u>826,935</u>	<u>823,889</u>	<u>3,046</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES				
	(440,866)	(440,866)	(401,345)	39,521
OTHER FINANCING SOURCES				
Transfer in	<u>\$ 450,000</u>	<u>\$ 450,000</u>	450,000	<u>\$ -</u>
FUND BALANCES - BEGINNING			<u>375,057</u>	
FUND BALANCES - ENDING			<u>\$ 423,712</u>	

SECTION III – STATISTICAL SECTION

CITY OF MARSHFIELD, MISSOURI

Statistical Section Overview

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

Contents	Pages
Financial Trends	59 - 64
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	65 - 69
These schedules contain information to help the reader assess the City's most significant local revenue sources.	
Debt Capacity	70 - 74
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	75
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	76 - 78
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

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

CITY OF MARSHFIELD, MISSOURI
Net Position By Component
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities										
Net investment in capital assets	\$ 10,706,665	\$ 10,423,955	\$ 8,486,933	\$ 8,021,604	\$ 6,443,366	\$ 8,354,813	\$ 7,319,368	\$ 6,929,532	\$ 5,346,159	\$ 5,531,715
Restricted	4,989,685	5,275,745	6,921,862	791,255	2,454,175					641,862
Unrestricted	3,103,765	2,105,656	145,843	5,361,448	4,191,396	3,738,094	2,639,901	2,274,559	3,059,260	2,000,875
Total governmental activities net position	\$ 18,800,115	\$ 17,805,356	\$ 15,554,638	\$ 14,174,307	\$ 13,088,937	\$ 12,092,907	\$ 9,959,269	\$ 9,204,091	\$ 8,405,419	\$ 8,174,452
Business-type activities										
Net investment in capital assets	7,718,383	8,171,494	6,892,140	10,506,686	9,993,060	9,226,957	8,846,728	8,259,976	7,627,620	6,616,361
Restricted	613,720	3,755,820	5,849,251	948,631	1,344,973	1,012,282	857,852	472,327	905,972	137,244
Unrestricted	6,156,224	2,110,059	1,021,093	2,212,324	1,639,583	1,862,678	1,477,906	1,260,450	919,113	1,888,217
Total business-type activities net position	\$ 14,488,327	\$ 14,037,373	\$ 13,762,484	\$ 13,667,641	\$ 12,977,616	\$ 12,101,917	\$ 11,182,486	\$ 9,992,753	\$ 9,452,705	\$ 8,641,822
Primary government										
Net investment in capital assets	18,425,048	18,595,449	15,379,073	18,528,290	16,436,426	17,581,770	16,166,096	15,189,508	12,973,779	12,148,076
Restricted	5,603,405	9,031,565	12,771,113	1,739,886	3,799,148	1,012,282	857,852	472,327	905,972	779,106
Unrestricted	9,259,989	4,215,715	1,166,936	7,573,772	5,830,979	5,600,772	4,117,807	3,535,009	3,978,373	3,889,092
Total primary government net position	\$ 33,288,442	\$ 31,842,729	\$ 29,317,122	\$ 27,841,948	\$ 26,066,553	\$ 24,194,824	\$ 21,141,755	\$ 19,196,844	\$ 17,858,124	\$ 16,816,274

Source: Basic Financial Statements

CITY OF MARSHFIELD, MISSOURI

Changes in Net Position

Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses										
Governmental Activities										
General government	\$ 450,646	\$ 290,763	\$ 304,171	\$ 396,831	\$ 358,317	\$ 292,370	\$ 320,771	\$ 287,391	\$ 306,632	\$ 309,423
Law and public safety	1,274,054	902,597	991,020	1,000,270	926,558	802,788	795,362	854,715	852,759	764,936
Street	969,185	804,609	764,596	748,416	841,089	774,105	784,777	760,357	813,678	775,771
Fire	-	-	306,749	300,024	290,488	263,854	278,575	290,572	281,665	261,745
Municipal court	118,059	73,062	74,207	72,065	50,393	60,223	48,442	49,310	52,940	51,300
Transit	-	-	-	-	-	-	-	-	7,426	83,007
Building inspection	-	98,431	88,651	56,414	69,233	59,740	65,455	50,519	41,025	57,596
Economic Development	48,000	109,397	60,000	-	-	1,239	52,848	-	-	-
Animal control	38,174	27,684	24,927	33,288	31,930	29,892	30,677	27,611	54,113	62,298
Cemetery	143,385	117,098	108,920	126,041	105,400	98,929	144,423	111,315	103,005	93,613
Park	931,917	785,473	719,752	547,131	441,200	269,325	275,882	230,304	228,947	190,824
Interest on long-term debt	486,149	503,194	521,237	549,969	427,505	17,729	49,278	125,334	91,421	101,452
Total Governmental Activities	4,459,569	3,712,308	3,964,230	3,830,449	3,542,113	2,670,194	2,846,490	2,787,428	2,833,611	2,751,965
Business-type Activities										
Water	1,308,854	1,153,611	1,131,513	1,000,015	965,875	920,987	851,153	860,938	912,125	914,352
Sewer	1,267,701	1,189,341	1,268,952	1,022,080	991,214	948,630	983,341	909,371	1,016,222	1,009,104
Total Business-type Activities	2,576,555	2,342,952	2,400,465	2,022,095	1,957,089	1,869,617	1,834,494	1,770,309	1,928,347	1,923,456
Total Expenses	\$ 7,036,124	\$ 6,055,260	\$ 6,364,695	\$ 5,852,544	\$ 5,499,202	\$ 4,539,811	\$ 4,680,984	\$ 4,557,737	\$ 4,761,958	\$ 4,675,421
Program Revenues										
Governmental Activities										
General government	\$ 68,722	\$ 62,891	\$ 60,084	\$ 61,934	\$ 56,892	\$ 33,573	\$ 18,838	\$ 5,624	\$ 6,906	\$ 11,180
Law and public safety	88,618	-	-	-	-	-	-	18,572	-	-
Street	-	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-	-
Municipal court	-	50,506	100,045	136,206	115,793	78,504	50,923	47,986	58,154	45,597
Transit	-	-	-	-	-	-	-	-	25	6,447
Building inspection	-	30,820	42,512	22,666	35,819	25,872	28,712	23,478	36,432	45,332
Animal control	-	-	-	-	2,102	-	-	1,604	2,073	-
Cemetery	32,900	38,600	40,900	28,300	39,400	35,450	40,650	21,000	33,400	26,650
Park	269,143	220,738	91,410	158,025	37,913	35,463	32,920	2,823	34,057	27,450
Operating grants and contributions	12,000	9,000	28,325	2,238	3,381	-	20,782	13,776	300	29,429
Capital grants and contributions	-	-	264,679	-	1,669	469,104	269,432	48,205	-	18,594
Total Governmental Activities	471,383	412,555	627,955	409,369	292,969	677,966	462,257	183,068	171,347	210,679
Business-type Activities										
Charges for services										
Water	1,469,191	1,421,920	1,545,514	1,738,171	1,438,541	1,387,632	863,088	995,737	969,289	920,619
Sewer	1,550,747	1,230,390	938,313	908,084	1,265,535	1,224,176	1,112,637	1,065,899	1,062,235	1,035,210
Operating grants and contributions	50,300	-	2,597	-	-	-	-	-	-	-
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total Business-type Activities	3,019,938	2,652,310	2,483,827	2,646,255	2,704,076	2,611,808	1,975,725	2,061,636	2,031,524	1,955,829
Total Program Revenues	\$ 3,491,321	\$ 3,064,865	\$ 3,111,782	\$ 3,055,624	\$ 2,997,045	\$ 3,289,774	\$ 2,437,982	\$ 2,244,704	\$ 2,202,871	\$ 2,166,508
Net (Expense)/Revenue										
Governmental Activities	\$ (3,988,186)	\$ (3,299,753)	\$ (3,336,275)	\$ (3,421,080)	\$ (3,249,144)	\$ (1,992,228)	\$ (2,384,233)	\$ (2,604,360)	\$ (2,662,264)	\$ (2,541,286)
Business-type Activities	493,683	309,358	85,959	624,160	746,987	742,191	141,231	291,327	103,177	32,373
Total Net Expense	\$ (3,494,503)	\$ (2,990,395)	\$ (3,250,316)	\$ (2,796,920)	\$ (2,502,157)	\$ (1,250,037)	\$ (2,243,002)	\$ (2,313,033)	\$ (2,559,087)	\$ (2,508,913)

CITY OF MARSHFIELD, MISSOURI

Changes in Net Position

(continued)

Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Revenues										
Governmental Activities										
Property taxes levied for cemetery	142,819	140,856	124,822	119,532	118,491	122,543	108,878	113,366	100,414	68,887
Property taxes levied for debt service	421,999	403,065	356,922	340,082	336,560	346,386	297,577	310,563	298,235	286,768
Property taxes levied for parks	119,869	119,772	108,356	101,812	101,246	104,368	92,157	96,275	88,516	69,182
Franchise taxes	334,603	318,086	328,224	339,596	368,645	377,160	364,332	418,209	386,455	377,803
Sales taxes	3,910,576	3,656,171	3,347,370	3,051,718	2,902,905	2,770,955	2,762,438	2,520,610	1,898,166	1,764,715
Lodging taxes	-	-	-	-	-	-	26,429	14,152	17,792	15,592
Missouri motor fuel taxes	327,322	289,559	259,972	270,841	267,570	267,770	264,748	259,949	252,424	240,312
Other taxes	-	-	-	-	-	-	-	-	-	-
Interest on investments	35,712	29,737	81,300	220,971	167,524	28,369	15,454	14,876	12,142	12,366
Miscellaneous	12,772	33,567	12,134	48,800	33,900	15,771	27,398	42,527	29,052	45,121
Transfers	95,823	94,786	97,506	13,098	(51,667)	(57,081)	(820,000)	(140,000)	(185,643)	(362,920)
Developers fee	-	-	-	-	-	-	-	-	-	(104,635)
Insurance Claims	-	-	-	-	-	-	-	-	5,478	-
(Loss) on sale of assets	19,600	464,872	-	-	-	149,625	-	-	(48,966)	114,680
Penalty assessment	-	-	-	-	-	-	-	-	-	-
Total general revenues, transfers, and other special items	<u>5,421,095</u>	<u>5,550,471</u>	<u>4,716,606</u>	<u>4,506,450</u>	<u>4,245,174</u>	<u>4,125,866</u>	<u>3,139,411</u>	<u>3,650,527</u>	<u>2,854,065</u>	<u>2,527,871</u>
Business-type Activities										
Sales tax	-	-	-	-	-	2,450	177,860	10,491	497,053	599,182
Interest on investments	37,294	60,317	106,390	78,963	77,045	117,709	25,845	165,663	10,832	160,204
Miscellaneous	15,800	-	-	-	-	-	24,797	14,924	14,178	10,160
Transfers	(95,823)	(94,786)	(97,506)	(13,098)	51,667	57,081	820,000	140,000	185,643	362,920
(Loss) on sale of assets	-	-	-	-	-	-	-	-	-	3,826
Repayment of grant funds	-	-	-	-	-	-	-	(75,000)	-	-
Total Business-type activities	<u>(42,729)</u>	<u>(34,469)</u>	<u>8,884</u>	<u>65,865</u>	<u>128,712</u>	<u>177,240</u>	<u>1,048,502</u>	<u>256,078</u>	<u>707,706</u>	<u>1,136,292</u>
Total primary government	<u>\$ 5,378,366</u>	<u>\$ 5,516,002</u>	<u>\$ 4,725,490</u>	<u>\$ 4,572,315</u>	<u>\$ 4,373,886</u>	<u>\$ 4,303,106</u>	<u>\$ 4,187,913</u>	<u>\$ 3,906,605</u>	<u>\$ 3,561,771</u>	<u>\$ 3,664,163</u>
Change in Net Position										
Governmental Activities	\$ 1,432,909	\$ 2,250,718	\$ 1,380,331	\$ 1,085,370	\$ 996,030	\$ 2,133,638	\$ 755,178	\$ 1,046,167	\$ 191,801	\$ (13,415)
Business Activities	450,954	274,889	94,843	690,025	875,699	919,431	1,189,733	547,405	810,883	1,168,665
Total Change in Net Position	<u>\$ 1,883,863</u>	<u>\$ 2,525,607</u>	<u>\$ 1,475,174</u>	<u>\$ 1,775,395</u>	<u>\$ 1,871,729</u>	<u>\$ 3,053,069</u>	<u>\$ 1,944,911</u>	<u>\$ 1,593,572</u>	<u>\$ 1,002,684</u>	<u>\$ 1,155,250</u>

Source: Basic Financial Statements

CITY OF MARSHFIELD, MISSOURI
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund										
Nonspendable	\$ 69,265	\$ 67,124	\$ 62,675	\$ 61,818	\$ 53,148	\$ 53,641	\$ 47,335	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	87,775	101,954
Unassigned	4,156,841	3,529,846	2,214,273	1,817,277	1,629,996	1,406,555	914,120	619,576	409,009	177,970
Total general fund	\$ 4,226,106	\$ 3,596,970	\$ 2,276,948	\$ 1,879,095	\$ 1,683,144	\$ 1,460,196	\$ 961,455	\$ 619,576	\$ 496,784	\$ 279,924
All other governmental funds										
Nonspendable	\$ 22,672	\$ 20,380	\$ 23,251	\$ 20,788	\$ 14,882	\$ 17,652	\$ 16,846	\$ -	\$ -	\$ -
Restricted	4,967,013	4,893,079	5,421,521	5,961,723	15,304,223	2,701,257	2,048,454	1,903,758	2,807,955	2,142,425
Committed	-	-	-	-	-	-	-	-	-	362,827
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	619,576	(131,406)	(87,698)
Total all other governmental funds	\$ 4,989,685	\$ 4,913,459	\$ 5,444,772	\$ 5,982,511	\$ 15,319,105	\$ 2,718,909	\$ 2,065,300	\$ 2,523,334	\$ 2,676,549	\$ 2,417,554

Source: Basic Financial Statements

CITY OF MARSHFIELD, MISSOURI
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
REVENUES										
Taxes:										
Property taxes	\$ 684,319	\$ 632,954	\$ 559,282	\$ 569,576	\$ 585,082	\$ 570,977	\$ 526,457	\$ 523,208	\$ 460,275	\$ 420,213
Franchise taxes	334,603	318,086	328,224	\$ 339,596	368,645	377,160	364,332	418,209	386,455	377,803
Sales taxes	3,910,576	3,656,171	3,347,370	3,051,718	2,902,905	2,770,955	2,762,438	2,520,610	1,898,166	1,764,715
Lodging tax					-	-	26,429	14,152	17,792	15,592
Intergovernmental:										
Missouri motor fuel taxes	327,322	289,559	259,972	270,841	267,570	267,770	264,748	259,949	252,424	240,312
Financial institutional tax	2,915	2,024	2,335	2,126	4,065	569	687	707	-	-
Webster County road reimbursement			151,168							
User charges:										
Activity fees	269,143	220,738	91,410	145,114	34,907	30,721	29,494	-	30,054	31,656
Cemetery-sale of plots & grave openings	32,900	38,600	40,900	28,300	37,400	35,250	39,050	21,000	31,700	26,650
Licenses & permits	49,995	49,109	56,487	39,305	49,988	37,797	39,466	30,206	45,248	56,512
Fines & forfeitures	88,618	50,506	100,045	136,206	115,793	78,504	50,923	66,558	58,154	45,597
Interest	35,712	29,737	81,300	220,971	167,524	28,369	15,454	14,875	12,142	12,366
Donations	-	-	-	-	-	-	4,000			
Grants	12,000	9,000	139,501	2,238	5,050	469,104	286,214	61,981		48,023
Rent	18,727	44,602	46,109	58,206	49,831	26,590	13,110	3,323	5,728	2,241
Miscellaneous	9,857	31,543	12,134	46,674	29,835	15,202	12,381	41,820	29,352	45,121
Total Revenues	\$ 5,776,687	\$ 5,372,629	\$ 5,216,237	\$ 4,910,871	\$ 4,618,595	\$ 4,708,968	\$ 4,435,183	\$ 3,976,598	\$ 3,227,490	\$ 3,086,801
EXPENDITURES										
Current										
General government	\$ 437,354	\$ 288,878	\$ 280,480	\$ 371,506	\$ 321,971	\$ 260,572	\$ 274,030	\$ 257,716	\$ 281,451	\$ 284,754
Law and public safety:										
Police	1,147,432	1,047,076	960,883	958,634	906,063	772,802	765,567	838,086	784,313	720,103
Municipal court	116,605	74,011	74,213	72,048	50,871	58,994	43,739	47,982	52,780	51,300
Fire	-	-	246,828	224,332	219,879	208,656	207,691	217,055	208,658	189,690
Street	553,888	438,263	398,337	382,853	368,847	413,203	392,621	394,677	434,837	398,493
Transit									4,215	70,895
Building inspection		118,431	88,651	56,414	69,233	59,740	64,235	48,473	39,035	55,606
Animal control	38,791	28,999	24,626	35,170	30,981	28,589	26,529	27,550	53,536	61,722
Cemetery	144,442	124,742	105,296	118,449	94,339	87,379	123,059	98,070	92,233	84,076
Park	733,621	638,689	514,422	508,731	296,910	228,952	230,972	196,870	198,838	162,838
Economic Development	48,000	89,397	60,000	-	-	1,239	52,848			
Capital outlay	718,070	1,182,556	1,815,928	10,520,342	3,948,039	1,718,143	897,576	77,518	82,985	145,627

CITY OF MARSHFIELD, MISSOURI
Changes in Fund Balances of Governmental Funds

(continued)

Last Ten Fiscal Years

Debt service:										
Principal	711,087	713,582	305,802	282,141	18,759	12,734	8,414	2,086,525	327,271	300,133
Interest and agent fees	537,458	562,587	578,163	606,544	230,573	17,729	49,278	131,963	92,338	103,119
Bond issuance costs	-	-	-	-	227,582	-	-	-	-	-
Total Expenditures	\$ 5,186,748	\$ 5,307,211	\$ 5,453,629	\$ 14,137,164	\$ 6,784,047	\$ 3,868,732	\$ 3,136,559	\$ 4,422,485	\$ 2,652,490	\$ 2,628,356
Excess (Deficiency) of Revenues over Expenditures	589,939	65,418	(237,392)	(9,226,293)	(2,165,452)	840,236	1,298,624	(445,887)	575,000	458,445
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
OTHER FINANCING SOURCES (USES)										
Penalty assessment	-	-	-	-	-	-	-	-	-	-
Loan proceeds	-	-	-	-	-	81,904	-	-	-	-
Sale of assets	19,600	628,505	-	-	-	149,625	-	-	12,010	114,680
Insurance claims/refunds	-	-	-	-	-	-	14,330	-	5,478	-
Lease proceeds	-	-	-	-	29,088	-	-	-	29,843	-
Developers fee	-	-	-	-	-	-	-	-	-	(104,635)
Transfers In	545,823	180,869	253,601	259,485	186,069	143,316	33,957	225,460	-	-
Transfers (Out)	(450,000)	(86,083)	(156,095)	(246,387)	(237,736)	(200,397)	(853,957)	(365,460)	(185,643)	(362,920)
Premium on bond issued	-	-	-	-	1,026,175	-	-	-	-	-
Issuance of lease obligation	-	-	-	72,552	-	-	-	-	-	-
Issuance of debt	-	-	-	-	13,985,000	-	-	-	-	-
Total Other Financing Sources (Uses)	115,423	723,291	97,506	85,650	14,988,596	174,448	(805,670)	(140,000)	(138,312)	(352,875)
Net change in fund balances	705,362	788,709	(139,886)	(9,140,643)	12,823,144	1,014,684	492,954	(585,887)	436,688	105,570
Debt service as a percentage of noncapital expenditures	27.94%	30.94%	24.30%	24.57%	8.79%	1.42%	2.58%	51.06%	16.33%	16.24%

Source: Basic Financial Statements

CITY OF MARSHFIELD, MISSOURI
 Tax Revenue by Source, Governmental Funds
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Franchise Taxes (1)</u>	<u>Missouri Motor Fuel Tax</u>	<u>Other</u>	<u>Total</u>
2022	684,319	3,910,576	334,603	327,322	2,915	5,259,735
2021	632,954	3,656,171	318,086	289,559	2,024	4,898,794
2020	559,282	3,347,370	328,224	259,972	2,335	4,497,183
2019	569,576	3,051,718	339,596	270,841	2,126	4,233,857
2018	585,082	2,902,905	368,645	267,570	4,065	4,128,267
2017	570,977	2,770,955	377,160	267,770	569	3,987,431
2016	526,457	2,762,438	364,332	264,748	687	3,918,662
2015	523,208	2,520,610	418,209	259,949	707	3,722,683
2014	460,275	1,898,166	386,455	252,424		2,997,320
2013	420,213	1,764,715	377,803	240,312		2,803,043

Note: (1) Franchise Taxes include Electric, Telephone, Natural Gas & Cable.

Source: Basic Financial Statements

CITY OF MARSHFIELD, MISSOURI
Property Tax Rates Direct and Overlapping Governments
Per \$100 Assessed Valuation
Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
City of Marshfield	0.5996	0.5996	0.6120	0.6118	0.6118	0.6105	0.6202	0.6202	0.6200	0.5724
Marshfield Schools	3.6901	3.6911	3.8400	3.8400	3.8400	3.3500	3.3500	3.3500	3.3500	3.3500
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Road	0.1713	0.1713	0.1797	0.1797	0.1797	0.1797	0.1882	0.1882	0.1882	0.1882
Sh/Wkshp	0.0722	0.0722	0.0757	0.0757	0.0757	0.0757	0.0793	0.0793	0.0793	0.0793
Senior	0.0455	0.0455	0.0477	0.0477	0.0477	0.0477	0.0500	0.0500	0.0500	0.0500
Health	0.1262	0.1262	0.1324	0.1324	0.1324	0.1324	0.1387	0.1387	0.1387	0.1387
Library	0.1080	0.1080	0.1133	0.1133	0.1133	0.1133	0.1188	0.1188	0.1188	0.1188
Junior College	0.1911	0.1875	0.1996	0.1990	0.2023	0.1498	0.1500	0.1494	0.1494	0.1479
Fire District (1)	0.6000	0.6000	0.2867							
Total District Overlapping	5.6340	5.6314	5.5171	5.2296	5.2329	4.6891	4.7252	4.7246	4.7244	4.6753

Commercial Surcharge (on Commercial Real Estate only): 0.3700

Note: (1) In 2020 voters approved to allow the boundaries of the Marshfield Fire Protection District to be extended to include all property within the corporate city limits of the City of Marshfield.

Source: Webster County Clerk's Office

CITY OF MARSHFIELD, MISSOURI
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended December 31	Residential	Agricultural	Commercial	Local Utilities	State Utilities	Personal	Total Taxable assessed Value	Estimated Actual Value	Assessed Value as a Percentage of Actual Value	Total Direct Levy
2022	\$ 49,640,050	\$ 271,340	\$ 34,339,770	\$ 61,280	\$ 936,635	\$ 24,359,414	\$ 109,608,489	447,106,247	24.5%	0.5996
2021	49,132,570	271,240	32,521,720	55,430	288,934	20,474,181	\$ 102,744,075	425,043,347	24.2%	0.5996
2020	44,077,920	143,300	28,890,880	88,010	827,180	19,010,810	\$ 93,038,100	383,416,708	24.3%	0.6120
2019	44,064,460	144,230	28,360,590	55,430	806,578	16,674,322	\$ 90,105,610	374,513,785	24.1%	0.6118
2018	43,043,120	107,870	28,462,170	46,674	764,783	15,993,201	\$ 88,417,818	366,949,369	24.1%	0.6118
2017	42,829,760	108,970	27,683,470	41,920	739,672	15,435,062	\$ 86,838,854	361,632,729	24.0%	0.6105
2016	39,005,160	55,230	25,772,750	45,200	719,735	14,592,142	\$ 80,190,217	332,501,078	24.1%	0.6202
2015	38,681,120	55,590	25,662,780	23,620	670,629	14,529,160	\$ 79,622,899	330,044,919	24.1%	0.6202
2014	37,604,420	54,690	24,645,660	41,790	630,701	13,273,196	\$ 76,250,457	317,352,419	24.0%	0.6200
2013	37,322,880	53,490	24,326,350	42,650	657,835	12,215,539	\$ 74,618,744	311,774,120	23.9%	0.5724

- Notes:
1. Property is reassessed annually by the Webster County Assessor.
 2. Residential property is assessed at 19% of appraised value, agriculture at 12%, commercial and industry at 32%, and personal property at 33.3%.
 3. Tax levies are per \$1,000 of assessed value.

Source: Webster County Clerk

CITY OF MARSHFIELD, MISSOURI
Direct City Sales Tax Revenue by Type
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Direct Sales Tax Rate</u>	<u>1% General</u>	<u>0.50% Transportation</u>	<u>0.50% Capital Improvement Water and Sewer (1)</u>	<u>0.50% Local Parks (2)</u>	<u>Total</u>
2022	2.00%	1,933,634	928,057	58	927,986	3,789,735
2021	2.00%	1,856,348	888,622	25	888,502	3,633,497
2020	2.00%	1,724,656	827,112	565	826,536	3,378,870
2019	2.00%	1,533,273	730,384	1	730,389	2,994,048
2018	2.00%	1,438,687	682,985	203	682,294	2,804,168
2017	2.00%	1,440,532	690,924	2,450	688,391	2,822,297
2016	2.00%	1,385,069	665,357	1,052	663,270	2,714,749
2015	2.00%	1,374,459	653,347	10,491	379,937	2,418,235
2014	2.00%	1,277,924	601,112	591,120		2,470,156
2013	2.00%	1,198,440	566,717	599,182		2,364,338

(1) Capital Improvement Water and Sewer sales tax expired October 2014.

(2) Local Parks sales tax assessed beginning April 2015.

Source: Missouri Department of Revenue

CITY OF MARSHFIELD, MISSOURI
 Direct and Overlapping Sales Tax Rates
 Last Ten Fiscal Years

Fiscal Year	City Direct Rate	Webster County Rate (1)	Webster County 911	State Rate	Total Rate
2022	2.000%	1.750%	0.333%	4.225%	8.308%
2021	2.000%	1.750%	0.333%	4.225%	8.308%
2020	2.000%	1.750%	0.333%	4.225%	8.308%
2019	2.000%	1.750%	0.333%	4.225%	8.308%
2018	2.000%	1.750%	0.333%	4.225%	8.308%
2017	2.000%	1.750%	0.333%	4.225%	8.308%
2016	2.000%	1.750%	0.333%	4.225%	8.308%
2015	2.000%	1.750%	0.333%	4.225%	8.308%
2014	2.000%	1.500%	0.333%	4.225%	8.058%
2013	2.000%	1.500%	0.333%	4.225%	8.058%

Note: (1) Webster County assessed an additional 0.25% sales tax beginning January 2015.

Source: Missouri Department of Revenue

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

Fiscal Year	Capital Lease Obligation	General Obligation Bonds (1)(3)	Certificates of Participation (3)	Lease Obligations	General Obligation Bonds (2)	Revenue Bonds (4)	Total Outstanding Debt	Percentage of Personal Income	Debt Per Capita
		Governmental			Business-Type				
2022	\$ 20,667	\$ 9,630,939	\$ 2,885,000	\$ -	\$ -	\$ 11,004,503	23,541,109	13.88%	\$ 3,063
2021	41,754	10,482,248	3,175,000	-	-	11,308,555	25,007,557	16.99%	\$ 3,317
2020	85,453	10,923,557	3,455,000	-	-	11,610,607	26,074,617	18.26%	\$ 3,496
2019	121,255	10,974,866	3,725,000	-	-	910,000	15,731,121	10.97%	\$ 2,080
2018	82,120	10,000,000	3,985,000	10,154	155,000	1,120,000	15,352,274	11.27%	\$ 2,061
2017	71,791			28,606	305,000	1,325,000	1,730,397	1.27%	\$ 236
2016	2,621			46,424	450,000	1,525,000	2,024,045	1.58%	\$ 282
2015	11,035			63,630	1,270,000	1,720,000	3,064,665	2.42%	\$ 432
2014	22,560	2,075,000		80,246	1,410,000	1,910,000	5,497,806	4.45%	\$ 791
2013	44,988	2,350,000			1,545,000	3,030,000	6,969,988	5.89%	\$ 1,032

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

- (1) General Obligation Street Improvement Bonds, Series 2006 were redeemed and paid January 1, 2016.
- (2) A portion of the General Obligation Bonds (State Revolving Fund Program), Series 2003 were redeemed on December 1, 2016. The principal amount of the redemption was \$675,000.00.
- (3) In 2018 \$3,985,000 Certificates of Participation were issued for constructing an aquatic pool and \$10,000,000 General Obligation Bonds were issued for constructing a new I-44 interchange at mile marker 103.
- (4) January 15, 2020 the City issued its Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds (State of Missouri - Direct Loan Program) Series 2020 DNR Bonds, not to exceed \$6,164,000. Approximately \$831,582 of the Principal of the Series 2020 DNR Bonds was used to redeem all of the City's outstanding Combined Waterworks and Sewerage System Refunding Revenue Bonds (State Revolving Fund Program, Series 2003B. May 7, 2020 the City issued its Combined Waterworks and Sewerage System Revenue Bonds Series 2020B in the amount of \$4,665,000.

CITY OF MARSHFIELD, MISSOURI
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Fund Balance Debt Service Fund (2)</u>	<u>Net General Bonded Debt (3)</u>	<u>Percentage of Actual Taxable Value of Property (1)</u>	<u>Net Bonded Debt per Capita</u>
2022	\$ 9,630,939	\$ 423,712	9,207,227	2.06%	1,198
2021	10,482,248	375,057	10,107,191	2.38%	1,340
2020	10,923,557	338,171	10,585,386	2.76%	1,419
2019	10,974,866	344,774	10,630,092	2.84%	1,406
2018	10,155,000	528,531	9,626,469	2.62%	1,292
2017	305,000	503,305	(198,305)	-0.05%	(27)
2016	450,000	317,019	132,981	0.04%	19
2015	1,270,000	867,422	402,578	0.12%	57
2014	3,485,000	739,254	2,745,746	0.87%	395
2013	3,895,000	641,862	3,253,138	1.04%	482

- Notes:
- (1) See Assessed and Estimated Value of Taxable Properties Table
 - (2) This amount only includes the debt service fund, not the transportation fund.
 - (3) The City issued \$10 million General Obligation Bonds April 5, 2018.

CITY OF MARSHFIELD, MISSOURI
 Direct and Overlapping Governmental Activities Debt
 December 31, 2022

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated share of direct and overlapping debt
Marshfield R-1 School District	\$ 19,953,931	40.23%	\$ 8,027,345
Ozark Technical Community College	45,340,455	1.20%	\$ 545,736
Webster County	<u>9,055,000</u>	19.67%	<u>\$ 1,781,500</u>
Subtotal, overlapping debt	74,349,386		10,354,581
Subtotal, direct debt	13,699,002		13,699,002
Total direct and overlapping debt	<u><u>\$ 88,048,388.00</u></u>		<u><u>\$ 24,053,583.28</u></u>

Source: Missouri State Auditor, Bond Registration Reports: financial information and operating data from each jurisdiction that is available on the Municipal Securities Rulemaking Board's EMMA website or directly from the jurisdiction.

Note: Overlapping governments are those that coincide, in part or in total, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the City of Marshfield. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident and responsible for repaying the debt of each overlapping government.

The percentage of overlapping debt applicable is estimated using the assessed property values. The applicable percentage is estimated by dividing the City's assessed valuation by the applicable governmental unit's total assessed valuation.

CITY OF MARSHFIELD, MISSOURI
 Legal Debt Margin Information
 December 31, 2022

Legal Debt Margin Calculation for Fiscal Year 2022

Assessed Value	\$ 109,608,489
Debt limit (20% of assessed value)	\$ 21,921,698
City Debt applicable to debt limit:	
General obligation bonds	9,630,939
Less amount in debt service fund	(460,642)
Total net debt applicable to limit	9,170,297
Legal debt margin	\$ 12,751,401

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Assessed valuation	\$ 109,608,489	\$ 102,744,075	\$ 93,038,100	\$ 90,105,610	\$ 88,417,818	\$ 86,838,854	\$ 80,190,217	\$ 79,622,899	\$ 76,250,457	\$ 74,618,744
Debt limit	21,921,698	20,548,815	18,607,620	18,021,122	17,683,564	17,367,771	16,038,043	15,924,580	15,250,091	14,923,749
Total net debt applicable to limit	9,170,297	10,067,504	10,585,386	10,630,092	9,626,469	(198,305)	132,981	402,578	2,745,746	3,253,138
Legal Debt margin	12,751,401	10,481,311	8,022,234	7,391,030	8,057,095	17,566,076	15,905,062	15,522,002	12,504,345	11,670,611
Total net debt applicable to the limit as a percentage	41.83%	48.99%	56.89%	58.99%	54.44%	-1.14%	0.83%	2.53%	18.00%	21.80%

Article VI, Sections 26 (b) and (c), Constitution of Missouri, limits the outstanding amount of the authorized general obligation debt of a city to 20 percent of the assessed valuation of taxable tangible property as shown by the last completed assessment for state or county purposes.

CITY OF MARSHFIELD, MISSOURI
Pledged-Revenue Coverage by Fund
Last Ten Fiscal Years

Water system revenue bond coverage

Fiscal Year	Operating Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service (3)			Coverage
				Principal	Interest	Total	
2022	\$ 1,469,191	\$ 1,164,634	304,557	\$ 278,000	\$ 144,220	422,220	0.72
2021	1,415,520	1,003,453	412,067	311,568	150,158	461,726	0.89
2020	1,545,514	937,424	608,090	910,000	181,206	1,091,206	0.56
2019	1,417,109	941,731	475,378	210,000	54,710	264,710	1.80
2018	1,438,541	913,656	524,885	205,000	64,960	269,960	1.94
2017	1,387,632	791,195	596,437	200,000	73,160	273,160	2.18
2016	1,040,948	800,110	240,838	195,000	80,960	275,960	0.87
2015	995,737	696,889	298,848	190,000	88,275	278,275	1.07
2014	969,289	774,840	194,449	180,000	97,275	277,275	0.70
2013	920,619	736,419	184,200	180,000	103,935	283,935	0.65

Sewer system revenue bond coverage

Fiscal Year	Operating Revenues (1)	Less: Operating Expenses	Net Available Revenue	Debt Service (2)			Coverage
				Principal	Interest	Total	
2021	\$ 1,550,747	\$ 1,131,782	418,965	\$ -	\$ 135,919	\$ 135,919	3.08
2021	1,230,390	1,044,947	185,443	\$ 50,427	\$ 144,394	\$ 194,821	0.95
2020	938,313	1,097,170	(158,857)				
2019	1,229,146	1,004,059	225,087				
2018	1,265,535	991,214	274,321				
2017	1,226,626	948,630	277,996				
2016	1,112,637	968,551	144,086				
2015	1,076,390	896,902	179,488	475,000	12,469	487,469	0.37
2014	1,559,288	1,022,325	536,963	465,000	37,144	502,144	1.07
2013	1,634,392	947,810	686,582	455,000	61,294	516,294	1.33

(1) Sewer system operating revenues includes the capital improvement sales tax, which expired October 1, 2014.

(2) The taxing power of the City is not pledged to secure payment of the revenue bonds and interest. The revenue bonds' payments are solely derived from the revenue of the enterprise activity operated by the City.

(3) January 15, 2020 the City issued its Combined Waterworks and Sewerage System Refunding and Improvement Revenue Bonds (State of Missouri - Direct Loan Program) Series 2020 DNR Bonds, not to exceed \$6,164,000. Approximately \$831,582 of the Principal of the Series 2020 DNR Bonds was used to redeem all of the City's outstanding Combined Waterworks and Sewerage System Refunding Revenue Bonds (State Revolving Fund Program, Series 2003B. May 7, 2020 the City issued its Combined Waterworks and Sewerage System Revenue Bonds Series 2020B in the amount of \$4,665,000.

CITY OF MARSHFIELD, MISSOURI
 Demographic and Economic Statistics
 Last Ten Fiscal Years

<u>Fiscal year</u>	<u>Population (1)</u>	<u>Median Age (1)</u>	<u>Per Capita Income (1)</u>	<u>Median Household Income (1)</u>	<u>Unemployment Rate (1)</u>
2022	7,686	32.8	22,070	57,254	5.1%
2021	7,540	31.8	19,516	48,657	5.0%
2020	7,458	34.6	19,145	44,844	5.2%
2019	7,562	32.6	18,970	40,122	5.9%
2018	7,450	34.9	18,282	37,813	6.1%
2017	7,333	36.2	18,537	37,107	6.8%
2016	7,187	34.8	17,852	36,333	6.5%
2015	7,091	34.8	17,852	36,333	6.5%
2014	6,947	33.9	17,798	36,828	10.4%
2013	6,753	34.8	17,519	35,000	9.3%

(1) U.S. Census Bureau (actual and estimated)

CITY OF MARSHFIELD, MISSOURI
Full-Time Equivalent Employees by Function/Programs
Last Ten Fiscal Years

Function/Programs	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	Fiscal Year <u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Government										
Administrative Services	4	4	2	3	3	2	2	2	3	2
Municipal Court (2)	1					1	1	1	1	1
Building Inspections	1	1	1	1	1	1	1	1	1	1
Finance	1	1	1	1	1	1	1	1	1	1
Police Officers	12	11	11	11	11	9	10	10	11	10
Police Clerk (3)	1	1	1	1	1					
Fire (4)	0	0	0	1	1	1	1	1	1	1
Parks & Recreation	4	3	2	1	1	1	2	3	3	4
Utility Billing	2	3	2	2	2	2	2	2	2	2
Public Works										
Street Maintenance	4	4	3	3	4	5	5	3	4	4
Water Maintenance	4	4	5	5	4	4	4	4	5	5
Wastewater Maintenance	5	6	5	5	5	6	6	7	7	7
Cemetery	1	1	1	1	1	1	1	1	1	1
Transit - Bus (1)										1
Total Full Time Employees	<u>40</u>	<u>39</u>	<u>34</u>	<u>35</u>	<u>35</u>	<u>34</u>	<u>36</u>	<u>36</u>	<u>40</u>	<u>40</u>

Notes: (1) The City discontinued transit services in 2013.

(2) Municipal Court Clerk went to a part-time clerk in fiscal year 2018 and went to a permanent part-time clerk in fiscal year 2022.

(3) Fiscal year 2018 Police Clerk went to full-time.

(4) In 2020 the City of Marshfield Fire Department was incorporated into the Fire Protection District and is no longer under the City.

Source: City Clerk's Office

CITY OF MARSHFIELD, MISSOURI
Operating Indicators by Function
Last Ten Fiscal Years

Function/Programs	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government										
Business licenses issued	336	317	246	300	290	282	278	295	273	275
Residential building permits issued	23	20	20	27	28	17	8	15	26	11
Nonresidential building permits issued	6	10	13	3	10	7	15	3	9	17
Fire - Incidents Reports (2)										
Fire/Rescue	-	-	159	313	243	274	288	239	161	121
EMS	-	-	268	621	635	657	581	679	603	568
Number of incident types	-	-	28	49	51	55	43	36	35	20
Fire - Mutual Aid										
Received	-	-	2	17	10	2	1	3	2	1
Given	-	-	5	4	2	2	9	7	4	0
Police										
Calls for Services	10,580	10,728	(3)	15,117	14,763	8,619	11,435	8,625	7,180	(1)
Municipal Court										
Number of Municipal Court Summons	665	375	807	3,129	2,235	1,359	914	609	528	502
Water										
System use - gallons per day	464,777	502,801	517,313	498,368	531,136	506,235	501,173	481,474	482,106	487,523
Sewer										
System use - gallons per day	430,579	460,866	469,577	459,439	482,523	464,688	465,177	447,634	445,328	457,960

Note: (1) Police Department changed software in 2013 and unable to retrieve data for the year.

(2) The City of Marshfield Fire Department was incorporated under the Marshfield Fire Protection District in 2020 and is no longer City operated. The number of Incident Reports for 2020 are for a partial year while the City operated the Fire Department.

(3) Webster County Dispatch switched computer systems in 2020 and have not been able to retrieve data for the Marshfield Police calls for service for 2020.

Source: City department records.

CITY OF MARSHFIELD, MO
 Capital Asset Statistics by Function
 Last Ten Fiscal Years

Function	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government										
Area (square miles) (1)	5.111	5.111	5.111	5.111	5.111	5.111	5.031	5.031	5.031	5.031
Number of general governmental buildings	2	2	3	3	3	3	2	2	2	2
Public Safety										
Number of Police Stations	1	1	1	1	1	1	1	1	1	1
Number of Fire Stations (2)	-	-	-	1	1	1	2	2	2	2
Recreation										
Number of parks	10	10	10	10	9	9	9	9	9	9

Note: (1) The City annexed 50.98 acres in 2017. This is property the City purchased in 2016 for the Activity Center/Aquatic Pool and Elm Street extension.
 (2) The City of Marshfield Fire Department was incorporated under the Marshfield Fire Protection District in 2020. The Fire Station was transferred to the District in 2020.

Source: City department records.