



Agenda
Olivette City Council Meeting
November 8, 2016
7:00 PM
Council Chambers of City Hall
9473 Olive Boulevard
Olivette, MO 63132

1. Roll Call
2. Communications
3. City Manager's Report
City Manager Sondag will give a verbal report.
4. City Council Reports
The Mayor and City Council Members will give verbal reports.
5. Hearing From Citizens

Documents:

[HEARING FROM CITIZENS.PDF](#)

6. Bill #2822 - An Ordinance To Amend A Certain Section Of Personnel Ordinances And Regulations Concerning Travel Related Reimbursements - Second Reading
The Council is asked to hold a second reading on Bill #2822; a bill amending Section 2.10 Travel and Travel Reimbursements of the Personnel Policies.

Documents:

[11-08-16 BILL 2822 - AMENDING SECTION 2.10 OF THE PERSONNEL POLICIES.PDF](#)

7. Bill #2823 - An Ordinance Repealing Chapter 440 Communication Towers, Being Part Of Title IV Land Use Of The Municipal Code Of The City Of Olivette, And Enacting In Lieu A New Chapter 440 Titled Communication Facilities - First Reading
The proposed ordinance would repeal the current chapter regulating communication towers, which was originally adopted in 1997. A new chapter, titled Communication Facilities, would be adopted in its place. The revisions proposed are to comply with State and Federal regulations regarding the permitting and zoning authority of a municipality.

Documents:

[ORD-BILL 2823 TA CH 440 COMMUNICATION FACILITIES.PDF](#)

8. Resolution #2016-124 - A Resolution Authorizing The City Manager To Enter Into An Agreement With ESO Solutions, Inc. For A Health Data Exchange System
This is a request to approve a resolution to approve the Health Data Exchange (HDE) system. The HDE system will allow the Fire Department to directly exchange patient information with area hospitals.

Documents:

[RESOLUTION 2016-124 HEALTH DATA EXCHANGE.PDF](#)

9. Presentation Of Financial Statements For Year Ended June 30, 2016

A representative from our audit firm, Botz, Deal, and Company will present the audited financial statements for the year ended June 30, 2016. This will mark the City's first submission to the Government Finance Officers Association (GFOA) for consideration of a Certificate of Achievement for Excellence in Financial Reporting. One of the largest differences readers will notice is the expansion of reporting to include more supplemental information and a statistical section.

Documents:

[JUNE 30, 2016 FINANCIAL STATEMENTS.PDF](#)

10. Appointment Of Tax Increment Financing Commissioners

It is anticipated that the Council will appoint City representatives to the Olivette TIF Commission.

Documents:

[11-08-16 TIF COMMISSION APPOINTMENTS.PDF](#)

11. Appointment Of Zoning Board Of Appeals Alternate

It is anticipated that the Council will make an appointment to the Zoning Board of Appeals.

Documents:

[11-08-16 ZBA ALTERNATE APPOINTMENT.PDF](#)

12. Consideration Of Chevrolet Impala As Surplus

The Planning department has retired asset 6868 (2007 Chevrolet Impala VIN 2G1WS55R679190677) and replaced it with the 2013 Chevrolet Impala that was recently taken out of service by the Police Department.

Documents:

[ASSET 6868 SURPLUS 11-8-2016.PDF](#)

13. Review And Approval Of The Minutes Of The October 25, 2016 City Council Meeting

The City Council is being asked to review and approve the minutes of the October 25, 2016 City Council meeting.

Documents:

[DRAFT MINUTES 2016-10-25.PDF](#)

14. Hearing From Citizens (Part 2)

Documents:

[HEARING FROM CITIZENS - PART 2.PDF](#)

15. City Attorney's Report

City Attorney Paul Martin will give a verbal report.

16. Adjournment

AGENDA ITEMS WILL NOT NECESSARILY BE DISCUSSED IN ORDER. IF YOU HAVE ANY QUESTIONS, PLEASE CALL CITY HALL AT (314) 993-0444

Individuals desiring to speak at the meeting are asked to fill out speaker cards available on the speaker's podium and submit the cards to the City Clerk prior to the call to order and roll call. Speakers are respectfully asked to hold comments to three (3) minutes to allow all those who wish a chance to speak. Speakers will be called on to speak during the "Hearing from Citizens" portion of the meeting. Please address all comments to the Mayor.

The City of Olivette hereby advises the public, employees and qualified job applicants that they are afforded an equal opportunity to participate in the programs and service of the City regardless of race, color, religion, sex, age, disability, familial status, national origin or political affiliation. If you are a person with a disability and have special needs, please call Barbara Sondag, City Manager at 314.993.0444 as soon as possible but no later than one day prior to the event or call 314.993.3610 VOICE TDD, 1.800.735.2466 RELAY MISSOURI. Thank you.

Please note that the City Council may adjourn to closed session pursuant to the Revised Statutes of the State of Missouri to discuss legal, confidential or privileged attorney-client matters pursuant to Section 610.021(1), real estate matters pursuant to Section 610.021(2), personnel matters pursuant to 610.021(3), audit matters pursuant to Section 610.021(17), or for any other reason allowed by Missouri law.

The news media may obtain copies of this notice by contacting:

Barbara Sondag
City Manager
9473 Olive Boulevard
Olivette, Missouri 63132
(314) 993-0444

Posted this 4th day of November, 2016 at 1:00 PM.

Myra G. Bennett

Myra G. Bennett, CMC/MPCC
City Clerk
City of Olivette



CITY COUNCIL AGENDA SUBMISSION

Agenda Item:

Hearing from Citizens

Description:

Olivette citizens and businesses express concerns, discuss issues, and make requests of the City Council's assistance in getting matters resolved.

The Mayor and City Council would like to remind the audience of the following:

1. The purpose is to hear your concerns, issues, and questions.
2. Cards submitted after the beginning of 1st "Hearing from Citizens" will not be called until the 2nd "Hearing from Citizens".
3. The Chair has discretion to allow individuals to speak without previously submitting a card; however, those individuals will also need to complete a card.
4. Personal attacks of Council Member, Staff, and/or individuals are not permissible.
5. Any question should be directed to the Chair and only the Chair.
6. Questions concerning agenda items may be addressed by Council or staff at the time the agenda item is discussed.
7. Questions that are not pertaining to agenda items may receive an answer by the method of your choice; indicated at the bottom of the submittal cards.
8. Profanity is not allowed.
9. Campaigning and electioneering are not permitted.

"Hearing from Citizens" is not intended to be an open discussion. It is intended to provide an opportunity for citizens to be heard at official meetings.

When called, please step to the podium; state your name and your address before addressing your subject matter.

Each person has up to three (3) minutes to speak. Should your time elapse, you are welcome to continue at the second hearing from citizen's session again, for up to 3 minutes.



CITY COUNCIL AGENDA SUBMISSION
November 8, 2016

Agenda Item:

BILL 2822 – AN ORDINANCE TO AMEND A CERTAIN SECTION OF PERSONNEL ORDINANCES AND REGULATIONS CONCERNING TRAVEL RELATED REIMBURSEMENTS. Second Reading

Description:

The Council is asked to hold a second reading of an ordinance that amends Section 2.10 Travel and Travel Related Reimbursement of the 2015 City of Olivette Personnel and Rules and Regulations.

As currently written, reimbursement for meals during travel is done based solely on the per diem rates established by the U.S. General Services Administration. The proposed language would reimburse for meals and incidentals based on itemized receipts up to the maximum allowable per diem meal rates published by the U.S. GSA.

Finance Director Darren Mann is in favor of this change.

Recommended Action:

Hold Second Reading.

Motion to approve Bill #2822 – An ordinance to amend a certain section of personnel ordinances and regulations concerning travel related reimbursements.

Attachments:

Ordinance

Funding Request: N/A

Submitted by:

Barbara Sondag
CITY MANAGER

BILL NO. 2822

ORDINANCE NO.

**AN ORDINANCE TO AMEND A CERTAIN SECTION OF PERSONNEL
ORDINANCES AND REGULATIONS**

WHEREAS, Section 4.5 (a) of the Olivette City Charter requires the adoption of a comprehensive personnel code for the City of Olivette by the City Council, and

WHEREAS, Article I of Chapter 130 of the Code of Ordinances of the City of Olivette contains the current personnel code of the City of Olivette, and

WHEREAS, on November 10, 2015 the City of Olivette adopted a certain Employee Handbook to outline personnel rules and regulations for City employees, and

WHEREAS, on June 28, 2016 the City Council of the City of Olivette adopted an amendment to the Employee Handbook.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OLIVETTE, ST. LOUIS COUNTY, MISSOURI, AS FOLLOWS

SECTION 1. Section 2.10 Travel and Travel Related Reimbursement shall be amended to require itemized receipts for all expenses related to employee travel.

SECTION 2. BE IT FURTHER ORDAINED THAT the 2015 City of Olivette Personnel and Rules and Regulations as amended is hereby adopted by reference. Said 2015 City of Olivette Personnel and Rules and Regulations is attached as Exhibit A to this ordinance and shall be made a part of this ordinance as if fully set out herein.

SECTION 3. BE IT FURTHER ORDAINED THAT said adoption of the 2015 City of Olivette Personnel and Rules and Regulations shall be codified as Section 130.010 of Article I of Chapter 130 of the Code of Ordinances of the City of Olivette.

SECTION 4. BE IT FURTHER ORDAINED THAT any other personnel rule, regulation, policy, or ordinance in conflict with the provisions of the 2015 City of Olivette Personnel and Rules and Regulations is hereby repealed to the extent of the conflict.

SECTION 5. BE IT FURTHER ORDAINED THAT amendments to the provisions of the 2015 City of Olivette Personnel and Rules and Regulations shall be accomplished by an amending ordinance.

SECTION 6. BE IT FURTHER ORDAINED THAT this ordinance shall become effective from and after its adoption according to law.

PASSED THIS 8TH DAY OF NOVEMBER, 2016

MAYOR RUTH SPRINGER

ATTEST:

CITY CLERK MYRA G. BENNETT

2.10 TRAVEL AND TRAVEL RELATED REIMBURSEMENT

It is the City's policy to pay for or reimburse all reasonable and necessary expenses incurred by an employee when traveling on City related business in accordance with this policy, except for meals and incidental expenses (M & IE). Meals and Incidental Expenses shall only be paid on a per diem basis and in accordance with the rates established by the U.S. General Services Administration for the current fiscal year (www.gsa.gov). If neither the city nor the county is listed, then the standard CONUS destination rate will apply. **Itemized receipts are required for all expenses and must include an itemized copy from the vendor,** except for meals and incidental expenses. **Receipts must be an itemized copy from the vendor and not just the credit slip or balance due. Credit slips or balance due statements will not be acceptable as providing the necessary level of itemization.** Employees should use the most economical means of travel available when expending City funds.

Request to Travel. When an employee travels on behalf of the City, a Travel Request Form must be completed by the employee and submitted for approval to the Department Head and then by the City Manager; Department Heads must obtain approval for their own travel from the City Manager. The travel request must be submitted as soon as the need for travel is known. All travel on behalf of the City must be approved prior to any expenses being incurred.

Request for Advance Funds. Department Heads are typically provided with a City issued purchasing card to pay for expenses associated with City travel. In instances where a purchasing card is not made available, an employee needing an advance of funds must, except under emergency circumstances, complete and submit a written request to the Finance Department for an advance of funds at least ten business days before the advance is needed. All advancement of fund requests and deviations from the above policy must be approved by the City Manager.

Employee Expense Report Form. An Employee Expense Report must be completed for all travel. The form must include the purpose of the trip, the destination (city and state), and the departure/return dates and times. All receipts and supporting documents must be attached to the Employee Expense Report. Receipts should be affixed in date order and attached to the Employee Expense Report, and then forwarded to Accounts Payable after being reviewed and signed by the Department Head.

Approving Authority. All travel and meeting documents, requests for travel, requests for advance of funds, and requests for reimbursements (with supporting receipts), must be approved as follows:

- (A) The Department Head shall be responsible for approving their employees' travel. The City Manager is the final approving authority for a Department Head's travel.

- (B) All travel documents must be submitted to the employee's Department Head or the City Manager, as applicable.
- (C) All spouse and/or family member's travel expenses must be paid by the employee.
- (D) Only the actual cost of reasonable and necessary business related expenses incurred by the employee on behalf of the City will be reimbursed.

Transportation. The City has the option of requiring that travel be made in a City-owned vehicle. When a City vehicle is not furnished, the City will reimburse the employee at the current allowable IRS reimbursement rate per mile or the cost of a round-trip coach/economy airline ticket, whichever is appropriate, plus other stated costs (*i.e.*, parking at airport and ground transportation at destination). A receipt(s) is required for reimbursement. Employees receiving a vehicle allowance are not eligible for mileage reimbursement.

Hotel/Motel Reimbursement. Employees will be reimbursed for the actual cost of lodging in a hotel/motel that is appropriate for the particular meeting or purpose of the trip. A receipt(s) is required for reimbursement. The room rate must be pre-approved by the employee's Department Head, or in the case of a Department Head, approved by the City Manager. Overnight stays will only be authorized for travel to destinations in excess of 60 miles from the City, unless otherwise approved in writing by the Department Head or City Manager.

Meal Reimbursement. The City of Olivette will reimburse employees for meals and incidentals up to the amount that provides a per diem meal rate for meals and incidental expenses. The per diem rate is the rate published by the U.S. General Services Administration for the current fiscal year (<http://www.gsa.gov/portal/category/100120>).

Use of Personal Vehicle. All employees are eligible for the reimbursement of the use of a personal vehicle for City related business as follows:

- (1) The use of a personal vehicle must be approved in writing by the employee's supervisor in order to be eligible for reimbursement, and when possible, such request should be obtained before the use of the personal vehicle is required; and
- (2) An employee is not entitled to the use of their personal vehicle for the conduct of City business, and the City may require the use of a City owned vehicle if available; and

- (3) If authorized, an employee may be reimbursed at the current IRS mileage reimbursement rate in effect at the time the personal vehicle was used for City business.
- a. Employees who regularly receive mileage reimbursements are required to submit their mileage for reimbursement on a monthly basis.
 - b. Employees who do not regularly receive mileage reimbursements may submit their mileage for reimbursement as it occurs.
 - c. Regardless of the submittal frequency, all mileage reimbursement for the use of a personal vehicle for City business must be submitted within thirty (30) days of the actual use, or the mileage will not be reimbursable. In the event of an extraordinary event prohibiting the submittal of mileage for reimbursement, City Manager approval is required.
- (4) Depending on the needs of the organization and for fiscal considerations as determined by the City Manager, the City Manager may suspend the reimbursement of mileage for certain employees, or all employees as business needs may dictate.
- (5) Employees receiving a vehicle allowance are not eligible for mileage reimbursement.

Compliance. Abuse of this policy, including falsifying expense reports or submitting false claims, will result in disciplinary action, up to and including termination of employment.



**CITY COUNCIL AGENDA SUBMISSION
NOVEMBER 8, 2016**

Agenda Item:

Bill # 2823 – An ordinance repealing Chapter 440 Communication Towers, being part of Title IV Land Use of the Municipal Code of the City of Olivette, and enacting in lieu a new Chapter 440 titled Communication Facilities.

Description:

Bill #2823 has been prepared by the City Attorney and staff to update the current City regulations regarding wireless communications. The proposed ordinance would repeal the current chapter regulating communication towers, which was originally adopted in 1997. A new chapter, titled Communication Facilities, would be adopted in its place. The revisions proposed are to comply with State and Federal regulations regarding the permitting and zoning authority of a municipality.

Recommended Action:

This item is before the City Council for a first reading, by title only.

Attachments:

Bill #2823, including the referenced Exhibit A.

Funding Request:

None.

Submitted by:

Carlos Trejo, AICP

Director of Planning and Community Development
DEPARTMENT HEAD

AN ORDINANCE REPEALING CHAPTER 440 COMMUNICATION TOWERS, BEING PART OF TITLE IV LAND USE OF THE MUNICIPAL CODE OF THE CITY OF OLIVETTE, AND ENACTING IN LIEU A NEW CHAPTER 440 TITLED COMMUNICATION FACILITIES

WHEREAS, The City of Olivette Planning and Community Design Commission (“Commission”) reviewed the City’s regulations regarding Communication Towers under Chapter 440 of Title IV Land Use of the Olivette Municipal Code;

WHEREAS, on November 3, 2016, the Commission of the City of Olivette reviewed this ordinance and accompanying exhibit, and by a unanimous vote motioned to recommend approval and forward this ordinance and exhibit to the City of Olivette City Council (“Council”) following a Public Hearing in accordance with the procedures outlined in Article XX Changes and Amendments of Chapter 400 Zoning Regulations; and

WHEREAS, due and lawful notice of a public hearing on the proposed amendment, to be held by the City Council on December 13, 2016, at 7:00 PM in the City Council Chambers at City Hall, 9473 Olive Boulevard, Olivette, Missouri, was published in the St. Louis Countian, a newspaper of general circulation in the City of Olivette, on November 28, 2016; and

WHEREAS, a public hearing was duly and properly held by the Council at the time and place provided for in the notice and all comments, statements, objections, and suggestions concerning this ordinance and exhibit were duly heard and considered by the Council; and

WHEREAS, the Council, after careful and due deliberation, has determined that the proposed amendment under this ordinance and accompanying exhibit is in the interest of the public health, safety, welfare, and morals of the City of Olivette.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OLIVETTE, ST. LOUIS COUNTY, MISSOURI, AS FOLLOWS

SECTION 1. Chapter 440 Communication Towers, being part of Title IV Land Use of the Olivette Municipal Code, is hereby repealed in its entirety and in lieu of, a new Chapter 440 titled Communications Facilities attached hereto as Exhibit A, is made a part of this ordinance as fully set out herein.

SECTION 2. The sections of this ordinance shall be severable. In the event any section of this ordinance is found by a court of competent jurisdiction to be invalid, the remaining sections of this ordinance are valid, unless the court finds the valid sections of this ordinance are so essentially and inseparably connected with, and so dependent upon, the void section that it cannot be presumed the city council would have enacted the valid sections without the void section, or unless the court finds that the valid sections standing alone are incomplete and are incapable of being executed in accordance with the legislative intent.

SECTION 3. This ordinance shall become effective from and after its enactment according to law.

Passed and approved this _____ day of _____, 2016.

MAYOR

ATTEST:

CITY CLERK

EXHIBIT A

CHAPTER 440

COMMUNICATIONS FACILITIES

(Version 2016 11-03)

SECTION 440.010 PURPOSE AND SCOPE.

- A. These regulations supplement the zoning district regulations contained elsewhere in Article XVI.
- B. The purposes of this Chapter are to:
 - 1. Provide for the appropriate location and development of communications facilities to serve the City's residents and businesses;
 - 2. Minimize adverse visual impacts of facilities through design, siting, screening, and camouflaging techniques;
 - 3. Maximize the use of existing and new facilities so as to minimize the need to construct new or additional facilities;
 - 4. Comply with applicable state and federal laws and regulations regarding communications facilities.
- C. This Chapter 440 applies to the placement of facilities in all City zoning districts, exclusive of rights-of-way. Any facility located in a right-of-way shall be considered and authorized pursuant to Chapter 520 of this Code ("Rights of Way Usage Code"), provided that in considering and authorizing facilities in a right-of-way, the Director shall consider the requirements of this Chapter 440 and shall apply those requirements to the extent practicable and consistent with the purposes and intent of this Chapter.

SECTION 440.020 DEFINITIONS.

As used in this Article, the following terms shall have the following meanings:

Amateur Radio Antenna: Any Antenna that is owned and operated by an amateur radio operator licensed by the FCC.

Antenna: Any device, array or antenna of any kind, including but not limited to whip antennas, panel antennas, and satellite antennas, that transmits and/or receives electromagnetic signals for voice, data or video communication purposes including, but not limited to, television, AM/FM radio, microwave, cellular telephone, internet and similar forms of communications.

Cabinet: A casing or console, not to include a Shelter, used for the protection and security of communications equipment associated with one or more Antennas.

Commercial Zoning District: The "COR" Commercial/Office/Retail District and the "MU-Gateway" I-170/Olive Boulevard Mixed-Use Gateway District, or any similar successor zoning classification.

Commission: The City's Planning and Community Design Commission.

Co-Use: The location and use of two (2) or more Antennas on a single Tower or Structure.

Director: The City's Director of Planning and Community Development or his or her designee.

FAA: The Federal Aviation Administration.

Facilities: A network or system, or any part thereof, used for providing or delivering communications services and consisting of one or more lines, pipes, wires, cables, fibers, conduit facilities, cabinets, poles, vaults, pedestals, boxes, appliances, antennas, transmitters, radios, towers, gates, meters, appurtenances, shelters, or other equipment.

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(Version 2016 11-03)

FCC: The Federal Communications Commission.

Industrial Zoning District: The "LID" Light Industrial District and the "PA" Public Activity District, or any similar successor zoning classification.

Residential Zoning District: The City's "SR" Single-Family Residential District, "AR" Attached Single-Family Residential District, "PASF" Planned Attached Single-Family Residential District, or "PRO" Planned Residential Office District, or any similar successor zoning classification.

Rights Of Way (or ROW). The surface, the air space above the surface, and the area below the surface of any private street, for the purposes defined herein, and of any public street, highway, lane, path, alley, sidewalk, boulevard, drive, bridge, tunnel, parkway, waterway, public easement, or sidewalk in which the City holds any interest, which may be used for the purpose of installing and maintaining Facilities. "Rights of Way" shall not include (i) City Facilities or the City's property other than ROW, such as city-owned or operated buildings, parks, or other similar property, (ii) airwaves used for cellular, non-wire telecommunications or broadcast services, (iii) easements obtained by private users on private property, (iv) railroad rights of way or ground used or acquired for railroads, or (v) streets owned or under the jurisdiction of St. Louis County or the Missouri Department of Transportation.

Satellite Dish: Any exterior mounted parabolic antenna designed to receive or transmit voice, video, data or other communications signals to or from a satellite.

Shelter: A building for the protection and security of communications equipment associated with one or more Antennas.

Structure: Anything constructed or erected, the use of which requires permanent location on the ground or attached to something having a permanent location on the ground, including any building but excluding any Tower.

Tower: A tower, spire, column, pole, or similar structure designed and constructed for the support or mounting of one or more Antennas, excluding Amateur Radio Antennas. For purposes of this Article, the term Tower shall also include any related and necessary Cabinet or Shelter when the context so indicates.

SECTION 440.030 PERMITTED FACILITIES.

- A. **Residential Zoning Districts.** In the City's Residential Zoning Districts, Facilities not located within a right-of-way may be authorized by a facilities permit issued pursuant to Section 440.050.C hereof, provided that:
1. Towers are not permitted;
 2. Satellite Dishes one meter (39.37 inches) or less in diameter are permitted and are not subject to either a facilities permit or a building permit;
 3. Amateur Radio Antennas are permitted, including any related support structure not exceeding a height of 50 feet, and are subject to a building permit but not a facilities permit; and
 4. Modifications to facilities that are not substantial, as provided in Section 440.040.D hereof, shall be subject to a building permit but not a facilities permit.
- B. **Commercial Zoning Districts.** In the City's Commercial Zoning Districts, Facilities may be authorized by a facilities permit issued pursuant to Section 440.050.C hereof, provided that:
1. Facilities permitted in the City's Residential Zoning Districts are permitted in the City's Commercial Zoning Districts unless otherwise provided herein;
 2. Towers are not permitted; and
 3. Satellite Dishes two meters (78.74 inches) or less in diameter shall be a permitted

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(Version 2016 11-03)

use and shall not be subject to either a facilities permit or a building permit.

- C. **Industrial Zoning Districts.** In the City's Industrial Zoning Districts, Facilities may be authorize a facilities permit issued pursuant to Section 440.050.C hereof, provided that:
1. Facilities permitted in the City's Commercial Zoning Districts are permitted in the City's Industrial Zoning Districts unless otherwise provided herein; and
 2. Towers are permitted.

SECTION 440.040 FACILITIES REGULATIONS.

- A. **General Regulations.** These general regulations apply to all facilities unless contraindicated by a more specific regulation provided elsewhere in this Chapter 440.
1. **Regulatory Compliance.** All facilities shall meet or exceed current standards and regulations of the FAA, FCC, and any other State or Federal agency with the authority to regulate such facilities. Should such standards or regulations be amended, then the owner shall bring its facilities into compliance with the revised standards or regulations within such time as is mandated or permitted by the controlling agency.
 2. **Security.** All facilities shall be protected from unauthorized access by a security fence and/or any other appropriate security devices. A description of proposed security measures, or an explanation as to why such measures are not appropriate, shall be provided as part of any application to install, build, or modify any facilities. No barbed wire will be used on security fences.
 3. **Lighting.** Facilities shall not be lighted unless required by the FAA, a State or Federal agency with authority to regulate or the City of Olivette, in which case a description of the required lighting scheme shall be made a part of the application to install, build or modify the facilities.
 4. **Advertising.** Advertising or other signs are not permitted, except for safety or hazard signs.
 5. **Placement and Screening.** To the extent practicable and feasible, and considering the zoning of the target site, facilities shall be located or screened so as to eliminate or reduce visibility from the public streets and adjacent properties and structures. Screening materials may consist of walls, fences, buildings, mature plant materials or other appropriate items. Screening materials shall be maintained and replaced as needed.
 6. **Color.** Facilities shall be a neutral color and shall not be bright, reflective, or metallic. Black, gray and tan shall be considered neutral colors, as shall any color that blends with the surrounding dominant color and helps to camouflage the proposed equipment.
 7. **Construction and Maintenance.** Facilities shall be designed, constructed, and maintained in accord with the City's Building Code and all other applicable federal, state, or local codes or regulations.
 8. **Non-use and Removal.** An owner shall provide the City with a copy of any notice to the FCC of intent to cease operations and shall have 90 days from the date of ceasing operations to remove the facility. If the owner fails to do so, or if any facility is not used for a period of one year, the facility may be declared a public nuisance and removed at the owner's expense pursuant to Chapter 220 hereof. In case of multiple operators sharing use of a single tower, this provision shall not become effective until all users cease operations. The removal of facilities shall not be a condition of approval of any subsequent application.

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(Version 2016 11-03)

B. Antenna and Cabinet Regulations.

1. Antenna attachment.
 - a) Antenna attachments to existing towers or other structures shall be processed through Section 440.040.D hereof ("Modifications").
 - b) Antennas may not be attached to any tower or other structure without the structure having received a facilities permit as provided in Section 440.450.
2. Appearance. Antennas and cabinets shall be designed, constructed, and installed so as to:
 - a) Minimize the visual impact on residential areas and any adverse effect on residential property values;
 - b) Minimize the number of facilities attached on towers to avoid clutter and ensure structural integrity;
 - c) Be architecturally and visually compatible with the color, bulk and size of surrounding buildings, structures, vegetation and uses existing or likely to develop in the underlying zoning district;
 - d) Avoid any interference with existing driveways, sidewalks, or other pedestrian or vehicle paths;
 - e) Be located in close proximity to the nearest shared property line, not to extend beyond the width of the required side yard setback of either adjacent property; and
 - f) Meet other physical criteria as may be appropriate under the circumstances.
3. Roof -mounted antennas:
 - a) No roof-mounted antenna shall be erected so as to injure the roof covering, and when the antenna is removed from the roof, the roof covering shall be repaired to maintain weather and water tightness.
 - b) Roof-mounted antennas shall not be erected nearer to the lot line than the total height of the antenna above the roof, nor shall such antenna be erected near electric power lines or encroach upon any street or other public space.
4. If feasible, a cabinet serving an antenna must be located within or on the structure on which it is mounted, or below grade level, so as to eliminate or minimize the visibility of said structure. If the cabinet is mounted on a structure, it shall:
 - a) Provide maximum pedestrian access along the perimeter of the structure;
 - b) Not extend more than 24-inches from the support structure; and
 - c) Not exceed a height of four feet or a volume of 36 cubic feet.
5. If in issuing a facilities permit the Commission determines that a cabinet must be located at ground level to serve an antenna, then:
 - a) The cabinet shall be located within ten feet of the structure supporting the antenna, unless an alternative design and location is authorized by the Commission due to difficulties of the surrounding natural or building environment;
 - b) The cabinet shall be mounted on a concrete pad, the maximum height of which shall not exceed three inches from the average ground grade; and

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- c) The cabinet may be required to meet other physical criteria as may be appropriate under the circumstances.
 - d) **One or more cabinets serving a single antenna** shall not exceed a **individual** height of three feet or an **accumulative** total volume of 36 cubic feet.
6. Engineering analysis of the likely structural failure scenarios resulting from excess wind and seismic overloading, prepared by a licensed professional engineer, may be required as part of any application to install, build or modify an antenna or cabinet.

C. Tower Regulations.

- 1. Restrictions.
 - a) Tower height shall not exceed 100 feet, measured from the grade of the installation, unless a different height is authorized by the Commission for co-use or other considerations.
 - b) Towers shall not be located within 200 feet of any residential zoning district or within 50 feet of any right-of-way.
 - c) Towers shall be set back from all property lines a distance equal to the height of the tower, measured from the grade of the installation.
 - d) The requirements set forth in this Section 440.040.B.1 shall not apply to towers constructed before July 22, 1997.
- 2. Towers should be placed:
 - a) Where the existing topography, vegetation, buildings or other structures provide the greatest amount of screening;
 - b) To minimize the visual impact on residential areas and any adverse effect on residential property values;
 - c) To avoid a dominant silhouette on ridge lines and preservation of view corridors of surrounding residential areas;
 - d) In a manner that results in the concentration of multiple towers in one (1) location.
- 3. Tower, tower sites, and tower facilities shall be designed to meet the following criteria:
 - a) Towers shall be designed and constructed for architectural and visual (color, bulk, size) compatibility with surrounding existing buildings, structures, vegetation and/or uses in the area or those likely to exist. The Commission may require that a tower be designed and constructed so as to be camouflaged or concealed as an architectural or natural feature. Examples of such disguised structures include, but are not limited to, clock towers, campaniles, observation towers, pylon sign structures, water towers, artificial trees, flag poles and light standards.
 - b) Tower shelters or cabinets shall have an exterior finish compatible with the natural or built environment of the tower site and may also be brick or other masonry material as required by the Commission.
 - c) Tower antennas shall be painted a color identical to, or compatible with, the Tower surface.
 - d) Towers shall be surrounded by a landscape strip of not less than ten (10) feet in width and planted with materials which will provide a visual barrier

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of a minimum height of six (6) feet. Evergreen trees should be at least six (6) feet tall and deciduous trees at least two and one-half (2½) inch in caliper at the time of planting. Said landscape strip shall be exterior to the security fencing. In lieu of the required landscape strip, a minimum six (6) foot high decorative security fence or wall may be approved by the Commission upon demonstration by the applicant that an equivalent degree of visual screening is achieved.

- e) Ground anchors of all guyed towers shall be located on the same parcel as the tower and shall meet the setbacks of the applicable zoning district.
- f) Vehicle or outdoor storage surrounding any tower site is prohibited. On-site parking for periodic maintenance and service shall be provided at all tower sites. Access to and parking for communication tower sites shall be provided on a paved or an alternate dustproof surface.
- g) Engineering analysis of the likely structural failure scenarios resulting from excess wind and seismic overloading, prepared by a licensed professional engineer, shall be provided as part of any application to install, build or modify a tower.

4. Co-Use.

- a) Co-use of towers and tower sites shall be required to the maximum extent technically and financially feasible and allowed by law.
- b) As part of an application for a facilities permit for a tower, the applicant shall submit a notarized statement:
 - i. stating that it conducted an analysis of available co-use opportunities on existing towers or structures within the same search ring defined by the applicant, and
 - ii. agreeing to make the proposed tower available for use by others, subject to reasonable technical limitations and financial terms.
- c) Any new tower at least 100 feet in height shall be designed and constructed to accommodate at least one co-user, and the Commission may permit towers to exceed the height limitation to accommodate co-use. The Commission may also require an applicant for new construction to exceed the applicable limitation, regardless of whether a co-user is immediately available to share space with the applicant.
- d) The willful and knowing failure of an applicant to agree to Co-Use or to negotiate in good faith with potential co-users may be cause for either the denial of a pending application, the revocation of an existing facilities permit, or the withholding of future permits.

D. Modifications.

- 1. Changes to existing Antennas, Towers, or structures that are not "substantial modifications" as defined herein shall only be reviewed for conformance with applicable building permit requirements, National Electric Safety Codes, and recognized industry standards for structural safety, capacity, reliability and engineering, without any Commission review.
- 2. For purposes of this section, a "substantial modification" is defined as the mounting of an Antenna on a Tower or other structure which, as applied to the structure as it was originally constructed:
 - a. Increases the existing vertical height of the Tower or structure by:

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- (1) More than ten percent; or
 - (2) The height of one additional antenna array with separation from the nearest existing antenna not to exceed 20 feet, whichever is greater; or
- b. Involves adding an appurtenance to the body of a Tower or structure that protrudes horizontally from the edge of the existing Tower or structure more than 20 feet or more than the width of the wireless support structure at the level of the appurtenance, whichever is greater (except where necessary to shelter the antenna from inclement weather or to connect the antenna to the tower via cable);
 - c. Involves the installation of more than the standard number of new outdoor equipment cabinets for the technology involved, not to exceed four new equipment cabinets; or
 - d. Increases the square footage of the existing equipment compound by more than 1,250 square feet.
3. Substantial modifications require a Facilities Permit, which shall be subject to Section 440.050.C hereof.

E. Limitation on Regulations and Commission Exceptions.

1. Except as may be necessary to ensure public health and safety, the regulations contained in this Chapter shall not be applied so as to:
 - a) impose unreasonable limitations on communications service providers,
 - b) prevent, degrade, or impair reception or transmission of signals by any facility, or
 - c) impose costs on providers that are excessive in light of the purchase and installation cost of the equipment.
2. In considering a Facilities permit application, the Commission may grant an exception to any such regulation based on a clear showing that the exception is reasonably required to provide communications services. Such showing shall be supported by the opinion of a telecommunications consultant hired by the City at the expense of the applicant. The opinion of the consultant shall include a statement explaining why alternatives are not available or viable.
3. Nothing in this chapter shall be construed or deemed to supersede any applicable state or federal law or any applicable regulation issued by a state or federal agency including, but not limited to, the Missouri Public Service Commission and the Federal Communications Commission. In the event of any conflict between such laws or regulations and this chapter, the applicable state or federal law or regulation shall apply.

SECTION 440.050 REQUIRED PERMITS.

A. Generally.

1. Applications for a facilities permit shall be filed in lieu of a building permit application.
2. Applications for building or facilities permits under this chapter shall be accompanied by an application fee approved by the City to cover the cost of processing the application, any deposit otherwise required by law for the proposed work, and any other amounts due to the City from the applicant, including but not limited to prior delinquent fees, costs, and any loss, damage, or expense suffered

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by the City because of the applicant's prior work in the City or for any emergency actions taken by the City, but the Director may modify this requirement to the extent the Director determines any such fees to be in good-faith dispute or beyond the ability of the applicant to control.

3. If the regulations of this Chapter would prohibit facilities at a specified location, the applicant may request an exception from the Commission as provided in Section 440.040.E hereof. The City's form application shall include an exception option by which the applicant shall provide the reasons for the requested exception.
4. Applications shall be reviewed and acted upon within the timeframes provided in this chapter. The City acknowledges that federal law or regulations may prescribe deadlines not consistent with those included in this chapter, but the certainty of such federal deadlines cannot be effectively ascertained and prescribed herein. It shall be incumbent upon the applicant to inform the City of any desire to utilize federal deadlines and to explain the applicability of same at the time of application. The City's form application shall include a federal deadline option.

B. Building Permits.

1. Antennas not requiring a Facilities permit, and proposals for tower or structure co-use or proposed replacements for already-permitted towers or antennas, when such proposals do not constitute substantial modifications as defined in Section 440.040.D hereof, shall be subject to a building permit only. Such building permit applications shall only be reviewed for conformance with applicable building permit requirements, National Electric Safety Codes, and recognized industry standards for structural safety, capacity, reliability and engineering, without any Commission review.
2. An application for a building permit shall be filed with the Director and shall include, among other information that may be required, the following:
 - a) Detailed construction and installation plans demonstrating proof of compliance with Section 440.440;
 - b) Site plan of the parcel upon which the installation is to be made showing the specific location of the proposed installation and all improvements on the parcel;
 - c) A copy of a lease, letter of authorization or other agreement from the property owner evidencing applicant's right to pursue the application; and
 - d) Such other information reasonably required by the Director.
3. After receiving a building permit application, the Director shall have 45 days from the date of the application's submission, or such additional time as may be agreed to by an applicant and the Director, to approve or deny the application and to advise the applicant in writing of a final decision.
 - a) Within 15 days of receiving the application, the Director shall review the application and, if the application does not conform with the submission requirements of this Section, shall notify the applicant in writing of the specific deficiencies in the application which, if cured, would make the application complete.
 - b) Upon receipt of a timely written notice that an application is deficient, an applicant may take 15 calendar days from receiving such notice to cure the specific deficiencies. If the applicant cures the deficiencies within 15 calendar days, the application shall be reviewed and processed within 45 calendar days from the initial date the application was received. If the applicant requires a period of time beyond 15 calendar days to cure the

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specific deficiencies, the 45 calendar days' deadline for review shall be extended by the same period of time.

- c) If the Director fails to act on an application within the 45 calendar days' review period, or an extension thereof due to an incomplete application as provided in this Section, or within such additional time as may be agreed to by an applicant and the Director, the application shall be deemed approved.
- d) A party aggrieved by either the Director's final decision or the purported failure to timely act may bring an action for review in the St. Louis County Circuit Court, without filing an appeal to the City Council as permitted by Section 440.050.E hereof. If the party elects to appeal to the City Council, any time period for the filing for court review shall run from the date of the City Council's decision.

C. Facilities Permits.

1. The construction, installation, and substantial modification of Antennas and Towers shall require a Facilities Permit approved by the Commission.
2. Applications for Facilities Permits shall be made to the Director on forms provided by the Director. Prior to filing an application the applicant shall meet with the Director to determine the information to be required in support of the application.
 - a) Each application shall be accompanied by payment of a fee established by the City Council.
 - b) Each application shall include a copy of a lease, letter of authorization or other agreement from the property owner evidencing applicant's right to pursue the application
3. Facilities Permit applications shall be accompanied by detailed construction and installation plans demonstrating proof of compliance with the regulations of this Chapter and the need for any exception to any such regulation. An application proposing a Tower shall include a detailed site plan based on a closed boundary survey of the host parcel indicating:
 - i. all existing and proposed improvements, including buildings, drives, walkway, parking areas and other structures,
 - ii. the location of trees on such parcel,
 - iii. the general location of the improvements on all adjoining properties,
 - iv. public rights-of-way, the zoning categories of the host parcel and adjoining properties, the location of buffer and landscape areas, hydrologic features, and the coordinates and height of the proposed facility,
 - v. any statements or information required by this Article and
 - vi. such other information as the Director reasonably deems appropriate.
4. After receiving an application to construct a new Tower, the Commission shall have 120 days from the date of the application's submission, or such additional time as may be agreed to by an applicant and the Director, to approve or deny the application and to advise the applicant in writing of its final decision.
 - a) Within 30 days of receiving the application, the Director shall review the application and, if the application does not conform with the submission requirements of this Section, shall notify the applicant in writing of the specific deficiencies in the application which, if cured, would make the application complete.
 - b) Upon receipt of a timely written notice that an application is deficient, an

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applicant may take 30 calendar days from receiving such notice to cure the specific deficiencies. If the applicant cures the deficiencies within 30 calendar days, the application shall be reviewed and processed within 120 calendar days from the initial date the application was received. If the applicant requires a period of time beyond thirty calendar days to cure the specific deficiencies, the one hundred twenty calendar days' deadline for review shall be extended by the same period of time.

- c) If the Commission fails to act on an application within the 120 calendar days' review period, or an extension thereof due to an incomplete application, or within such additional time as may be agreed to by an applicant and the Director, the application shall be deemed approved.
- d) A party aggrieved by either the Director's final decision or the purported failure to timely act may bring an action for review in the St. Louis County Circuit Court, without filing an appeal to the City Council as permitted by Section 440.050.E hereof. If the party elects to appeal to the City Council, any time period for the filing for court review shall run from the date of the City Council's decision.

D. Criteria For Facilities Permit Approval.

The Commission shall consider the evidence submitted with the Facilities Permit application as well as additional information presented by the applicant or others. Before approving a Facilities permit the Commission shall consider and determine the following, as may be applicable, based on the evidence submitted:

- 1. Whether the application complies with the requirements of this Chapter;
- 2. Whether an existing tower or structure may meet the applicant's requirements;
- 3. Whether a tower has sufficient structural strength to support the applicant's proposed antenna and required screening;
- 4. Whether the proposed antenna would experience or cause signal interference with other telecommunication facilities;
- 5. Whether the fees, costs, or other contractual terms required by the owners of existing towers within the required geographic area of the applicant, or to retrofit the existing structures, are reasonable;
- 6. Whether the design of the antenna, tower, or structure maximally reduces visual degradation; and
- 7. Whether the proposed antenna or tower minimizes the number and size of similar facilities that will be required in the geographic area surrounding the proposed site.

E. Review, Determination and Appeal.

- 1. The Commission shall review and determine applications as provided in Section 440.050.D.
- 2. A decision to deny an application shall be based upon substantial evidence that shall be made a part of the written record of the meeting at which a final decision on the application is rendered.
- 3. Any aggrieved person may, within fifteen (15) days of the decision for which redress is sought, file with the City Council a written request for reconsideration and appeal of any decision of the Commission under this Chapter. The written request must set forth in a concise manner the decision being appealed and all grounds known to the appellant as to wherein and why the decision is allegedly in error. The request for reconsideration and appeal must be filed with the City Clerk within the time specified above. A copy of the request and any supporting

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documents or materials filed by aggrieved party must be served by the aggrieved party on the applicant (if different than the aggrieved party) by certified U.S. mail, return receipt requested, within three days of filing with the City Clerk. Proof of service on the applicant must be filed with the City Clerk within six days of filing of the request. The City Council may consider the appeal on the record of the prior decision by the Commission or may, at its sole discretion, receive additional evidence in such manner as it deems appropriate in light of the circumstances.

4. Any person aggrieved by the City Council's final decision may bring an action for review in the St. Louis County Circuit Court.



CITY COUNCIL AGENDA SUBMISSION
November 8, 2016

Agenda Item:

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO
ENTER INTO AN AGREEMENT WITH ESO SOLUTIONS,
INC. FOR A HEALTH DATA EXCHANGE SYSTEM**

Description:

This is a request to approve a resolution to include the Health Data Exchange (HDE) system to the agreement that was reached last Council meeting on October 25, 2016. The HDE system will allow the Fire Department to directly exchange patient information with the hospitals in the area.

Recommended Action:

Motion to approve Resolution 2016-124: A Resolution Authorizing the City Manager to enter Agreement with ESO Solutions, Inc. for a Health Data Exchange System

Attachments:

1. Health Data Exchange Memo
2. Resolution 2016-124
3. Agreement

Funding Request:

None

Submitted by:

Scott Avery

Fire Chief



Memorandum

To: City Council
From: Scott Avery, Fire Chief
Subject: Final Piece of the Selection of Ambulance Billing Services and electronic Patient Care Reporting software
Date: November 8, 2016

The City of Olivette issued a Request for Proposals (RFP) for the selection of a vendor to supply Ambulance Billing Services and electronic Patient Care Reporting (ePCR) software. The ePCR is used by the paramedics to enter patient information and transmit that information to the receiving hospital, and a secure server that maintains our patient records. The department is currently using McKesson for Ambulance Billing and ImageTrend for our ePCR.

The responses were evaluated by Fire Department personnel based on the criteria and requirements set forth in the RFP to arrive at a recommendation to accept the bid from EMS/MC to provide Ambulance Billing and ePCR from ESO Solutions. The Council approved the contract on October 25, 2016. Tonight's action is to approve the Health Data Exchange agreement that will allow the Fire Department to directly share patient information with the area hospitals. The cost of the service is being paid by EMS/MC.

RESOLUTION NO. 2016-124

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN AGREEMENT WITH ESO SOLUTIONS, INC. FOR A HEALTH DATA EXCHANGE SYSTEM

WHEREAS, the City of Olivette has approved agreements with EMS Management & Consultants, Inc. (“EMS”) and ESO Solutions, Inc. (“ESO”) for services and software needed for the city’s emergency medical billing services; and

WHEREAS, the approved agreement package also requires that the City enter into another agreement with ESO for a health data exchange system; and

WHEREAS, the cost of the health data exchange system was contemplated by the City’s original request for proposals and was included in EMS/ESO responsive bid, thus the attached agreement will not increase the City’s costs for the approved agreement package;

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF OLIVETTE, MISSOURI AS FOLLOWS:

The City Manager is hereby authorized to enter into a “Health Data Exchange Participation Agreement” with ESO for a health data exchange system in substantial conformity with the terms and conditions provided in the attached Exhibit A, incorporated by reference.

This resolution shall be in full force and effect from and after its passage.

Passed this ___ day of _____, 2016.

Mayor Ruth Springer

ATTEST:

Myra G. Bennett, CMC/MPCC
City Clerk
City of Olivette

HEALTH DATA EXCHANGE PARTICIPATION AGREEMENT

This Participation Agreement (the “**Agreement**”) is entered into this ____ day of _____, 20____ (the “**Effective Date**”), by and between **ESO Solutions, Inc.**, a Texas corporation with its principal place of business at 9020 N Capital of Texas Highway, Building II-300, Austin, Texas 78759 (“**ESO**”), and the City of Olivette, with its principal place of business at 9473 Olive Blvd, Olivette, MO 63132 (the “**Participant**”) (each a “**Party**” and collectively the “**Parties**”).

WHEREAS, the Participant has contracted with EMS Management and Consultants, Inc., with its principal place of business at 2540 Empire Drive, Winston Salem, North Carolina 27103 (“**EMS**”) for the provision of ambulance billing services; and

WHEREAS, ESO is in the business of providing Health Data Exchange (“**HDE**”) services (the “**Services**”) to businesses and municipalities which provide emergency patient care;

WHEREAS, Participant seeks to share medical data specific to emergency medical services and receive outcome data back;

NOW, THEREFORE, the Parties, intending to be bound, agree as follows:

1. Defined Terms.

Except as otherwise specified herein, all capitalized terms used in this Agreement shall have the meanings set forth below. Any capitalized term not defined below shall have the meaning provided by HIPAA. In the event of any conflict between the following definitions and HIPAA, HIPAA shall govern.

- (a) “**Participant**” means any Covered Entity participating, contributing, using and/or disclosing Shared Patient Information.
 - (b) “**Patient**” means an individual who: (i) meets certain Shared Record Eligibility Requirements, and (ii) has received or is currently seeking Health Services from one or more of the Participants. For purposes of this Agreement, the term “**Patient**” shall be construed to include covered beneficiaries of a Participant that is a Health Plan.
 - (c) “**Protected Health Information**” or “**PHI**” shall have the meaning set forth in HIPAA. PHI may include, but is not limited to, written and electronic information relating to the diagnosis, treatment, tests, prognosis, admission, discharge, transfer, prescription, eligibility, claims and other data implicitly or explicitly identifying a Patient to whom items, services, coverage or reimbursement is provided by a Participant, and which information is provided, stored or accessed by a Participant. All references herein to PHI shall be construed to include electronic PHI, or ePHI, as that term is defined by HIPAA.
 - (d) “**Shared Patient Information**” means those specific data elements about Patients and Health Services that are provided electronically for purposes of inclusion in the Shared Record.
 - (e) “**Shared Record**” means the Shared Patient Information, including PHI and other data, maintained by ESO and contributed to and utilized by the Participants.
2. **Services.** ESO shall provide to Participant, during the Term, the Services, including such services and products as may be identified on **Exhibit A**. The Services are provided through ESO’s proprietary software that is hosted and operated by ESO over the Internet (the “**Software**”). For purposes of this Agreement, the Services shall permit Participant to receive outcome data back from participating hospitals.
 3. **Term.** This Agreement shall be effective commencing on November 8th, 2016 and shall thereafter continue through October 31, 2019. This Agreement shall be binding upon the parties hereto and their respective successors, assigns, and transferees. The Agreement shall automatically renew on the same terms and conditions as stated herein for successive one (1) year terms, unless either party gives written notice of intent not to renew at least 60 days before expiration of any term.
 4. **Subscription Fees, Invoices and Payment Terms.**
 - a. **Subscription Fees.** Participant has chosen to have EMS Management and Consultants with its principal place of business at 2540 Empire Drive, Winston Salem, North Carolina 27103 pay all fees for ESO’s Services, which such fees are those indicated in **Exhibit A** (the “**Subscription Fees**”). If EMS does not pay the Subscription Fees on behalf of Participant, and Participant chooses to continue receiving Services, then Participant shall be responsible for any outstanding fees under the terms and conditions of this Agreement which previously applied to EMS, as applicable. ESO may evaluate Participant’s usage and adjust invoices based on changes in Participant usage as indicated in **Exhibit A**. ESO shall have the option to increase pricing prior to any renewal Term, as long as it

provides at least ninety (90) days' notice of such increase to Participant and EMS, and Participant agrees to such increase by permitting the automatic renewal of this agreement under Section 2 above.

- b. **Invoices; Payment of Invoices.** EMS shall be invoiced as explained in **Exhibit A**. EMS shall pay invoices received from ESO within thirty (30) days of receipt (the "**Due Date**").
- c. **Disputed Invoices.** If the Participant or EMS in good faith disputes a portion of an invoice, the Participant or EMS shall remit to ESO, by the Due Date, full payment of the undisputed portion of the invoice. In addition, the Participant or EMS must submit written documentation: (i) identifying the disputed amount, (ii) an explanation as to why the Participant or EMS believes this amount is incorrect, (iii) what the correct amount should be, and (iv) written evidence supporting the disputed claim. If the Participant or EMS does not notify ESO of a disputed invoice by the Due Date, the Participant and EMS shall have waived the right to dispute that invoice. Any disputed amounts determined by the Parties to be payable shall be due within ten (10) days of such determination.

5. **Termination**

- a. **Termination by Participant for ESO Default.** If ESO fails to perform a material obligation under this Agreement and does not remedy such failure within ten (10) days following written notice from Participant or EMS ("**ESO Default**"), the Participant may terminate this Agreement without liability, except that accrued but unpaid Subscription Fees not related to the ESO Default shall be paid by the Participant. If ESO is unable to provide Service(s) for thirty (30) consecutive days due to a Force Majeure event as defined in Section 15a, *Force Majeure*, the Participant may terminate the affected Service(s) without liability. In the event of an ESO Default, the Participant shall have the right to take any action in connection with any right or remedy the Participant may have under this Agreement, at law or in equity. In addition, ESO agrees to pay the Participant's reasonable expenses (including attorney fees) incurred in enforcing the Participant's rights in the event of an ESO Default.
- b. **Termination by ESO for Participant Default.** ESO may terminate this Agreement with no further liability if (i) the Participant or EMS fails to pay for Services as required by this Agreement and such failure remains uncorrected for ten (10) days following written notice from ESO, or (ii) the Participant or EMS fails to perform any other material obligation under this Agreement and does not remedy such failure within thirty (30) days following written notice from ESO (collectively referred to as "**Participant Default**"). In the event of a Participant Default, ESO shall have the right to (i) terminate this Agreement; (ii) suspend all Services being provided to Participant; (iii) terminate the right to use the Software on the web and/or mobile devices; (iv) apply interest to the amount past due, at the rate of one and one-half percent (1½%) (or the maximum legal rate, if less) of the unpaid amount per month; (v) offset any amounts that are owed to Participant by ESO against the past due amount then owed to ESO; and/or (vi) take any action in connection with any other right or remedy ESO may have under this Agreement, at law or in equity. If ESO terminates this Agreement due to a Participant Default, Participant shall remain liable for all accrued Subscription Fees and other charges. In addition, Participant agrees to pay ESO's reasonable expenses (including attorney and collection fees) incurred in enforcing ESO's rights in the event of a Participant Default.

6. **System Maintenance.** In the event ESO determines that it is necessary to interrupt the Services or that there is a potential for the Services to be interrupted for the performance of system maintenance, ESO shall notify Participant prior to the performance of such maintenance. Routine maintenance will be scheduled during non-peak hours (midnight to 6 a.m. CST). In no event shall interruption for system maintenance constitute a failure of performance by ESO.

7. **Access to Internet.** Participant has sole responsibility for obtaining, maintaining, and securing its connections to the Internet, and ESO makes no representations to Participant regarding the reliability, performance or security of any particular network or provider.

8. **Use and Support of Services; Software Rights**

- a. **Support and Updates.** During the term, ESO shall provide to Participant the support services and will meet the service levels as set forth on **Exhibit B** attached hereto.
- b. **Other Services.** Upon the written request by Participant, ESO may provide services related to the Software other than the standard support, at ESO's then-current rates or as otherwise negotiated by the Parties. This may include on-site consultation, configuration, and initial technical assistance and training on the use and support of the Software.
- c. **Software Ownership and Restrictions.** This Agreement does not convey any rights of ownership in or title to the Software associated with the Services. All right, title and interest in the Software and any copies or derivative works thereof will remain the property of ESO. Participant will not: (a) copy, disassemble, reverse engineer or modify the Software; (b) allow any unaffiliated third party to use the Software; (c) use the Software as a component in any product or service provided by Participant to a third party; (d) transfer, sell, assign, or otherwise convey the Software; or (e) remove any proprietary notices placed on or contained within the Software. Participant will keep the Software free and clear of all claims, liens, and encumbrances.
- d. **Title.** ESO hereby represents and warrants to Participant that ESO is the owner of the Software or otherwise has the right to grant to Participant the rights set forth in this Agreement. In the event of any breach or threatened breach of the foregoing representation and warranty, Participant's sole remedy shall be for ESO, at its option and expense, to: (i) procure the right to continue using the Software,

(ii) replace or modify the Software to avoid a breach, such replacement or modification shall be substantially and materially similar to the replaced or modified Software. If a breach or threatened breach of the foregoing representation and warranty leads to the cessation of ESO's service delivery under this agreement, the Participant may terminate the agreement without liability to the Participant, except that accrued but unpaid Subscription Fees not related to the breach or threatened breach shall be paid by the Participant.

9. **Indemnification.** To the extent permitted by law, Participant will defend and indemnify ESO from any and all claims brought by third parties against ESO and will hold ESO harmless from all corresponding losses incurred by ESO arising out of or related to (i) Participant's misuse of the Services and/or Software, (ii) any services provided by Participant to third parties, or (iii) Participant's negligence, inaction or omission in connection with the services it provides to third parties; provided that nothing in the foregoing shall be construed to preclude the Participant from contesting the legality of this Section 11 as being an unconstitutional grant of a public credit, property, claim, or thing of value to private entities in violation of Article III, Section 39(2), or Article VI, Sections 23 or 25, of the Missouri Constitution or as an unlawful delegation of the Participant's legislative or administrative power. If this Section 11 is declared unlawful by final judgment of a court of competent jurisdiction, the Participant will have no obligation to indemnify ESO. ESO will defend and indemnify the Participant from any and all claims brought by third parties against the Participant and will hold the Participant harmless from all corresponding losses incurred by the Participant arising out of or related to ESO's negligence, inaction, omission, or breach of contract in connection with the Services provided.

10. **Limitation of Liability.** TO THE EXTENT PERMITTED BY LAW, AND NOTWITHSTANDING ANY OTHER PROVISION HEREOF, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY OR ANY THIRD PARTY FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, RELIANCE, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES (INCLUDING BUT NOT LIMITED TO DAMAGES FOR LOST PROFITS, LOST REVENUES OR COST OF PURCHASING REPLACEMENT SERVICES) ARISING OUT OF OR RELATING TO THIS AGREEMENT.

ESO SHALL NOT BE LIABLE TO PARTICIPANT FOR ANY ACTUAL DAMAGES IN EXCESS OF THE AGGREGATE AMOUNT THAT ESO HAS, PRIOR TO SUCH TIME, COLLECTED FROM PARTICIPANT OR ON PARTICIPANT'S BEHALF WITH RESPECT TO SERVICES DELIVERED HEREUNDER EXCEPT IN THE EVENT OF ESO'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

FURTHERMORE, ESO SHALL NOT BE LIABLE TO THE PARTICIPANT, EITHER IN CONTRACT OR IN TORT, FOR THE UNAUTHORIZED ACCESS OF PARTICIPANT DATA OR FOR THE UNAUTHORIZED ACCESS TO OR ALTERATION, THEFT OR DESTRUCTION OF PARTICIPANT DATA FILES, PROGRAMS, PROCEDURES OR INFORMATION, WHEN SUCH UNAUTHORIZED ACTIVITY IS EFFECTED WITHOUT ESO'S NEGLIGENCE OR BREACH OF THIS AGREEMENT. THIS SECTION SHALL SURVIVE ANY TERMINATION OR EXPIRATION OF THIS AGREEMENT. EACH PARTY ACKNOWLEDGES THAT THIS LIMITATION OF LIABILITY WAS SPECIFICALLY BARGAINED FOR AND IS ACCEPTABLE TO PARTICIPANT AS PROVIDED IN THIS SECTION 12. FURTHER, EACH PARTY'S WILLINGNESS TO AGREE TO THE LIMITATIONS CONTAINED IN THIS SECTION WAS MATERIAL TO ENTERING INTO THIS AGREEMENT.

NOTHING IN THIS SECTION SHALL BE CONSTRUED TO PRECLUDE THE PARTICIPANT FROM CONTESTING THE LEGALITY OF THIS SECTION 12 AS BEING AN UNCONSTITUTIONAL GRANT OF A PUBLIC CREDIT, PROPERTY, CLAIM, OR THING OF VALUE TO PRIVATE ENTITIES IN VIOLATION OF ARTICLE III, SECTION 39(2), OR ARTICLE VI, SECTIONS 23 OR 25, OF THE MISSOURI CONSTITUTION OR AS AN UNLAWFUL DELEGATION OF THE PARTICIPANT'S LEGISLATIVE OR ADMINISTRATIVE POWER. IF THIS SECTION 12 IS DECLARED UNLAWFUL BY FINAL JUDGMENT OF A COURT OF COMPETENT JURISDICTION, ITS LIMITATION OF LIABILITY PROVISIONS SHALL NOT APPLY.

11. **Acknowledgements and Disclaimer of Warranties.** Participant acknowledges that ESO cannot guarantee that there will never be any outages in ESO's network and that no credits shall be given in the event Participant's access to ESO's network is temporarily interrupted, subject, however, to Participant's termination rights as provided in Section 5(a) hereof. The Services shall be delivered free from material defect and shall function in accordance with the written specifications supplied. PHI IS PROVIDED SOLELY "AS IS." THE SERVICES ARE PROVIDED "AS IS." UNLESS OTHERWISE SPECIFIED HEREIN, ESO MAKES NO REPRESENTATION OR WARRANTY TO PARTICIPANT OR ANY OTHER PERSON OR ENTITY, WHETHER EXPRESS, IMPLIED OR STATUTORY, AS TO THE DESCRIPTION, QUALITY, MERCHANTABILITY, COMPLETENESS OR FITNESS FOR A PARTICULAR PURPOSE, OF ANY SERVICE OR SOFTWARE PROVIDED HEREUNDER OR DESCRIBED HEREIN, OR AS TO ANY OTHER MATTER (INCLUDING WITHOUT LIMITATION THAT THERE WILL BE NO IMPAIRMENT OF DATA OR THAT SERVICES WILL BE UNINTERRUPTED OR ERROR FREE), ALL OF WHICH WARRANTIES BY ESO ARE HEREBY EXCLUDED AND DISCLAIMED, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW.

PARTICIPANT ACKNOWLEDGES THAT THE BENEFITS OF HDE DEPEND ON OTHER HEALTHCARE PROVIDERS PARTICIPATING. PARTICIPANT ACKNOWLEDGES THAT ESO DOES NOT GUARANTEE THAT ANY PARTICULAR EMS AGENCY, HOSPITAL, HIE, OR OTHER HEALTHCARE PROVIDER WILL AGREE TO PARTICIPATE. ESO DOES NOT GUARANTEE THAT IT WILL PROVIDE DATA FROM ANY PARTICULAR PROVIDER ABSENT THAT PROVIDER'S CONSENT.

12. **Confidential Information.**

a. "**Confidential Information**" shall mean all information disclosed orally or in writing by one party ("**Disclosing Party**") to the other party ("**Receiving Party**") related to the technology, intellectual property assets, financial or business plans and affairs, financial

statements, internal management tools and systems, operations, or business plans of the Disclosing Party or a third party that has been identified as confidential or that by the nature of the information or the circumstances surrounding disclosure should reasonably be treated as confidential, provided such information is clearly marked "CONFIDENTIAL" or "PROPRIETARY" upon delivery, or for verbal information, provided the Disclosing Party identifies the information as confidential at the time disclosed and provides a written summary of such information to the Receiving Party within fifteen (15) days of such verbal disclosure. Confidential Information does not include any information that (i) was already known by the Receiving Party free of any obligation to keep it confidential at the time of its disclosure; (ii) becomes publicly known through no wrongful or negligent act of the Receiving Party; (iii) is rightfully received from a third person without knowledge of any confidential obligation; (iv) is independently acquired or developed without violating any of the obligations under this Agreement; or (v) is approved for release by written authorization of the Disclosing Party.

- b. A Receiving Party, upon receipt of Confidential Information, shall not directly or indirectly disclose, divulge, publish, disseminate, use, reproduce, copy, or create derivative works of or permit access to any Confidential information except as authorized under this Agreement or otherwise required by law. Each Party shall use Confidential Information only for purposes set forth in this Agreement and shall use reasonable and appropriate safeguards to protect Confidential Information from disclosure using the same degree of care used to protect its own Confidential Information, but in no event less than a commercially reasonable degree of care. Confidential Information shall remain the property of the Disclosing Party and shall be returned to the Disclosing Party or destroyed upon request of the Disclosing Party in accordance with the terms of this Agreement.

13. Permitted Uses and Disclosures of PHI.

- a. Participant agrees to access, use and disclose the Shared Record in accordance with applicable State and federal law, including but not limited to 45 C.F.R. Section 164.506(c).
- b. Participant agrees not to access, use or disclose the Shared Record to compete with any other Participant and/or to solicit patients from any other Participant.
- c. Participant agrees to utilize hospital outcome data for its internal quality improvement and collection process only. Participant will not use hospital outcome data to compare the performance between hospitals without written authorization from participating hospitals and ESO.
- d. Participant agrees to notify ESO immediately upon confirmation of a data breach or significant security threat and cooperate with ESO to investigate, remediate and respond to such breach or security threat.
- e. Participant grants ESO the right to collect and store its data for aggregate reporting purposes, but in no event shall ESO disclose PHI unless permitted by law. Moreover, ESO will not identify Participant without Participant's consent.

14. General Provisions.

- a. Force Majeure. Neither Party shall be liable to the other, nor deemed in default under this Agreement if and to the extent that such Party's performance of this Agreement is delayed or prevented by reason of Force Majeure, which is defined to mean an event that is beyond the reasonable control of the affected Party and occurs without such Party's fault or negligence.
- b. Entire Agreement. This Agreement, including all schedules, exhibits, addenda and any Business Associate Agreement (as that term is used in the Health Insurance Portability and Accountability Act and related regulations) are incorporated herein by reference, and constitute the entire agreement between the Parties and supersedes all prior and contemporaneous agreements, proposals or representations, written or oral, concerning its subject matter. No modification, amendment, or waiver of any provision of this agreement shall be effective unless in writing and signed by the Party against whom the modification, amendment or waiver is asserted.
- c. Governing Law. This Agreement shall be governed by the laws of the State of Missouri without regard to choice or conflict of law rules.
- d. Arbitration. Any controversy or claim arising out of or relating to this Agreement, or a breach of this Agreement, shall be finally settled by arbitration in St. Louis, Missouri, and shall be resolved under the laws of the State of Missouri. The arbitration shall be conducted before a single arbitrator, who may be a private arbitrator, in accordance with the commercial rules and practices of the American Arbitration Association then in effect. Any award, order or judgment pursuant to such arbitration shall be deemed final and binding and may be enforced in any court of competent jurisdiction. The arbitrator may, as part of the arbitration award, permit the substantially prevailing Party to recover all or part of its attorney's fees and other out-of-pocket costs incurred in connection with such arbitration. All arbitration proceedings shall be conducted on a confidential basis. The Parties knowingly, voluntarily, and irrevocably waive their right to a trial by jury.
- e. No Press Releases without Consent. Neither Party may use the other Party's name or trademarks, nor issue any publicity or public statements concerning the other Party or the existence or content of this Agreement, without the other Party's prior written consent.

Notwithstanding, Participant agrees that ESO may use Participant’s name and logo in ESO sales presentations, without Participant’s prior written consent, during the Term of this Agreement, but only for the purposes of identifying the Participant as a customer of ESO. Likewise, Participant may use ESO’s name and logo to identify ESO as a vendor of Participant.

- f. **Compliance with Laws.** Both Parties shall comply with and give all notices required by all applicable federal, state and local laws, ordinances, rules, regulations and lawful orders of any public authority bearing on the performance of this Agreement.
- g. **Waiver.** No failure or delay by either party in exercising any right under this Agreement shall constitute a waiver of that right.
- h. **Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, the remaining provisions of this Agreement, to the extent practicable, shall remain in effect.
- i. **Taxes and Fees.** The consideration charged to the Participant under this Agreement is includes all taxes and fees, if any.
- j. **Independent Contractor.** Nothing in this Agreement shall be construed to create: (i) a partnership, joint venture or other joint business relationship between the Parties or any of their affiliates; or (ii) a relationship of employer and employee between the Parties. ESO is an independent contractor and not an agent of Participant.
- k. **Counterparts; Execution.** This Agreement and any amendments hereto may be executed by the Parties individually or in any combination, in one or more counterparts, each of which shall be an original and all of which shall together constitute one and the same agreement. Execution and delivery of this Agreement and any amendments by the Parties shall be legally valid and effective through: (i) executing and delivering the paper copy of the document, (ii) transmitting the executed paper copy of the documents by facsimile transmission or electronic mail in “portable document format” (“*pdf*”) or other electronically scanned format, or (iii) creating, generating, sending, receiving or storing by electronic means this Agreement and any amendments, the execution of which is accomplished through use of an electronic process and executed or adopted by a Party with the intent to execute this Agreement (i.e. “*electronic signature*” through a process such as DocuSign®). In making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart executed by the Party against whom enforcement of this Agreement is sought.
- l. **Notice.** All notices, requests, demands and other communications required or permitted to be given or made under this Agreement shall be in writing, shall be effective upon receipt or attempted delivery, and shall be sent by (i) personal delivery; (ii) certified or registered United States mail, return receipt requested; (iii) overnight delivery service with proof of delivery, or (iv) fax. Notices shall be sent to the addresses below. No Party to this Agreement shall refuse delivery of any notice hereunder.

ESO	Participant
ESO Solutions, Inc. 9020 N. Capital of Texas Highway Bldg. II-300 Austin, Texas 78759 Attention: Legal Tel. No: (866) 766-9471 Email: <u>contracts@esosolutions.com</u>	_____ _____ _____ _____ Attention: _____ Tel. No: _____ Email: _____

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned expressly agree and warrant that they are authorized to sign and enter into this Agreement on behalf of the Party for which they sign and have executed this Agreement on the Effective Date first written above.

ESO SOLUTIONS, INC.:

PARTICIPANT

[Signature]

[Signature]

Chris Dillie

[Printed Name]

[Printed Name]

President & CEO

[Title]

[Title]

[Date]

[Date]

EXHIBIT A
Annual Subscription Fee Schedule

Participant has selected and EMS has agreed to pay for the following Services on behalf of Participant:

Product	Quantity	List Price	Total Price	Line Item Description
HDE - ESO EHR Connection < 2,500 Incidents	1.00	\$495.00	\$495.00	HDE EMS Connection Fee. Annual Recurring Fee.
			Grand Total	\$495.00

PAYMENT TERMS AND PAYMENT MILESTONES

The subscription year for Services shall begin upon execution of this Agreement or upon the commencement of active work on software implementation, whichever date comes later. Participant shall be invoiced for full payment of goods and services upon execution of this Agreement. Participant shall pay Subscription Fees annually in advance for each year this Agreement is in effect.

EXHIBIT B
Support Services and Service Levels

This Exhibit describes the software support services (“*Support Services*”) that ESO will provide and the service levels that ESO will meet.

1. Definitions.

Unless defined otherwise herein, capitalized terms used in this Exhibit shall have the same meaning as set forth in the Agreement.

- (a) “*Customer Service Representative*” shall be the person at ESO designated by ESO to receive notices of Errors encountered by Participant that Participant’s Administrator has been unable to resolve.
- (b) “*Error*” means any failure of the Software to conform in any material respect with its published specifications.
- (c) “*Error Correction*” means a bug fix, patch, or other modification or addition that brings the Software into material conformity with its published performance specifications.
- (d) “*Priority A Error*” means an Error that renders the Software inoperative or causes a complete failure of the Software.
- (e) “*Priority B Error*” means an Error that substantially degrades the performance of the Software or materially restricts Participant’s use of the Software.
- (f) “*Priority C Error*” means an Error that causes only a minor impact on Participant’s use of the Software.
- (g) “*Update*” means any new commercially available or deployable version of the Software, which may include Error Corrections, enhancements or other modifications, issued by ESO from time to time to its Participants.
- (h) “*Normal Business Hours*” means 8:00 am to 5:00 pm Monday through Friday, Central Time Zone.

2. Participant Obligations.

Participant will provide at least one administrative employee (the “*Administrator*” or “*Administrators*”) who will handle all requests for first-level support from Participant’s employees with respect to the Software. Such support is intended to be the “front line” for support and information about the Software to Participant’s employees. ESO will provide training, documentation, and materials to the Administrators to enable the Administrators to provide technical support to Participant’s employees. The Administrators will refer any Errors to ESO’s Participant Service Representative that the Administrators cannot resolve, pursuant to Section 3 below; and the Administrators will assist ESO in gathering information to enable ESO to identify problems with respect to reported Errors.

3. Support Services.

- (a) Scope. As further described herein, the Support Services consist of: (i) Error Corrections that the Administrator is unable to resolve, and (ii) periodic delivery of Error Corrections and Updates. The Support Services will be available to Participant during normal business hours, to the extent practicable. Priority A Errors encountered outside normal business hours may be communicated to the Participant Service Representative via telephone or email. Priority B and C Errors encountered outside normal business hours shall be communicated via email.
- (b) Procedure.
 - (i) *Report of Error.* In reporting any Error, the Participant’s Administrator will describe to ESO’s Participant Service Representative the Error in reasonable detail and the circumstances under which the Error occurred or is occurring; the Administrator will initially classify the Error as a Priority A, B or C Error. ESO reserves the right to reclassify the Priority of the Error.
 - (ii) *Efforts Required.* ESO shall exercise commercially reasonable efforts to correct any Error reported by the Administrator in accordance with the priority level assigned to such Error by the Administrator. Errors shall be communicated to ESO’s Participant Service Representative after hours as indicated below, depending on the priority level of the Error. In the event of an Error, ESO will within the time periods set forth below, depending upon the priority level of the Error, commence verification of the Error; and, upon verification, will commence Error Correction. ESO will work diligently to verify the Error and, once an Error has been verified, and until an Error Correction has been provided to the Administrator, shall use commercially reasonable, diligent efforts to provide a workaround for the Error as soon as reasonably practicable. ESO will provide the Administrator with periodic reports on the status of the Error Correction on the frequency as indicated below.

<u>Priority of Error</u>	<u>Communicating Error to ESO outside Normal Business Hours</u>	<u>Time in Which ESO Will Commence Verification</u>	<u>Frequency of Periodic Status Reports</u>

Priority A	Telephone or email	Within 8 hours of notification	Every 4 hours until resolved
Priority B	Email	Within 1 business day of notification	Every 6 hours until resolved
Priority C	Email	Within two calendar weeks of notification	Every week until resolved

4. ESO Server Administration.

- (a) ESO is responsible for maintenance of Server hardware. Server administration includes:
 - (i) Monitoring and Response
 - (ii) Service Availability Monitoring
 - (iii) Backups
 - (iv) Maintenance
 - A. Microsoft Patch Management
 - B. Security patches to supported applications and related components
 - C. Event Log Monitoring
 - D. Log File Maintenance
 - E. Drive Space Monitoring
 - (v) Security
 - (vi) Virus Definition & Prevention
 - (vii) Firewall



CITY COUNCIL AGENDA SUBMISSION
November 8, 2016

Agenda Item:

Presentation of Financial Statements for year ended June 30, 2016

Description:

A representative from our audit firm, Botz, Deal, and Company will present the audited financial statements for the year ended June 30, 2016. This will mark the City's first submission to the Government Finance Officers Association (GFOA) for consideration of a Certificate of Achievement for Excellence in Financial Reporting. One of the largest differences readers will notice is the expansion of reporting to include more supplemental information and a statistical section.

Recommended Action:

Approved audited financial statements as presented.

Attachments:

1. Audited Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2016.

Funding Request:

None

Submitted by:

Darren Mann, CPA
DEPARTMENT HEAD



CITY OF OLIVETTE, MISSOURI

Comprehensive Annual Financial Report For the Year Ended June 30, 2016

Prepared by: Finance Department

CITY OF OLIVETTE, MISSOURI

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CITY OF OLIVETTE, MISSOURI

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INTRODUCTORY SECTION

CITY OF OLIVETTE, MISSOURI
PRINCIPAL CITY OFFICIALS
JUNE 30, 2016

CITY COUNCIL MEMBERS

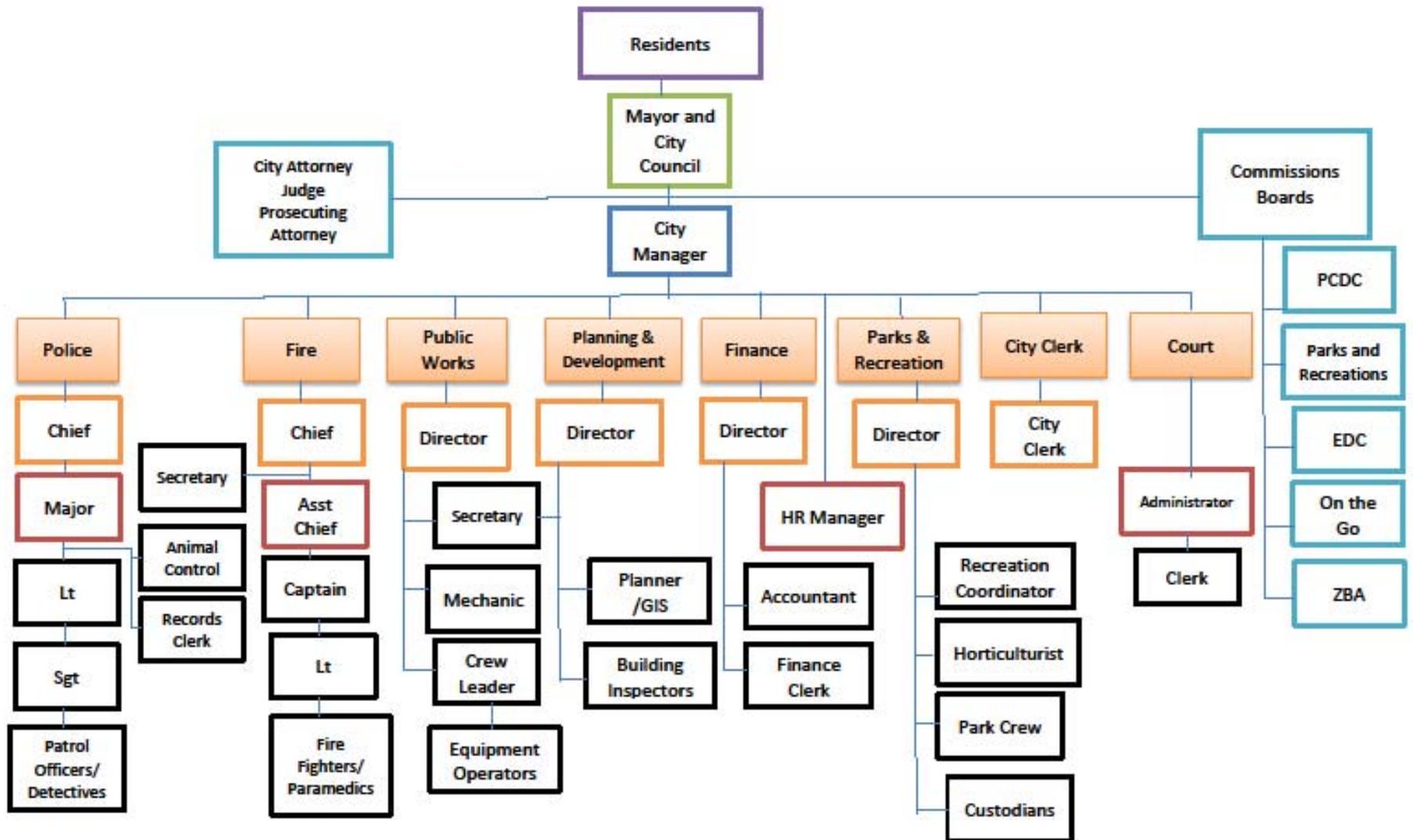
Ruth Springer, Mayor
J. Gregory Carl, Mayor Pro-Tem
Suzanne Sierra Sewell
Missy Waldman
Maxine Weil

COUNCIL-APPOINTED OFFICIALS

Barbara Sondag, City Manager
Paul Martin, City Attorney
Sam Alton, Prosecuting Attorney
Paul D'Agrosa, Municipal Judge

MANAGEMENT STAFF

Myra Bennett, City Clerk
Carlos Trejo, Director of Planning and Community Development
Bruce McGregor, Public Works Director
Rick Knox, Chief of Police
Scott Avery, Fire Chief
Sarah Runser, Court Administrator
Beverly Tucker Knight, Director of Parks and Recreation
Darren Mann, CPA, Finance Director



November 1, 2016

Members of the Olivette City Council and Citizens of Olivette:

The Comprehensive Annual Financial Report of the City of Olivette, Missouri (the City) for the fiscal year ended June 30, 2016 is hereby submitted. Responsibility for both the accuracy and the completeness rests with the City. To the best knowledge and belief of management, the data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three sections: (i) introductory, (ii) financial, and (iii) statistical. The introductory section includes this letter of transmittal, the City's organizational structure, and a list of principal officials. The financial section includes the independent auditors' report, management's discussion and analysis, government-wide and fund financial statements, required supplementary information, and other supplemental information. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

The City defines its financial reporting entity in accordance with the provisions established by the Government Accounting Standards Board (GASB). GASB requirements for inclusion of component units are primarily based on whether the City's governing body has any significant amount of financial accountability for legally separate entities. Based on these criteria, no component units were identified and included in the financial statements include. However, all funds, agencies, boards, commissions and authorities for which the City is financially accountable have been included.

PROFILE OF THE CITY

The City of Olivette is located in central St. Louis County, Missouri. Olivette rests along major arterial roadways that date back to the early 1800's and was officially incorporated in 1930 and since a 1976 vote, is a Home Rule Charter city with a Council-Manager form of government.

The City's location in the sought after Ladue School District and its central location in relation to an international airport, several area job centers, Forest Park, and major interstate roadways truly makes it "...in the center of it all". Single-family homes, townhouses, apartments, duplexes and condominiums offer the City's 7,737 resident's several housing options. Meanwhile, several hundred business along the Olive corridor and in the 4 industrial parks enjoy the close proximity to major roadways. In addition, citizens and businesses alike benefit from nearly 100 acres of parkland and from Police Department accreditation awarded by the Missouri Police Chief's Association, the 5th department in the state to receive this recognition. The City has been acknowledged by several local and regional outlets as one of the premier cities in the St. Louis metro area.

The City is located approximately 10 miles west of downtown St. Louis with Interstate 170 serving as an eastern border and Olive Blvd serving as the major business corridor. The City is approximately 1 mile from Lindbergh Blvd/US Hwy 67 to the west, approximately 3 miles from Interstate 270 to the west, two miles from Interstate 64 to the south, and four miles from Interstate 70 to the north. The roughly 2.95 square miles of Olivette are bordered by the city of Overland and an unincorporated area known as Elmwood Park to the north, University City to the east, Ladue to the South, and Creve Coeur to the west.

The City Manager is then responsible for directing, supervising, and monitoring all City departments, personnel and operations, and managing the City in a fiscally prudent manner. The City Manager serves at the pleasure of the City Council who elect a mayor from amongst the five elected Council members.

Olivette is a full service city that provides law enforcement, fire protection, planning and code enforcement, parks and recreation, general administration, infrastructure construction and maintenance (roadways, sidewalks, stormwater systems, snow removal, etc.), street lighting, and solid waste collection and disposal. The City's parks include playgrounds, walking trails, sports fields, and a community center.

Additional information is available on the City's website at www.olivettemo.com.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy. The City of Olivette continues to be on slow path of growth after an economic slowdown from 2008-2010. The three major revenue contributors are property taxes, sales taxes, and utility taxes with each telling different stories as they relate to City finances. Sales taxes has had better than historic increases due to business opening in the City and a general economic recovery while Property Taxes have maintained slow, steady growth due to Hancock Amendment limitations despite a strong residential housing market within the City. Utility Taxes have suffered from the "cord cutting" phenomenon in addition to an increased adoption of prepaid services which are currently enjoying a taxation loophole within the cellular phone industry. The end of the decline in revenues has not yet been seen with Utility Taxes. Despite the variations in the three major revenues, the outlook remains positive.

In addition to many residential houses being razed and replaced with new builds, the commercial landscape in the city is positive as well with vacancy rate under 10% with regard to all commercial property. The City has exhibited its commitment to investing in the infrastructure and future economic development within the City throughout the past several years. Dielman Industrial Drive was completely reconstructed through the use of a Neighborhood Improvement District which shows the collaboration of business owners and City officials to improve all parties' interests. This is in the process of being repeated on North Price Rd with anticipated completion in late 2016. RFP's were also issued by the City for the redevelopment of the southwest corner of the Olive and Interstate 170 exchange as well as the current City Hall site.

Long-Term Financial Planning. Each year the City updates its five-year capital improvement plan for major capital expenditures. The major revenue sources funding the plan include the ½% stormwater/parks sales tax, ½% capital improvements sales tax, and the road and bridge levy on property taxes. Long term planning currently illustrates needs greater than revenue supplied which recognizes the City's limitations and the difficult decisions facing Administration, Council, and citizens. Several pieces of the long-term planning problems have been solved including a 2014 vote to issue debt for the new City Center to house public safety and administrative functions, the use of federal grants to reconstruct Old Bonhomme Rd, as well as the aforementioned North Price Rd reconstruction. This illustrates the ability of the City to overcome funding hurdles to solve long-term problems. However, difficult decisions still lie ahead with the first step toward addressing the problems remaining to educate decision makers and citizens.

Relevant Financial Policies. The City follows informal policy to maintain a general fund balance of at least 40% of annual expenditures. This policy was established to maintain all services in the event that a significant event would slow, stop or permanently hinder revenue sources. Administration feels this is also an appropriate amount of time to react to the negative aspects of an event that threatens future revenue.

Formal investment and procurement policies have been established to protect city funds and ensure a fair vendor environment in addition to complying with statutory requirements.

SIGNIFICANT EVENTS AND ACCOMPLISHMENTS

During the 2016 fiscal year, the City followed through with several significant projects that reflect many years of work and continue to look forward toward the next set of projects. A brief summary of accomplishments include:

- Continued work on Old Bonhomme Rd which was in need of repairs and updates for motorists and pedestrians with an anticipated completion in late 2016.
- Continued work on North Price Rd through the use of a special district with anticipated completion in the fall of 2016.
- Groundbreaking and construction of the 38,000 square foot City Center using a \$13.5 million bond issue to house public safety and administrative operations. Anticipated completion is early 2017.
- Application and expected approval to reconstruct Dielman Rd from the southern boundary of the city to just north of Old Bonhomme Rd through the use of federal matching funds.
- Redevelopment efforts at the Olive and I170 interchange and the former City Hall site with the selection of a developers and the exploration of options at those sites.
- Hosting of the 2nd annual Turkey Trot which resulted in over \$6,000 being raised for a local food pantry.

In addition, the City maintains accreditation within the police department from the Missouri Police Chiefs Association, a recognition first given in 2010 and then again in 2013. Another analysis of department policies and practices is scheduled to appear in late 2016 with the expectation to maintain the accreditation. The Fire Department has begun their accreditation process as well while the City Clerk holds the highest clerk credential with the International Institute of Municipal Clerks. The Finance Department has submitted the budget to The Government Finance Officers Association of the United States and Canada (GFOA) with the intention of receiving the Distinguished Presentation Award to the City for its annual budget for the fiscal year beginning July 1, 2016.

This Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016 is also submitted to the Government Finance Officers Association (GFOA) for consideration of a Certificate of Achievement for Excellence in Financial Reporting, the first submission the City has made for this award. This prestigious award recognizes conformance with the highest standards for preparation of state and local government financial reports. These achievements are examples of progress in each of the City departments toward accomplishing the ultimate goal of the best use of tax dollars for citizens.

FINANCIAL INFORMATION

The City's accounting system is designed around the following basic principles:

1. The City finances are comprised of "funds" which in many ways act as subsidiaries would in the private sector. A fund is an accounting entity with a complete set of self-balancing accounting records which are established to accomplish a specific purpose.
2. Internal controls exist within the accounting system to ensure safety of assets from misappropriation, unauthorized use or disposition, and to maintain the accuracy of financial reporting. These internal controls are established to be consistent with sound management practices based on the cost/benefit of the controls imposed.
3. In addition, the City maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions. The annual appropriation ordinance gives the City its legal authority to spend the adopted amount for the City's governmental and expendable trust fund types. Management requires that each Department Director stay within their departmental budgets. Finance monitors the budget for any cost overruns and notifies the Department Director and the City Manager. The Finance Department continually strives to provide accurate and timely financial information, as well as maintain an adequate system of controls in order to meet its responsibility of sound financial management.

ACKNOWLEDGMENTS

This report would not have been possible without the assistance of City staff who compile information, perform day to day operations, and provide assistance on statistical information contained within this report. The amount of time and effort expended by all participants to complete this document is significant. The staff's commitment to providing the information in this report is necessary and appreciated as the City begins on a path toward improved financial reporting.

None of this would have been accomplished without the leadership of the City Council and City Manager who remain committed to a just, transparent, and responsible City government for the citizens of Olivette.

Respectfully submitted,



Darren Mann, CPA
Finance Director

INDEPENDENT AUDITORS' REPORT



The Honorable Mayor and Members of the City Council
CITY OF OLIVETTE, MISSOURI

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Olivette, Missouri, as of and for the year ended June 30, 2016, and related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund and the aggregate remaining fund information of the City of Olivette, Missouri, as of June 30, 2016, and the respective changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedule of Changes in Net Pension Liability, Schedule of Actuarially Determined Contributions and Schedules of Annual Dollar-weighted Rate of Return on Investments and Schedule of Funding Progress - Other Post-Employment Benefits pages 4 through 12 and 42 through 48, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Olivette, Missouri's basic financial statements. The introductory section, combining and nonmajor fund financial statements, individual fund statements and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining nonmajor fund financial statements and individual fund statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the 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 nonmajor fund financial statements and individual fund statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statement and, accordingly, we do not express an opinion of provide any assurance on them.

Botz Deal & Company

November 1, 2016

**CITY OF OLIVETTE, MISSOURI
MANAGEMENT’S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

The discussion and analysis of the City of Olivette’s financial performance provides an overview and analysis of the City’s financial activities for the fiscal year ended June 30, 2016. It is intended to serve as an introduction to the government-wide statements, fund statements, and notes and should be read in conjunction with the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

- Expanded financial statement reporting for Fiscal Year 2016 to coincide with the City’s first ever application for Comprehensive Annual Financial Report (CAFR) certificate of achievement from the Government Finance Officers Association (GFOA).
- Project to increase transparency and outreach initiated through implementation of completely new and redesigned website.
- Strategic attempts to address aging assets concerns including fiscal year 2016 replacement of five vehicles through outright purchases and lease/purchase arrangements. In addition, roadway projects in nearly all stages - from application to maintenance efforts to near completion - are funded and underway.
- Work continues on City Center to house administration and public safety functions for the City.
- \$103,645 increase in fund balance in the General Fund with ending cash reserves to cover roughly six months of city operating expenditures.
- Positive fund balance reporting in Fire Operations Fund for first time since fiscal year 2006.
- \$1,025,891 increase in government-wide net position.
- Pension changes in effect for the second year have continued to cause setbacks with unrestricted net position on the government-wide statements. Lower than expected investment earnings and mandated changes to the mortality tables caused liability increases that in turn leave a negative \$2.4 million in unrestricted net position. Despite these changes in reporting, the health of the pension remains unchanged when using previous actuarial valuation metrics.

REPORT LAYOUT

This report consists of Management’s Discussion and Analysis (MD & A), government-wide statements, fund financial statements, notes to the financial statements, and supplementary information. The first two statements are highly condensed and present a government-wide view of the City’s finances in complying with the Governmental Accounting Standards Board (GASB No. 34). Within this view, all City operations are categorized and reported as either governmental or business-type activities. Governmental activities include basic services such as police, public works, parks and recreation, planning, inspection and zoning, municipal courts and general government administration. The City currently does not have any business-type activities. All activities are consolidated within the government-wide statements and reported on the accrual basis of accounting. Therefore they appear similar to private sector reporting. The government-wide statements can offer a broad perspective of the City’s overall financial condition with positive or negative indicators over time.

Basic Financial Statements

Statement of Net Position (Page 13):

- | | |
|--|--|
| -Focus on resources available for future operations | -Snapshot view of the assets and liabilities with the difference representing net position |
| -Accrual basis of accounting | -Net position separated into restricted and unrestricted amounts |
| -Capital assets reported net of depreciation and pension assets held | -Long term debt, vacation and sick accruals in addition to pension liabilities |

Basic Financial Statements (continued)

Statement of Activities (Page 14):

- Focus on the cost of city programs and reliance on other revenue and general taxation
- Accrual basis of accounting
- Summary analysis to determine the extent to which programs are subsidized by general revenue opposed to self-supporting

Fund Financial Statements (Page 15):

- Focus on major governmental funds
- Modified accrual basis of accounting
- Budgetary comparisons for the General Funds provided as required supplementary information on pages 44
- Each major fund presented in separate column as a self-balancing set of accounts
- Non-major funds combined and labeled "Other Non-Major Funds" and presented as supplementary information on page 49
- Budgetary comparisons for other budgeted funds provided as supplemental information on beginning on page 51

Other Important Information:

- The notes to the financial statements provide additional required disclosures and essential information to assist readers in understanding the City's financial condition
- The Pension Trust Fund on page 19 is considered a fiduciary fund and is not reported on the government-wide financial statements because those resources are not available to support City programs.
- The Performance Bond Fund on page 19 is considered an agency fund and is not reported on the government-wide financial statements because those resources are not available to support City programs.

THE CITY AS A WHOLE

Government-wide Financial Analysis

The City's combined net position is \$8,577,189 as of June 30, 2016. This analysis focuses on the net assets (table 1) and changes in general revenues (table 2) and significant expenses of the City's governmental activities.

The City's net position consist of its investment in capital assets, less any related debt used to acquire those assets that is still outstanding, restricted and unrestricted balances. The City uses these capital assets to provide services to citizens and due to their nature, are not available for future spending.

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Governmental-wide Financial Analysis (continued)

Table 1

	June 30, 2016	June 30, 2015	Increase (Decrease)
Assets			
Current and other assets	\$ 18,111,620	\$ 20,400,582	\$ (2,288,962)
Capital assets, net	10,710,698	5,537,446	5,173,252
Total assets	<u>28,822,318</u>	<u>25,938,028</u>	<u>2,884,290</u>
Deferred Outflows of Resources	<u>2,386,903</u>	<u>235,000</u>	<u>2,151,903</u>
Liabilities			
Current liabilities	7,785,498	4,164,533	3,620,965
Long-term liabilities	14,846,534	14,389,677	456,857
Total liabilities	<u>22,632,032</u>	<u>18,554,210</u>	<u>4,077,822</u>
Deferred Inflows of Resources	<u>-</u>	<u>67,523</u>	<u>(67,523)</u>
Net position			
Invested in capital assets	6,779,302	4,276,173	2,503,129
Restricted net position	4,165,027	3,920,008	245,019
Unrestricted	(2,367,140)	(644,883)	(1,722,254)
Total net position	<u>\$ 8,577,189</u>	<u>\$ 7,551,298</u>	<u>\$ 1,025,891</u>

Government-wide activities increased the City's net position by \$1,025,891 over the last year. Assets during that time period grew by nearly \$2.9 million and liabilities by over \$4 million. The majority of changes for the year ended June 30, 2016 took place due to three factors. First is the construction of the new City Center which resulted in the shift in assets from current assets to capital assets as bond funds are used to pay for construction. Second is the reconstruction of North Price Rd through the NID process where construction costs result in an increase in capital assets which is offset by the issuance of temporary debt creating an increase long-term liabilities. The final factor is the recording of pension related liabilities which resulted in an increase in pension liability as well as an increase in deferred outflows as actuarial assumption differences are amortized. This is the second year of implementation of pension reporting standards and are coinciding with other factors such low investment returns and mortality table updates to create large pension liability numbers. Aside from these factors, government wide net position increased just over \$1 million for the year as illustrated and discussed on the following page.

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Governmental-wide Financial Analysis (continued)

Table 2

	2016	2015	Increase (Decrease)
Revenues			
Program revenues			
Charges for services	\$ 1,227,552	\$ 1,319,652	\$ (92,100)
Capital grants & contributions	1,063,336	754,252	309,084
General revenues			
Taxes	8,471,655	8,375,508	96,147
Interest income	71,983	18,867	53,116
Miscellaneous	78,329	105,842	(27,513)
Transfers	493	556	(63)
Total revenues	<u>10,913,348</u>	<u>10,574,677</u>	<u>338,671</u>
Expenses			
Administrative	1,217,825	1,318,972	(101,147)
Public safety	5,629,894	5,108,802	521,092
Public works	1,691,521	1,567,296	124,225
Parks and recreation	923,597	903,706	19,891
Public health	66,840	55,937	10,903
Interest and fiscal charges	357,780	279,566	78,214
Total expenses	<u>9,887,457</u>	<u>9,234,279</u>	<u>653,178</u>
Change in net position	1,025,891	1,340,398	(314,507)
Net assets, beginning of year	7,551,298	9,456,398	(1,905,100)
Prior period adjustment	-	(3,245,498)	3,245,498
Net position, end of year	<u>\$ 8,577,189</u>	<u>\$ 7,551,298</u>	<u>\$ 1,025,891</u>

Total fiscal year 2016 revenue shown above in Table 2 of \$10,913,348, an increase of \$338,671 from fiscal year 2015 revenues. Government wide revenues remained steady if grants are excluded due to their inherent requirement of matching of expenditures, with an increase of only \$29,586 or .2% for the year.

The fiscal year 2016 expenses increased \$653,178 from fiscal year 2015 expenditures due to an increase in grant expenditures and pension expense. Public safety and public works expenditure changes are due to the recording of higher pension expenses along with salary and related personnel costs. Interest and fiscal charges increased as payments continue on bonds for the Dielman NID, 2014 GO Bonds and temporary financing for the North Price Rd reconstruction.

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Governmental Funds Analysis

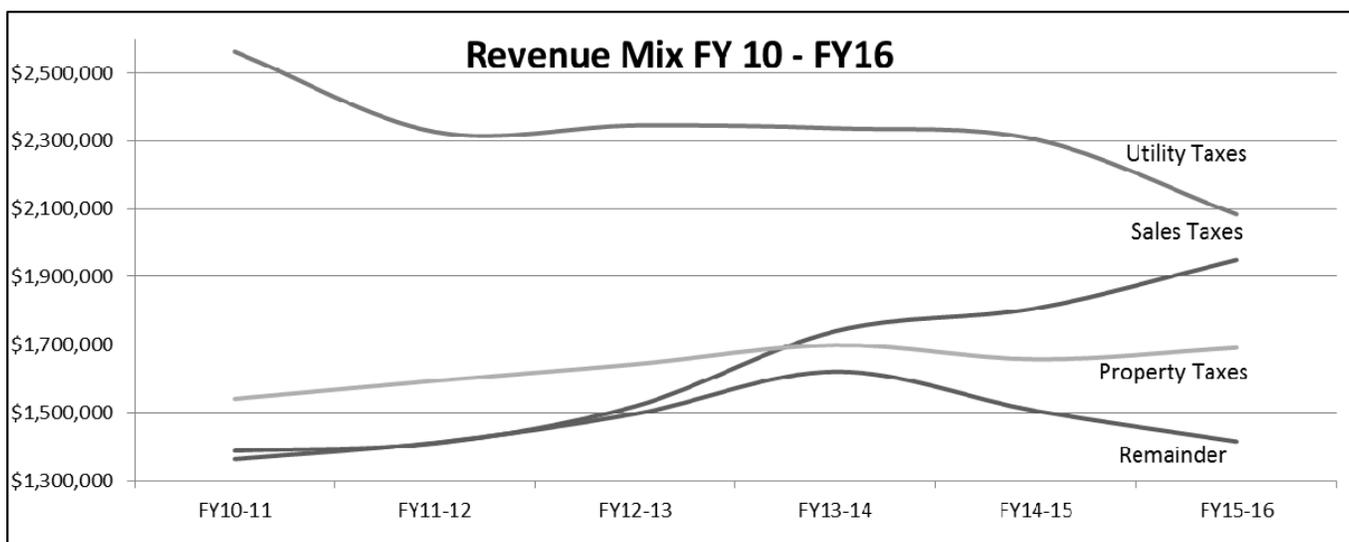
Switching from full accrual method government-wide reporting to modified accrual method governmental fund reporting, the following table presents the amount of revenues in the General Fund from various sources for the fiscal year ending June 30, 2016.

Table 3

	2016	2015	Increase (Decrease)	Percentage Change
General Fund:				
Taxes	\$ 5,399,337	\$ 5,446,438	\$ (47,101)	-0.9%
Licenses and permits	424,024	396,444	27,580	7.0%
Fines and court costs	302,970	339,011	(36,041)	-10.6%
Intergovernmental	326,572	322,307	4,265	1.3%
Investment income	23,227	1,757	21,470	1222.0%
Charges for service	500,558	584,197	(83,639)	-14.3%
Miscellaneous	86,587	116,935	(30,348)	-26.0%
Total	\$ 7,063,275	\$ 7,207,089	\$ (143,814)	-2.0%

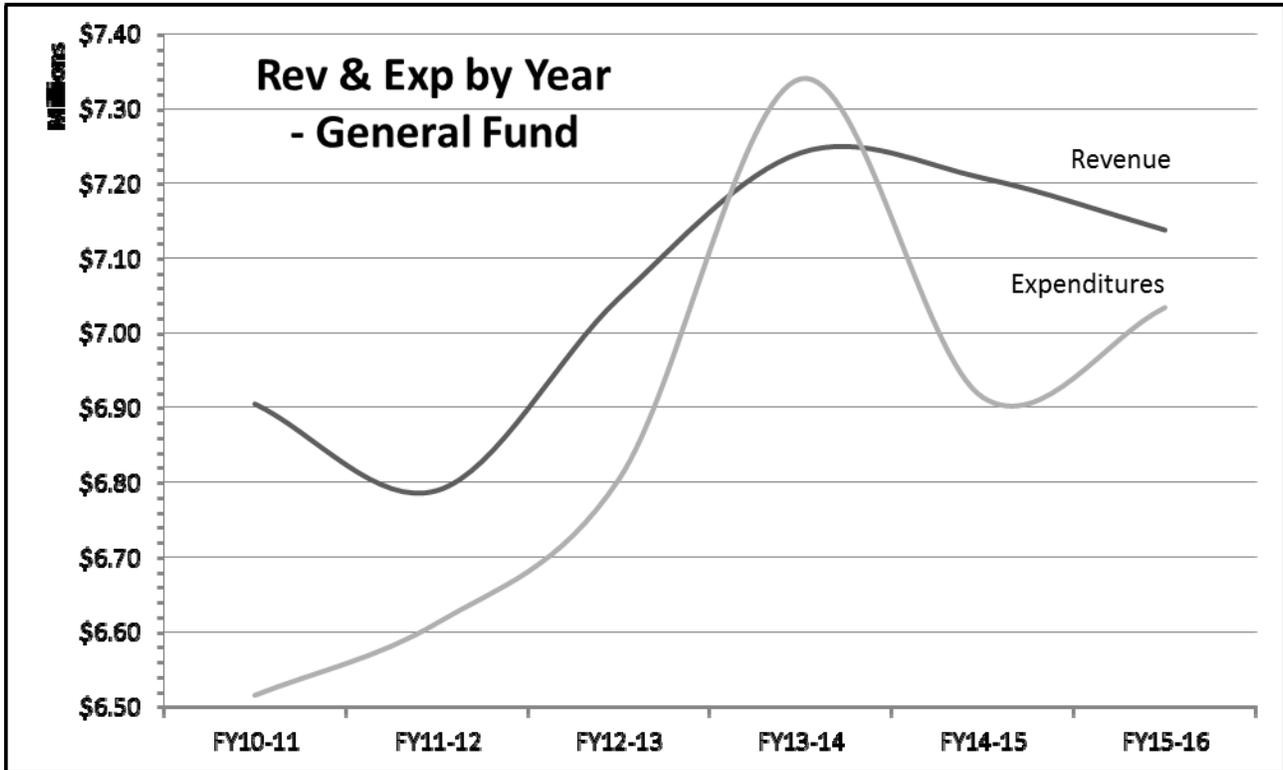
Total General Fund revenue decreased another 2.0% over the past year after a 2.3% decrease last fiscal year. Over the past several years, budgeting and long-term policy discussions have reiterated the need to address the decrease in revenue sources. Even though Sales Taxes showed continued strength once again for fiscal year 2016, the factors that result in the decrease remain largely the same as last year which were the steady decline of utility tax receipts from telecom remittances, lower enrollment in youth sports and recreation usage, and decreased collection on ambulance transports. This was somewhat offset by increases in intergovernmental revenues and investment income but increases haven't been able to overcome the magnitude and frequency of decreases in other areas.

The chart below illustrates revenues broken into four main categories, each provide roughly a quarter of revenue. Only sales tax has shown marked increases while other sources are flat or declining:



Governmental Funds Analysis (continued)

The chart below illustrates the recovery of revenues following the recessionary dip that resulted in lower sales and property taxes and now the decrease because of lower charges for services, court revenue, and utility taxes. It also shows the flexibility and conservative budgeting to match those revenue sources with one outlier for future task force costs in fiscal year 2014. Fiscal year 2015 decreases were not due to economic conditions, but rather the removal of grant revenue and expenditures to their own respective fund to show true ongoing operations versus one-time or non-operational expenditures. Fiscal year 2016 is the first time we see the culmination of several ongoing declines that were not compensated for by sales taxes and the result is 1.5% spread between revenue and expenditures. Unfortunately, the budget for fiscal year 2017 does not show any major shifts in the declining revenue trend.



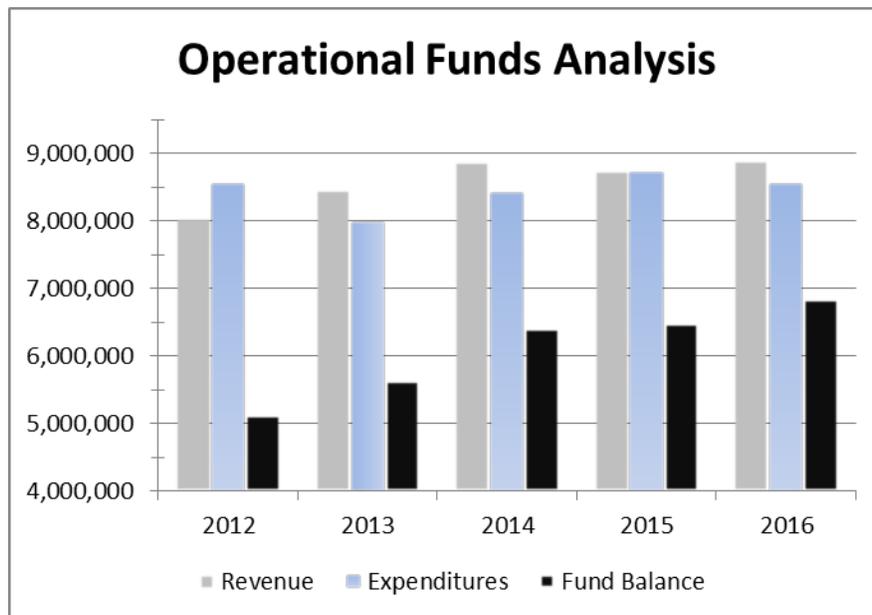
Property taxes, sales taxes, and utility gross receipts taxes provide the foundation that the City uses to provide services and represents roughly 75% of City revenue. On the residential side, the City of Olivette continues to be a desirable place to live and build as evidenced by new construction and improving assessed valuations. In addition, sales taxes have shown recovery to peak levels prior to the recession. Despite these positive factors, revenue within the City of Olivette appears at a plateau as we look forward. On the commercial side of property tax, valuations haven't recovered from the recessionary wave as well as expected and have provided a solid foundation for development discussions. Meanwhile, residential property taxes receipts are limited to inflation by state statute despite improving assessed valuations. Utility gross receipts remain in decline due for the most part to telephone gross receipts and in the most recent year due to mild weather. The remaining 25% of revenue are showing signs of continued decline in a variety of areas but are led by lower youth sports enrollment and lower revenue generated per transport in relation to the ambulance service.

Meanwhile, the demands for services have remained steady during the recession and continue into the recovery. With a continued goal of producing balanced budgets, this potential outlook of wavering revenues has placed continued emphasis on department heads' ownership and accountability to their budgets. With this ownership and further engagement in the budgeting process, limited budgets can be managed in a more effective way to produce better results for the citizens.

Governmental Funds Analysis (continued)

One piece of the financial picture not presented in the City of Olivette's General Fund is the fact that around 20% of the operational revenues and expenditures occur outside of the General Fund. Therefore, additional funds must be considered to get a full picture of City operations. Fortunately the special revenue funds that provide the additional 20% are funded by revenue sources that have shown positive growth. The Capital Improvements fund is considered an operational fund because of the street maintenance department and with revenue through sales and property tax components. The Fire Operations Fund's revenue is through a dedicated sales tax and contains personnel expenditures for three firefighter/paramedics. Finally, the Stormwater/Parks Fund's revenue is a dedicated sales tax and contains the parks maintenance department expenditures. Those four funds make up the operational departments of the City and when graphed, present a slightly different picture.

The chart below presents the revenue, expenditures, and fund balance of the four operational funds over the last five years. Revenues exceed expenditures in four of the most recent five years with 2016 revenue exceeding expenditures by approximately \$336,000. Fund balance has maintained a steady increase throughout the five years due to conservative budgeting leading to personnel costs not meeting full budget expectations and also through the lack of use of budgeted capital project appropriations. Revenue decreased from 2014 to 2015 due to the removal of grants to their own, non-operational fund. Then, in 2012 the fund balance increased despite expenditures being in excess of revenues due to the debt proceeds in relation to the Dielman NID project which are classified as "other financing sources".



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CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of the end of the fiscal year 2016, the City had \$13,940,535 invested in a broad range of capital assets. As a full service municipality, the City has equipment to support police and fire departments, public works equipment, buildings, and park facilities. This amount represents a net increase (including additions and deductions) of \$5,436,285 or 64% over the prior fiscal year. In progress projects account for the majority of the additions with \$3.5 million in costs associated with the City Center, \$1.1 million with the North Price Rd reconstruction, and the remaining \$650,000 in increases for reconstruction costs on the Old Bonhomme Road project.

Table 4

	June 30, 2016	June 30, 2015	Increase (Decrease)
Land	\$ 2,020,039	\$ 2,020,039	\$ -
Construction in progress	6,747,814	1,497,260	5,250,554
Buildings and improvements	1,068,429	1,068,429	-
Infrastructure	974,137	974,137	-
Equipment	1,344,962	1,336,012	8,950
Vehicles	1,785,154	1,608,373	176,781
Total	\$13,940,535	\$ 8,504,250	\$ 5,436,285

The most significant addition to capital assets this year outside of construction in progress for the City Center, North Price Rd reconstruction, and Old Bonhomme Rd reconstruction was the addition five vehicles in the parks, streets, police, and fire department. Page 31 contains a table of Capital Asset activity for the year.

Debt

At the end of the fiscal year on June 20, 2016, the City had debt of \$14,020,517 outstanding. This amount consists of \$12,315,000 in Series 2014 General Obligation Bonds to be repaid by a levy on all real and personal property within the City. Another \$635,000 is for repayment of the Dielman NID Limited General Obligation Bonds expected to be repaid by the landowners within the district receiving the improvements. Another \$959,038 is for temporary financing of the North Price NID that is also expected to be repaid by landowners within the district. The remaining \$111,479 consists of capital leases for equipment. See page 34 for a break down in table form.

THE CITY'S FUNDS

At the close of the City's fiscal year on June 30, 2016, the governmental funds of the City reported a combined fund balance of \$15,804,965, a decrease of \$3,250,629. This ending balance includes an increase in the City's General Fund balance of \$103,645 and another increase in the Fire Operations Fund of 147,477. Increases were offset by a decrease of \$257,948 in the North Price NID fund and another decrease of \$3,388,551 of the New Facility fund as construction continues on the building.

General Fund Budgetary Highlights

For the fiscal year ending June 30, 2016, actual revenues on a budgetary basis were \$7,063,275 compared to the budget amount of \$7,205,365. A large portion of the \$142,090 negative variance was due to lower utility tax receipts that expected as a result of sliding telecom remittances along with mild weather lowering utility tax remittances. Another major contributor to the negative variance was lower than expected youth sports enrollment and medical transport revenue. These were offset by positive variances in investment income and miscellaneous categories. On the other hand, expenditures for the fiscal year ended June 30, 2016 resulted in a \$337,988 positive variance with budgetary basis expenditures of \$7,010,777 compared to the final budget amount of \$7,348,765. Once again, personnel and related expenditures are attributed to nearly all the variance due to vacancies of positions.

ECONOMIC FACTORS AND IMPACT ON CURRENT AND FUTURE FISCAL PROJECTS

Many of the items highlighted above in the discussion of the City's finances come down to two factors that will continue to dominate the discussions around policy: Aging assets and the risk of declining revenues.

The economic factors that are within the control of the City are being actively considered and acted upon through economic development efforts that are largely off the financial statements at this point. The selection of a preferred developer has set the process in motion at Olive & I170 while the release of proposal requests for what will be the former City Hall site and adjacent properties is an active attempt on the City's part to both increase property and sales taxes while keeping citizens desires in mind. Addressing declining revenues is the first step in being proactive with addressing one problem and thereby providing the resources for addressing aging equipment and buildings.

Aging equipment and infrastructure needs are currently in the process of being addressed with the City Center to house the majority of City departments, the reconstruction of two of the four industrial park roads, and also reconstruction of Old Bonhomme Rd. Also, plans for reconstruction of the southern half of Dielman Rd controlled by the City with the help of federal grants sets the future for addressing another infrastructure concern. Other projects that address some aging equipment facility needs are the upcoming parks master plan, construction of a parks maintenance facility, and replacement of the Community Center roof which were approved with the fiscal year end 2017 budget. However, evidence provided by the Capital Improvement Plan indicates that needs are greater than apparent sources on both the small scale and large ticket items. One of the more costly items are streets that were dedicated with the 1997 NID project that are approaching critical points where expensive preservation projects need to be completed in order to prevent the streets from entering a stage where reconstruction is the only option.

Efforts have been made to keep the public abreast on the state of City finances through monthly financial reporting and annual budgets, capital improvement plans, and financial statements. Current and historic documents are available on the new and completely redesigned City website along with audio recordings of monthly financial reports which occur during public council meetings. Additional information on upcoming City events and the status of projects can be found there as well at: www.olivettemo.com.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT TEAM

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional information, contact:

Darren Mann, CPA
Director of Finance
City of Olivette, Missouri
9473 Olive Boulevard, Olivette, MO 63132
Email: dmann@olivettemo.com
Phone: 314-993-0444

BASIC FINANCIAL SECTION

CITY OF OLIVETTE, MISSOURI
STATEMENT OF NET POSITION
JUNE 30, 2016

	Governmental Activities
ASSETS	
Cash and investments	\$ 7,704,258
Taxes receivable:	
Property	105,236
Other	1,478,890
Receivables:	
Accounts	16,960
Intergovernmental	282,579
Interest	18,474
Inventory	10,140
Cash and investments - restricted	8,495,083
Capital assets - net	
Nondepreciable	8,767,853
Depreciable	1,942,845
TOTAL ASSETS	28,822,318
DEFERRED OUTFLOWS OF RESOURCES	
Pension related deferred outflows	2,386,903
LIABILITIES	
Accounts and retainage payable	1,107,531
Accrued wages	286,228
Other liabilities	56,779
Interest payable	113,655
Net pension liability	6,221,305
Noncurrent liabilities:	
Due in one year	1,930,216
Due in more than one year	12,916,318
TOTAL LIABILITIES	22,632,032
NET POSITION	
Net investment in capital assets	6,779,302
Restricted:	
Capital projects	1,286,028
Debt service	1,118,899
Local parks and storm water	1,104,760
Sanitary sewer lateral program	651,061
Pension contributions	4,279
Unrestricted	(2,367,140)
TOTAL NET POSITION	\$ 8,577,189

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

CITY OF OLIVETTE, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

Functions/Programs	Expenses	Program Revenue		Net (Expense) Revenue and Change in Net Position
Governmental Activities		Charges for Service	Capital Grants and Contributions	Governmental Activities
Administrative	\$ 1,217,825	\$ 274,553	\$ -	\$ (943,272)
Public safety	5,629,894	460,099	40,695	(5,129,100)
Public works	1,691,521	217,021	1,022,641	(451,859)
Parks and recreation	923,597	275,879	-	(647,718)
Public health	66,840	-	-	(66,840)
Interest and fiscal charges	357,780	-	-	(357,780)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 9,887,457	\$ 1,227,552	\$ 1,063,336	(7,596,569)
Taxes:				
Sales				2,990,910
Utility				2,004,664
Property				3,354,776
Franchise				120,368
Other				937
Interest income				71,983
Other miscellaneous revenue				78,329
Transfer				493
TOTAL GENERAL REVENUES				8,622,460
CHANGE IN NET POSITION				1,025,891
NET POSITION - BEGINNING OF YEAR				7,551,298
NET POSITION - END OF YEAR				\$ 8,577,189

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

CITY OF OLIVETTE, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2016

	General Fund	Dielman Neighborhood Improvement District Fund	Capital Improvement Fund	New Facility Fund	North Price Neighborhood Improvement District Fund	Other Non-major Funds	Total
ASSETS AND OTHER DEBITS							
Cash and investments	\$ 4,076,858	\$ 55,626	\$ 1,221,448	\$ -	\$ 74,841	\$ 2,275,485	\$ 7,704,258
Taxes receivable:							
Property	84,815	-	-	20,421	-	-	105,236
Other	493,652	750,881	84,704	-	-	149,653	1,478,890
Receivables:							
Accounts	16,960	-	-	-	-	-	16,960
Intergovernmental	-	-	-	-	-	282,579	282,579
Interest	-	-	-	18,474	-	-	18,474
Due from other funds	209,518	-	-	-	-	-	209,518
Inventory	10,140	-	-	-	-	-	10,140
Restricted cash and investments	-	-	12,959	8,482,124	-	-	8,495,083
TOTAL ASSETS	<u>\$ 4,891,943</u>	<u>\$ 806,507</u>	<u>\$ 1,319,111</u>	<u>\$ 8,521,019</u>	<u>\$ 74,841</u>	<u>\$ 2,707,717</u>	<u>\$ 18,321,138</u>
LIABILITIES							
Accounts and retainage payable	\$ 54,756	\$ -	\$ 20,096	\$ 312,335	\$ 351,245	\$ 369,099	\$ 1,107,531
Due to other funds	-	-	-	-	-	209,518	209,518
Accrued wages	255,962	-	12,987	-	-	17,279	286,228
Other liabilities	56,779	-	-	-	-	-	56,779
TOTAL LIABILITIES	<u>367,497</u>	<u>-</u>	<u>33,083</u>	<u>312,335</u>	<u>351,245</u>	<u>595,896</u>	<u>1,660,056</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue:							
Property taxes	84,815	-	-	20,421	-	-	105,236
Special assessments	-	750,881	-	-	-	-	750,881
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>84,815</u>	<u>750,881</u>	<u>-</u>	<u>20,421</u>	<u>-</u>	<u>-</u>	<u>856,117</u>
FUND BALANCES:							
Fund balances:							
Nonspendable	10,140	-	-	-	-	-	10,140
Restricted:							
Debt service	-	55,626	-	291,971	-	-	347,597
Capital improvements	-	-	1,286,028	7,896,292	-	-	9,182,320
Local parks and stormwater	-	-	-	-	-	1,104,760	1,104,760
Sewer lateral repairs	-	-	-	-	-	651,061	651,061
Pension	-	-	-	-	-	4,279	4,279
Fire operations	-	-	-	-	-	8,011	8,011
Assigned:							
Encumbrances	26,338	-	-	-	-	-	26,338
Equipment replacement	-	-	-	-	-	343,710	343,710
Unassigned	4,403,153	-	-	-	(276,404)	-	4,126,749
TOTAL FUND BALANCES	<u>4,439,631</u>	<u>55,626</u>	<u>1,286,028</u>	<u>8,188,263</u>	<u>(276,404)</u>	<u>2,111,821</u>	<u>15,804,965</u>
TOTAL LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 4,891,943</u>	<u>\$ 806,507</u>	<u>\$ 1,319,111</u>	<u>\$ 8,521,019</u>	<u>\$ 74,841</u>	<u>\$ 2,707,717</u>	<u>\$ 18,321,138</u>

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

CITY OF OLIVETTE, MISSOURI
 RECONCILIATION OF THE STATEMENT OF NET POSITION
 OF GOVERNMENTAL FUNDS TO THE BALANCE SHEET
 AS OF JUNE 30, 2016

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

Total fund balance per balance sheet	\$ 15,804,965
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	10,710,698
Receivables not collected in the current period are not available to pay current expenditures and, therefore, are deferred in the funds.	856,117
Pension related items, net pension liability (\$6,221,305) and deferred outflows (\$2,386,903) are not due and payable in the current period, therefore are not reported in the funds.	(3,834,402)
Accrued interest is recorded in the statement of net position that do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(113,655)
Long-term liabilities, including bonds payable, capital leases, OPEB obligation, accrued vacation and accrued sick leave are not due and payable in the current period and therefore, are not reported in the funds.	<u>(14,846,534)</u>
Net position of governmental activities	<u><u>\$ 8,577,189</u></u>

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

CITY OF OLIVETTE, MISSOURI
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2016

	General Fund	Dielman Neighborhood Improvement District Fund	Capital Improvement Fund	New Facility Fund	North Price Neighborhood Improvement District Fund	Other Non-major Funds	Total
REVENUES							
Taxes	\$ 5,399,337	\$ -	\$ 494,606	\$ 1,018,535	\$ -	\$ 1,562,337	\$ 8,474,815
Special assessments	-	53,835	-	-	-	-	53,835
Licenses and permits	424,024	-	-	-	-	-	424,024
Fines and court costs	302,970	-	-	-	-	-	302,970
Intergovernmental	326,572	-	247,250	-	-	489,514	1,063,336
Investment income	23,227	-	-	46,461	-	2,295	71,983
Charges for service	500,558	-	-	-	-	-	500,558
Miscellaneous	86,587	-	-	-	-	-	86,587
TOTAL REVENUES	<u>7,063,275</u>	<u>53,835</u>	<u>741,856</u>	<u>1,064,996</u>	<u>-</u>	<u>2,054,146</u>	<u>10,978,108</u>
EXPENDITURES							
Current:							
Administrative	982,563	-	-	11,578	-	563,453	1,557,594
Public safety	4,572,719	-	-	-	-	171,312	4,744,031
Public works	900,386	-	470,708	-	-	-	1,371,094
Parks and recreation	434,920	-	-	-	-	336,699	771,619
Public health	54,633	-	-	-	-	-	54,633
Capital outlay	88,718	-	306,346	3,557,116	1,116,083	698,899	5,767,162
Debt service:							
Principal, interest and fiscal charges	-	47,858	38,521	884,853	8,790	-	980,022
TOTAL EXPENDITURES	<u>7,033,939</u>	<u>47,858</u>	<u>815,575</u>	<u>4,453,547</u>	<u>1,124,873</u>	<u>1,770,363</u>	<u>15,246,155</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	29,336	5,977	(73,719)	(3,388,551)	(1,124,873)	283,783	(4,268,047)
OTHER FINANCING SOURCES (USES)							
Proceeds from the issuance of debt	-	-	-	-	866,925	-	866,925
Assets purchased with capital lease	-	-	150,000	-	-	-	150,000
Transfers in (out)	74,309	-	(111,944)	-	-	38,128	493
TOTAL OTHER FINANCING SOURCES (USES)	<u>74,309</u>	<u>-</u>	<u>38,056</u>	<u>-</u>	<u>866,925</u>	<u>38,128</u>	<u>1,017,418</u>
NET CHANGE IN FUND BALANCE	103,645	5,977	(35,663)	(3,388,551)	(257,948)	321,911	(3,250,629)
FUND BALANCES - BEGINNING OF YEAR	<u>4,335,986</u>	<u>49,649</u>	<u>1,321,691</u>	<u>11,576,814</u>	<u>(18,456)</u>	<u>1,789,910</u>	<u>19,055,594</u>
FUND BALANCES - END OF YEAR	<u>\$ 4,439,631</u>	<u>\$ 55,626</u>	<u>\$ 1,286,028</u>	<u>\$ 8,188,263</u>	<u>\$ (276,404)</u>	<u>\$ 2,111,821</u>	<u>\$ 15,804,965</u>

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

CITY OF OLIVETTE, MISSOURI
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES OF GOVERNMENTAL
 FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2016**

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

Change in fund balance-total governmental funds	\$ (3,250,629)
Revenues that do not provide current financial resources are not included in the fund financial statements.	(56,995)
The acquisition of capital assets requires the use of current financial resources but has no effect on net position.	5,488,249
The cost of capital assets is allocated over their estimated useful lives and is reported as depreciation expense in the statement of activities.	(306,739)
The net effect of transactions involving capital asset disposals.	(8,258)
Interest is reported as an expenditure when due in the governmental funds but is accrued in the statement of activities.	3,721
Expenses not payable from current financial resources are not expenditures in the fund statements but are expenses on the statement of activities including net other post employment benefit obligation and accrued compensated absences.	(58,453)
The proceeds from the issuance of long-term debt is an other financing source in the fund financial statements, however it is a liability in the government-wide statements and has no affect on net position.	(1,016,925)
Pension expenditures are reported as a decrease in fund balance in the governmental funds. In the statement of activities pension expense is the current service cost of providing pension benefits to employees.	(386,601)
Payment of bond principal and capital lease payments are expenditures in the governmental funds, but the payments reduce long-term liabilities in the statement of net position.	<u>618,521</u>
Change in net position of governmental activities	<u><u>\$ 1,025,891</u></u>

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

CITY OF OLIVETTE, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2015 AND JUNE 30, 2016

	December 31, 2015	June 30, 2016
	Pension Trust Fund	Agency Fund
CURRENT ASSETS		
Cash	\$ 2,286	\$ 295,294
Investments:		
Equity mutual funds	11,093,467	-
Fixed income funds	4,794,234	-
Annuity contracts	2,212,448	-
Preferred stock funds	491,214	-
TOTAL ASSETS	18,593,649	\$ 295,294
 CURRENT LIABILITIES		
Deposits held	-	295,294
TOTAL LIABILITIES	-	\$ 295,294
 NET POSITION		
Restricted for pension	\$ 18,593,649	

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

CITY OF OLIVETTE, MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2015

	December 31, 2015
	Pension Trust Fund
ADDITIONS	
Contributions:	
Employer	\$ 235,000
Employee	168,437
Total Contributions	403,437
Investment earnings:	
Interest and dividends	112,779
Investment return	(27,598)
Total investment earnings	85,181
TOTAL ADDITIONS	488,618
DEDUCTIONS	
Distributions	1,507,762
Administrative expenses	1,700
TOTAL DEDUCTIONS	1,509,462
CHANGE IN NET POSITION	(1,020,844)
NET POSITION - BEGINNING OF YEAR	19,614,493
NET POSITION - END OF YEAR	\$ 18,593,649

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

CITY OF OLIVETTE, MISSOURI
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Olivette, Missouri (the City) was incorporated in 1930 under the provisions of the Missouri State Statutes. In 1976, the City voters approved a Home Rule Charter which established a council-manager form of government, governed by a policy making body of five council members, including the mayor. The City's major operations include fire and police protection, street maintenance and improvements, five parks, recreation programs, and general administrative services. The significant accounting policies applied by the City in the preparation of the accompanying financial statements are summarized below:

A. REPORTING ENTITY

The City applies the criteria set forth in GASB Statement No. 61, *The Financial Reporting Entity* (GASB 61), to determine which governmental organizations should be included in the reporting entity. The inclusion or exclusion of component units is based on the elected officials' accountability to their constituents. The financial reporting entity follows the same accountability. In addition, the financial statements of the reporting entity should allow the user to distinguish between the primary government (including its blended component units, which are, in substance, part of the primary government) and discretely presented component units. Criteria for inclusion of an entity into the primary governmental unit (in blended or discrete presentation) includes, but is not limited to, legal standing, fiscal dependency, imposition of will and the primary recipient of services. The City presently has no component units included within its reporting entity.

B. BASIC FINANCIAL STATEMENTS

Basic financial statements consist of the following:

- Government-wide financial statements
- Fund financial statements, and
- Notes to the basic financial statements.

The government-wide financial statements consist of the statement of net position and the statement of activities and report information on all of the nonfiduciary activities of the Primary Government. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. All internal balances in the statement of net position have been eliminated.

Government-Wide Financial Statements - The reporting model includes financial statements prepared using full accrual accounting for all the City's activities. This approach includes not just current assets and liabilities, but also capital and other long-term assets as well as long-term liabilities. Accrual accounting also reports all of the revenues and costs of providing services each year, not just those received or paid in the current year or soon thereafter. As a general rule, the effect of interfund activity has been eliminated from the Government-wide financial statements. Government-wide financial statements include the following:

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

B. **BASIC FINANCIAL STATEMENTS** - continued

Statement of Net Position -The statement of net position is designed to display the financial position of the Primary Government (governmental and business-type activities). The City reports capital assets in the government-wide statement of net position and reports depreciation expense in the statement of activities. The net position of the City is broken down into three categories 1) net investment in capital assets, 2) restricted; and 3) unrestricted.

Statement Activities - The statement of activities reports expenses and revenues in a format that focuses on the cost of each of the City's functions. The expense of individual functions is compared to the revenue generated directly by the function. Accordingly, the City has recorded capital assets and certain other long-term assets and liabilities in the statement of net position and has reported all revenues and the cost of providing services under the accrual basis of accounting in the statement of revenues, expenses and changes in net position. The City has elected to implement the requirements of GASB 34 related to infrastructure assets from January 1, 2004 forward.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenue includes: charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity, grants and contributions. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund based financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The major governmental funds are the General Fund, Dielman Neighborhood Improvement District Fund, Capital Improvement Fund, New Facility Fund and North Price Neighborhood Improvement District Fund. GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category for the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned or, for property tax revenues, in the period for which levied. Expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental funds 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. The City in general considers revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due.

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

C. **MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION** - continued

For the governmental funds financial statements, the City considers all revenues susceptible to accrual and recognizes revenue if the accrual criteria are met. Specifically, sales taxes, franchise taxes, licenses, interest, special assessments, charges for services, and other miscellaneous revenue are considered to be susceptible to accrual and have been recognized as revenue in the current fiscal period.

The accounts of the City are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions.

The City reports the following major governmental funds:

General Fund - The City's primary operating fund, which accounts for all the financial resources and the legally authorized activities of the City except those required to be accounted for in other specialized funds.

Dielman Neighborhood Improvement District Fund - The fund is used to collect taxes used to pay the debt service on the Neighborhood Improvement District Bonds.

Capital Improvement Fund - The fund is used to account for taxes to be used for the construction, repair and maintenance of streets, roads, and bridges.

New Facility Fund - The fund is used to track proceeds from the Series 2014 General Obligation Bond issue and collect resources restricted for the repayment of the Series 2014 General Obligation Bonds.

North Price Neighborhood Improvement District Fund - The fund is used to collect taxes used to pay the debt service on the Neighborhood Improvement District Bonds.

The other governmental funds of the City are considered nonmajor. They are special revenue funds and capital projects funds, which account for specific revenue sources that are legally restricted to expenditures for specific a purpose.

Additionally, the City reports the following fund type:

Fiduciary Funds - The City uses these funds to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations and other governments. The Pension Trust Fund accounts for the assets of the City's retirement plan. Agency Funds are used to account for escrow deposit held by the City in an agency capacity.

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

D. **CAPITAL ASSETS**

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets (e.g., roads, sidewalks, traffic lights, street lights, sewer lines and similar items), are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of one year. Infrastructure assets with an initial cost of \$50,000 or more are also capitalized and depreciated. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives is not capitalized. As allowed by GASB 34, the government-wide financial statements do not reflect infrastructure assets completed prior to March 1, 2004.

Capital assets of the City are depreciated using a straight-line method over the following estimated useful lives:

<u>Major Group</u>	<u>Life</u>
Buildings and improvements	20 - 40 years
Infrastructure	25 years
Equipment	5 - 20 years
Vehicles	5 - 20 years

E. **ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires the City to make estimates and assumptions that affect the reported amounts of assets and liabilities at fiscal year-end and revenues and expenditures during the reporting period. Actual results could vary from the estimates that management uses.

F. **INTERFUND TRANSACTIONS**

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

G. **COMPENSATED ABSENCES**

Under terms of the City's personnel policy, employees are granted vacation time based on length of service. Vacation time accrued during one fiscal year may be carried over and used only in the subsequent fiscal year. Upon termination, the employee is paid for unused vacation or is required to repay the City for used and unearned vacation of the current year. Sick leave is accumulated based upon length of service and is available only to provide compensation during periods of illness. Upon retirement and 20 years of service, an employee is eligible to receive payment for half of unused sick leave. The City has recognized a liability in the government-wide statements for accrued vacation and sick leave since current financial resources will not be used to relieve this liability. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee retirements and resignations prior to the fiscal year-end.

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

H. **LONG-TERM LIABILITIES**

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Initial-issue bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the unamortized portion of applicable premium or discount. Bond issuance costs, including underwriters' discount, are expensed when incurred. Amortization of bond premiums or discounts are included in interest expense.

I. **INVENTORIES AND PREPAID ITEMS**

Inventory is valued at the lower of cost (first-in, first-out) or market. Inventory in the General Fund consists of gasoline and diesel held for consumption. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

J. **NET POSITION AND FUND EQUITY**

In government-wide financial statements net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. Investment in capital assets represents capital assets less accumulated depreciation less outstanding principal on related debt.

Restricted net position represents net position restricted by parties outside of the City (such as creditors, grantors, contributors, laws and regulations of other governments). All other net position is considered unrestricted. As of June 30, 2016, all restricted net position was restricted by enabling legislation. It is the City's policy to use restricted net position before unrestricted net position.

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

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

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

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

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

J. **NET POSITION AND FUND EQUITY** - continued

Assigned - Resources neither restricted nor committed for which a government has a stated intended use as established by the City Council or an official to which the City Council has delegated the authority to assign amounts for specific purposes. The City Council has currently not delegated this authority to anyone.

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

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

K. **CASH**

The City pools the cash of all funds, except for funds held for court bonds, escrow deposits and any other deposits required to be held in a separate account. Interest income earned on pooled cash and investments is allocated to the various funds as required. Interest income on restricted cash and investments is credited directly to the related fund.

L. **INVESTMENTS**

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

The Pension Trust Fund is also authorized to invest in corporate stocks, common or preferred bonds and mortgages, real or personal property and other evidence of indebtedness or ownership, excluding any debt of the City itself and individual insurance policies.

M. **PENSION**

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 City of Olivette Salaried Employees Pension Plan (the Pension Plan) and additions to/deductions from the Pension Plan's fiduciary net position have been determined on the same basis as they are reported by the Pension Plan. 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.

2. **CASH AND TEMPORARY INVESTMENTS**

The City's bank deposits are required by state law to be secured by the deposit of certain securities specified by 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 June 30, 2016, the carrying amount of the City's bank deposits totaled \$12,146,177 with bank balances of \$13,366,462, which includes cash reported in the Agency Fund. The balances were covered by federal depository insurance or collateralized by securities held by the pledging financial institution but not in the City's name.

3. **PROPERTY TAX**

The City's property tax is levied each year on the assessed value listed as of the prior January 1 for all real and personal property located in the City. Taxes are levied on September 1 and payable by December 31. A lien is placed on the property on January 1 and is then subject to interest and penalties. The adjusted assessed value at January 1, 2015, upon which the 2015 levy was based on real, personal and public utility property, was \$247,346,233.

The City's tax rate was levied as follows:

	Real Estate		Personal
	Residential	Commercial	Property
General Fund	\$.623	\$.754	\$.771
Pension Fund	.227	.248	.250
Debt Service	.420	.420	.420
Road and Bridge	.105	.105	.105

4. **INVESTMENTS**

General Government

Statutes authorize the City to invest excess funds in the following: obligations of the United States Treasury, United States Government Agencies, Repurchase Agreements, Certificates of Deposit, Banker's Acceptance and Commercial Paper. The City's investment policy does not include Banker's Acceptance or Commercial Paper. Certificates of deposit are considered bank deposits and are reported in footnote 2.

The City's Pension Trust Fund has an investment policy designed to provide benefits as anticipated through a carefully planned and executed investment program designed to achieve a reasonable long-term total return consistent with the level of risk assumed. To achieve this return, professional investment managers are employed by the Plan to monitor the Plan's assets. The Plan invests in equities and bonds through use of mutual funds.

4. **INVESTMENTS** - continued

General Government - continued

Interest Rate Risk: It is the City's policy to structure its investment portfolios so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. The City also invests operating funds primarily in short-term securities. The investment policy limits maturities to 5 years and limits the weighted average maturity to 3 years. Information about the sensitivity of the fair values of the City's investment (including investments held by the bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Fair Value	Less than one year	1 - 2 years	2 - 5 years	S&P Credit Rating
Certificates of deposit	\$ 6,194,684	\$ 6,194,684	\$ -	\$ -	N/A
U.S. Treasuries Agency of U.S. Government	1,101,160	1,101,160	-	-	AA+
	2,948,696	2,948,696	-	-	AA+
Total	<u>\$ 10,244,540</u>	<u>\$ 10,244,540</u>	<u>\$ -</u>	<u>\$ -</u>	

Concentration of Credit Risk: It is the City's policy that investments shall be diversified to minimize the risk of loss resulting from over concentrations of assets in specific maturity, specific issuer or specific class of securities. The maximum invested by security type and issuer shall be:

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

At June 30, 2016, there are no investments in any one issuer (other than investments explicitly guaranteed by the U.S. Government and pooled investments) that represent 5% or more of the total City's governmental activities or Pension Trust Fund:

Custodial Credit Risk: For an investment, the custodial risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. In the case of deposits, the risk is that in the event of a bank failure, the City's deposits may not be returned to it. It is the City's policy to pre-qualify financial institutions, broker/dealers, intermediaries and advisors with which the City will do business. The City also diversifies its portfolio so that potential losses on individual securities would be minimized. All investments held for governmental activities are either insured by the FDIC or in investments guaranteed by the U.S Government.

4. **INVESTMENTS** - continued

Fiduciary Fund-Pension Trust Fund

The City's investment policy for its City of Olivette Salaried Employees Pension Plan (the Pension Plan) is designed to conform to Missouri State Statutes and the investment goals of the City. The performance objective is to meet or exceed the Pension Plan's actuarial return assumption of 7.25% on a fiscal-year basis over a rolling five-year period with a level of risk deemed appropriate by the Board of Trustee.

The Pension Trust Fund's investments at December 31, 2015 is shown in the following table. The Pension Plan Fund reports its investments at fair value.

Investment Type	Fair Value	Less than one year	1 - 2 years	2 - 5 years	S&P Credit Rating
Equity mutual funds	\$ 11,093,467	\$ -	\$ -	\$ -	N/A
Preferred stock mutual fund	491,214	-	-	-	N/A
Fixed income funds	4,794,234	4,794,234	-	-	Not rated
Annuity contracts	2,212,448	-	-	-	N/A
Total	<u>\$ 18,591,363</u>	<u>\$ 4,794,234</u>	<u>\$ -</u>	<u>\$ -</u>	

Interest Rate Risk for Pension Trust Fund: The Investment Policy Statement governing the Pension Trust Fund does not address interest rate risk. The investing guidelines of the Pension Plan are based upon a long-term investment horizon that includes the requirement to have adequate liquid funds to meet benefit payments as they come due.

Custodial Credit Risk for Investments for Pension Trust Fund: For an investment, the custodial risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Pension Plan does not have an investment policy for custodial credit risk. Investments in open-end mutual funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Credit Risk for Investments for Pension Trust Fund: Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Pension Plan does not have an investment policy for credit risk but relies on the prudent expert to make credit risk determinations.

Concentration of Credit Risk for investments for Pension Trust Fund: The Pension Plan investment policy limits investments in a single security to 5% of the portfolio's overall assets. In addition, the Pension Plan may hold no more than 10% of total Pension Plan assets in a money market fund, cash vehicle or cash-equivalent vehicle. As of December 31, 2015, the Pension Plan did not hold more than 5% of total assets in a single security.

5. **FAIR VALUE MEASUREMENTS**

The City of Olivette, Missouri categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2016:

U.S. Treasury Securities and U.S. Government Agency Securities are valued at quoted prices (Level 1).

Market Indexed Certificates of Deposits and Market Linked Certificates of deposits are valued based upon a matrix or model pricing method (Level 2).

Equity Mutual Funds are valued using the net asset value at the close of business each day multiplied the number of shares held by the City at the close of business. (Level 1).

Separate Accounts are valued at the net asset value at the close of business each day multiplied by the number of shares held by the City at the close of business. (Level 1).

6. **INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Due to/from other funds at June 30, 2016 are as follows:

	<u>DUE FROM</u>	<u>DUE TO</u>
General Fund	\$ 209,518	\$ -
Nonmajor funds - Fire Operations Fund	-	209,518

The outstanding balances between funds results from the General Fund paying expenses charged to the Fire Operations Fund.

Interfund transfers for the period ending June 30, 2016 are as follows:

	<u>TRANSFER IN</u>	<u>TRANSFER OUT</u>
General Fund	\$ 74,309	\$ -
Capital Improvement Fund	-	111,944
Nonmajor funds:		
Grants Fund	100,528	-
Local Parks/Storm Water Fund	-	34,400
Sewer Lateral Fund	-	28,000
Agency Fund	-	493

Transfers were made to the General Fund from the Sewer Lateral Fund and the Local Parks/Storm Water Fund to reimburse the General Fund for administrative functions including accounting, human resources and director level time. Transfers from the Performance Bond Agency Fund consist of the interest earnings on funds held. Finally, transfers were made to the Grants Fund from the General Fund and Capital Improvements Fund for matching provisions of grants awarded and expended.

6. **CAPITAL ASSETS**

Capital asset activity for the primary government for the year ended June 30, 2016 is as follows:

	<u>BALANCE, BEGINNING OF YEAR</u>	<u>ADDITIONS</u>	<u>DELETIONS AND TRANSFERS</u>	<u>BALANCE, END OF YEAR</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,020,039	\$ -	\$ -	\$ 2,020,039
Construction in process	<u>1,497,260</u>	<u>5,520,554</u>	<u>-</u>	<u>6,747,814</u>
Total capital assets, not being depreciated	<u>3,517,299</u>	<u>5,250,554</u>	<u>-</u>	<u>8,767,853</u>
Capital assets, being depreciated:				
Buildings and improvements	1,068,429	-	-	1,068,429
Equipment	1,336,012	19,785	(10,835)	1,344,962
Vehicles	1,608,373	217,910	(41,129)	1,785,154
Infrastructure	<u>974,137</u>	<u>-</u>	<u>-</u>	<u>974,137</u>
Total capital assets, being depreciated	<u>4,986,951</u>	<u>237,695</u>	<u>(51,964)</u>	<u>5,172,682</u>
Less accumulated depreciation for:				
Buildings and improvements	(769,412)	(37,943)	-	(807,355)
Equipment	(1,070,650)	(48,643)	10,835	(1,108,458)
Vehicles	(990,364)	(181,186)	32,871	(1,138,679)
Infrastructure	<u>(136,378)</u>	<u>(38,967)</u>	<u>-</u>	<u>(175,345)</u>
Total accumulated depreciation	<u>(2,966,804)</u>	<u>(306,739)</u>	<u>43,706</u>	<u>(3,229,837)</u>
Total capital assets, being depreciated, net	<u>2,020,147</u>	<u>(69,044)</u>	<u>(8,258)</u>	<u>1,942,845</u>
Total governmental Activities	<u>\$ 5,537,446</u>	<u>\$ 5,181,510</u>	<u>\$ (8,258)</u>	<u>\$ 10,710,698</u>

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

Governmental activities:

Administrative	\$ 4,508
Public safety	145,001
Public works	93,250
Parks and recreation	<u>63,980</u>
Total depreciation expense-governmental activities	<u>\$ 306,739</u>

7. **LONG-TERM DEBT** - continued

North Price Road Improvement Project Temporary Financing Loan (Special Assessment)

In January 2015, the City secured temporary financing up to \$1,000,000 for improvements to North Price Road. The temporary loan matures January 1, 2017, at which point the City is expected to secure long-term financing. Debt service payments will be paid from the North Price Neighborhood Improvement District Fund. The property owners will not be assessed for the improvements until the project is completed and the bonds are issued. The temporary notes bear interest of 3.6%. At June 30, 2016, the balance is as follows:

North Price Road Loan \$ 959,038

All outstanding principal will be repaid within one year.

Neighborhood Improvement District Limited General Obligation Bonds (Special Assessment)

In October 2012, the City Council authorized the issuance of \$730,000 in Neighborhood Improvement District Limited General Obligation Bonds. The bonds are to be repaid through special assessment revenues collected from the residents within the City’s Neighborhood Improvement District. Debt service payments have historically been paid from the Dielman Neighborhood Improvement District Fund. The bonds bear interest at rates ranging from 0.75% to 2.40% and mature on March 1, 2032. At June 30, 2016, the balance is as follows:

Limited General Obligation Bonds -
Dielman Industrial Park NID - 2012 \$ 635,000

The annual debt service requirements to maturity on the limited general obligation bonds are as follows:

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2017	\$ 35,000	\$ 12,330	\$ 47,330
2018	35,000	11,944	46,944
2019	35,000	11,560	46,560
2020	35,000	11,176	46,176
2021	35,000	10,597	45,597
2022	40,000	10,020	50,020
2023	40,000	9,360	49,360
2024	40,000	8,560	48,560
2025	40,000	7,760	47,760
2026	40,000	6,960	46,960
2027	40,000	6,080	46,080
2028	40,000	5,200	45,200
2029	45,000	4,320	49,320
2030	45,000	3,240	48,240
2031	45,000	2,160	47,160
2032	45,000	1,080	46,080
TOTAL	\$ <u>635,000</u>	\$ <u>122,347</u>	\$ <u>757,347</u>

7. **LONG-TERM DEBT** - continued

In September 2015, the City purchased vehicles and equipment through a State and Municipal Lease/Purchase Agreement. The cost of the items purchased totaled \$137,041. Accumulated depreciation totaled \$27,408 as of June 30, 2016. Debt service payments have historically been paid from the Capital Improvement Fund. The City will make annual payments of \$38,521 from the Capital Improvement Fund through September 30, 2018. At June 30, 2016, the balance is as follows:

Lease Purchase \$ 111,479

The annual debt service requirements to maturity on the State and Municipal Lease/Purchase Agreement are as follows:

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2017	\$ 36,491	\$ 2,030	\$ 38,521
2018	37,156	1,365	38,521
2019	<u>37,832</u>	<u>689</u>	<u>38,521</u>
TOTAL	<u>\$ 111,479</u>	<u>\$ 4,084</u>	<u>\$ 115,563</u>

A summary of changes in long-term liabilities is as follows:

	<u>BALANCE, BEGINNING OF YEAR</u>	<u>ADDITIONS</u>	<u>REDUCTIONS</u>	<u>BALANCE, END OF YEAR</u>	<u>DUE WITHIN ONE YEAR</u>
Governmental activities:					
Neighborhood Improvement					
District Limited General					
Obligation Bonds	\$ 670,000	\$ -	\$ (35,000)	\$ 635,000	\$ 35,000
General Obligation					
Bonds – Series 2014	12,860,000	-	(545,000)	12,315,000	555,000
North Price Road					
Improvement Loan	92,113	866,925	-	959,038	959,038
Capital leases	-	150,000	(38,521)	111,479	36,491
Net OPEB obligation	187,091	29,506	-	216,597	-
Accrued sick leave	256,399	81,761	-	338,160	73,427
Accrued comp time	40,062	-	(1,311)	38,751	38,751
Accrued vacation	<u>284,012</u>	<u>232,509</u>	<u>(284,012)</u>	<u>232,509</u>	<u>232,509</u>
Subtotal Governmental					
Activities	<u>\$ 14,389,677</u>	<u>\$ 1,128,192</u>	<u>\$ (671,335)</u>	<u>\$ 14,846,534</u>	<u>\$ 1,930,216</u>

Liabilities for accrued compensated absences, pension contribution and other post-employment benefits have historically been liquidated by the General Fund.

8. **RISK MANAGEMENT**

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

The City, along with various other local municipal governments, participates in insurance trusts for workers' compensation, property and casualty and health insurance (St. Louis Area Insurance Trust - SLAIT). The purpose of the trust is to distribute the cost of self-insurance over similar entities. The trust requires an annual premium payment to cover estimated claims payable and reserves for claims for each entity. The members of the trust have no legal interest in the assets, liabilities or fund balances of the insurance trust. However, the City retains a contingent liability to fund its pro rata share of any deficit incurred by the trusts should the trusts cease operations at some future date. The City's premiums payments to the trust were \$1,012,608 for the fiscal year ending June 30, 2016.

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

9. **DEFICIT FUND BALANCE**

The North Price NID Fund had deficit fund balances of \$276,404 at June 30, 2016. In the North Price NID Fund, the deficit is the result of expenditures exceeding draws on the temporary financing loan.

10. **COMMITMENTS**

Beginning in July 2006, the City entered into a participation agreement with other municipalities for centralized dispatching services from East Central Dispatch Center. The contract is renewed annually. Payments are estimated to be \$175,000 for fiscal year-ending June 30, 2017.

The City has contracted with a vendor to provide trash service to City residents through June 30, 2017. Fee increases are tied to the Consumer Price index with a cap of 2% and a floor of 1%. There is no minimum billing requirement outlined in the agreement.

In November 2013, the City signed an agreement with a company to provide telephone and internet services for three years through November 2016. The City pays a minimum monthly fee of \$1,924.

11. **EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

Expenditures exceeded appropriations in the following functional expenditure categories:

	Expenditures	Appropriations	Expenditures Over Appropriations
Pension Fund	\$ 562,086	\$ 548,000	\$ 14,086
New Facility Fund	4,453,547	2,012,000	2,441,547
North Price Neighborhood Improvement District Fund	1,124,873	943,000	181,873

12. DEFINED BENEFIT PENSION PLAN

Plan Description

The City of Olivette Salaried Employees Pension Plan (the Pension Plan) is a single-employer defined benefit pension plan controlled by the provisions of Ordinance #686 adopted October 14, 1964. The plan is governed by the City of Olivette which is responsible for the management of plan assets. The City of Olivette has hired Principal Financial Advisors, Inc. and BMO Harris Financial Advisors to manage plan assets. The City has retained Marquette and Associates to recommend an investment strategy for the plan assets. The Plan provides for retirement benefits, early and deferred retirement, termination and death benefits to members and beneficiaries. The Pension Plan does not issue a separate standalone financial statement.

Employees become eligible to participate in the plan after completion of six months of full-time employment. Employees attaining the latter of age 58 or completion of five years of service are entitled to annual benefits of their highest average monthly compensation for the five consecutive years out of the ten last compensating years prior to retirement date. All benefits vest after five years of credited service. At full retirement employees receive 2.0% of average monthly compensation times credited service. The Plan permits early retirement at the completion of five years of credited service and attainment of age 50. The employee receives a benefit reduced by 6.67% for each year up to five that the early retirement date precedes normal retirement date.

Plan Investments

The investment objective is to provide retirement benefits to participants of the Pension Plan and to their beneficiaries. The investment policy is intended to be in accordance with fiduciary requirements under Missouri law. The performance objective of the Pension Plan is to meet or exceed the actuarial return assumption of 7.25% on a fiscal-year basis over a rolling five-year period with a level of risk deemed appropriate by the Board of Trustees.

The investment policy requires the Pension Plan to maintain an asset allocation as deemed appropriate by the Trustees, upon the advice of the investment consultant. The Trustees have adopted the following asset allocation:

	<u>Minimum</u>		<u>Target</u>		<u>Maximum</u>	
Fixed income	20	%	30	%	50	%
U.S. Equity						
Large-Cap	10		20		30	
Mid-Cap	5		10		15	
Small-Cap	5		10		15	
Non-U.S. Equity	10		20		30	
Real Estate	5		10		15	
Alternative	0		0		10	
Cash or cash equivalents	0		0		30	

12. **DEFINED BENEFIT PENSION PLAN** - continued

As of January 1, 2016, (the end of the most recent plan year), the pension plan's membership consists of:

Active employees	48
Retirees and beneficiaries currently received benefits	56
Terminated employees entitled to benefits, but not yet receiving them	<u>24</u>
TOTAL	<u>128</u>

Funding Policies

Active members were required to contribute 5% of wages to the Plan. Any remaining obligation with respect to the Pension Plan shall be paid by the City. Contributions recognized in the actuarial valuation for the Plan year ended January 1, 2016 were \$403,598, which consisted of \$235,000 from the City and \$168,598 from employees. The actuarially required contribution was \$601,508. Actual contributions for the Plan year represented 7.2% of covered payroll.

The City has levied taxes on real estate and personal property to fund its pension plan. The 2015 tax levy per \$100 of assessed value for the pension is as follows:

Residential real estate	\$.227
Commercial real estate	.248
Personal property	.250

Net Pension Liability

The City's net pension liability was measured as of January 1, 2016, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the January 1, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Mortality Rate:	
Pre-retirement	RP2014 Healthy Employee set back 4 years for females
Post-retirement	RP2014 Healthy Annuitant set back 4 years for females
Investment Rate of Return	7.25%
Projected Salary Increases	4.0% (includes 1.0% merit component)
Inflation	2.75%

Effective with the January 1, 2016 valuation the mortality rate was changed to RP2014 Healthy Employee for males set back 4 years for females from the RP2000 set back 4 years for females for pre-retirement lives. The mortality rate was changed to the RP2014 Healthy Annuitant for males set back 4 years for females for post-retirement lives. In addition, projected salary increases were reduced from 4.5% to 4.0% and the merit component was reduced from 1.75% to 1.0%.

12. **DEFINED BENEFIT PENSION PLAN** - continued

The following are Cost-of-Living Adjustments:

Retirement Date	Maximum Annual	Maximum Lifetime
Prior to May 25, 1999	4 %	50 %
May 26, 1999 to September 12, 2000	3	35
September 13, 2000 to January 1, 2005	2	20
January 2, 2005 to January 1, 2010	2	25
January 2, 2010 to present	-	-

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan 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 weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Assumed Allocation	Assumed Geometric Real Return
Domestic Equity	47 %	6.0 %
International Equity	5	6.0
Fixed Income	33	1.5
Real Estate	8	4.5
Cash Equivalents	7	0.0
Total	100 %	

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current contribution rate and that the City's contributions will increase 2.75% per year from the 2015 estimated level. The employee population is assumed to remain level. The discount rate calculation is based on a municipal bond rate of 2.7%, which is derived from the 20 year average yield to maturity of AA rated bonds as of January 2016, as determined by Morgan Stanley. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make 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 payments to determine the total pension liability.

12. **DEFINED BENEFIT PENSION PLAN** - continued

Changes in Net Pension Liability

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of December 31, 2014	\$ <u>23,229,769</u>	\$ <u>19,614,493</u>	\$ <u>3,615,276</u>
Changes for the year:			
Service cost	241,498	-	241,498
Interest	1,629,502	-	1,629,502
Changes in assumptions	1,041,477	-	1,041,477
Differences between expected and actual experience	180,470	-	180,470
Contributions - employer	-	235,000	(235,000)
Contributions - employee	-	168,437	(168,437)
Net investment income	-	85,181	(85,181)
Benefit payments including refunds of employee contributions	(1,507,762)	(1,507,762)	-
Administrative expense	-	(1,700)	1,700
Net Changes	<u>1,585,185</u>	<u>(1,020,844)</u>	<u>2,606,029</u>
Balances as of December 31, 2015	\$ <u><u>24,814,954</u></u>	\$ <u><u>18,593,649</u></u>	\$ <u><u>6,221,305</u></u>

Sensitivity Of The Net Pension Liability

The following presents the net pension liability of the City, calculated using the discount rate of 7.25%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.25%) or 1 percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
City's net pension liability	\$ <u>9,082,765</u>	\$ <u>6,221,305</u>	\$ <u>3,812,851</u>

Pension Expense And Deferred Outflows of Resources and Deferred Inflows Of Resources Related to the Pension

For the year-ended June 30, 2016, the city recognized pension expense of \$906,600. At June 30, 2015, the City reported deferred outflow of resources and deferred inflows of resources related to the Pension Plan from the following:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 111,182	\$ -
Changes in assumptions	771,661	-
City contributions subsequent to the measurement date	520,000	-
Net differences between projected and actual earnings on pension plan investments	984,060	-
Total	<u>\$ 2,386,903</u>	<u>\$ -</u>

12. **DEFINED BENEFIT PENSION PLAN** - continued

The June 30, 2015 balance of \$520,000, reported as deferred outflows of resources resulting from City contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. The deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2017	\$	550,482
2018		550,482
2019		507,265
2020		258,678

13. **OTHER POST EMPLOYMENT BENEFITS**

Plan Description and Provisions - The City of Olivette is a single-employer other post employment plan that provides its retirees with access to healthcare (medical and dental). The retiree must pay the full premium of such coverage, but the employer is responsible for any implicit subsidy arising from actual claims being higher than premium amounts. The Plan does not issue a separate stand-alone financial report. Benefits under the Plan are established by ordinance and may be changed by the passage of an ordinance. The City funds these benefits on a pay as you go basis.

At July 1, 2016, the date of the last actuarial valuation, the Plan covered the following number of participants for medical coverage:

Active participants	63
Retirees and beneficiaries currently receiving benefits	<u>3</u>
Total Plan Participants	<u><u>66</u></u>

Valuations are performed using the Projected Unit Credit (PUC) Funding Method. Under the PUC Funding Method the Normal Cost is based exclusively on plan liabilities. The PUC Funding Method allocates the projected benefit of each participant over the participant's period of service. The valuation assumes 7% inflation on health insurance premiums rate in 2016 graded down 1% each year until an ultimate rate of 4.5% is reached in eight years and uses the RP2014 Healthy Employee Table for males, set back 4 years for females for pre-retirement and the RP2014 Healthy Annuitant Table for males, set back 4 years for females for post-retirement life expectancies.

Net OPEB Obligation

The City's annual OPEB cost of the current plan year is as follows:

Annual required contribution (actuarially computed)	\$ 44,310
Interest on net OPEB obligation	5,613
Adjustment to annual required contribution	<u>(12,573)</u>
Annual OPEB cost	37,350
Contributions made	<u>(7,844)</u>
Increase in net OPEB obligation	29,506
Net OPEB obligation - beginning of year	<u>187,091</u>
Net OPEB obligation - end of year	<u>\$ 216,597</u>

13. **OTHER POST EMPLOYMENT BENEFITS** - continued

Trend Information - Other Post Employment Benefits

Fiscal Year Ended June 30,	Annual OPEB Cost	Percentage Contribution	Net OPEB Obligation
2016	\$ 37,350	21.0 %	\$ 216,597
2015	51,746	41.2	187,091
2014	74,403	63.1	156,704

Funded Status and Funding Progress - As of July 1, 2016, the most recent actuarial valuation available, the plan was not funded. The actuarial accrued liability for benefits was \$321,679, and the actuarial value of assets was \$-0-, resulting in an unfunded actuarial accrued liability (UAAL) of \$321,679. The covered payroll (annual payroll of active employees covered by the plan) was \$4,156,881, and the ratio of the UAAL to the covered payroll was 7.7%.

The schedule of funding progress is presented as RSI following the notes to the financial statements.

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These actuarially determined amounts are subject to continual revisions as actual results are compared to past expectation and new estimates are made about the future. The schedule of funding progress presented immediately following the financial statements as required supplementary information, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members that point. The actuarial calculations of the OPEB plan reflect a long-term perspective. Consistent with this perspective, actuarial valuations, will use actuarial methods and assumptions that include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

14. **SUBSEQUENT EVENTS**

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through November 1, 2016, the date the financial statements were available to be issued.

15. **NEW ACCOUNTING PRONOUNCEMENTS**

The effect on the City's financial statements of the following statements issued, but not yet adopted, has not yet been determined.

This report does not incorporate GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, GASB Statement No. 77, Tax Abatement Disclosures, GASB Statement No. 78, Pensions Provided through Certain Multiple Employer Defined Benefit Pensions plans and GASB Statement No. 79, Certain External Investment Pools and Pool Participants. The City will adopt and implement these statements at the required time.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF OLIVETTE, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS AS OF DECEMBER 31

	<u>2015</u>	<u>2014</u>
<u>Total Pension Liability</u>		
Service cost	\$ 241,498	\$ 209,105
Interest	1,629,502	1,642,454
Changes in benefit terms	-	-
Difference between expected and actual experience	180,470	(509,225)
Changes in assumptions	1,041,477	-
Benefit payments, including refunds	<u>(1,507,762)</u>	<u>(1,534,178)</u>
Net change in total pension liability	1,585,185	(191,844)
Total pension liability - beginning of year	<u>23,229,769</u>	<u>23,421,613</u>
Total pension liability - end of year	<u><u>\$ 24,814,954</u></u>	<u><u>\$ 23,229,769</u></u>
 <u>Plan Fiduciary Net Position</u>		
Contributions - employer	\$ 235,000	\$ 1,001,748
Contributions - employee	168,437	151,888
Net investment income	85,181	1,428,273
Benefit payments, including refunds	(1,507,762)	(1,534,178)
Administrative expenses	<u>(1,700)</u>	<u>(2,040)</u>
Net change in plan fiduciary net position	(1,020,844)	1,045,691
Plan fiduciary net position - beginning of year	<u>19,614,493</u>	<u>18,568,802</u>
Plan fiduciary net position - end of year	<u><u>\$ 18,593,649</u></u>	<u><u>\$ 19,614,493</u></u>
 Net pension liability - end of year	 <u><u>\$ 6,221,305</u></u>	 <u><u>\$ 3,615,276</u></u>
 Plan fiduciary net position as a percentage of total pension liability	 <u><u>74.9%</u></u>	 <u><u>84.4%</u></u>
 Covered employee payroll	 <u><u>\$ 3,256,893</u></u>	 <u><u>\$ 2,874,888</u></u>
 Net pension liability as a percentage of covered payroll	 <u><u>191.0%</u></u>	 <u><u>125.8%</u></u>

Note: The above information is not available for years prior to the implementation of GASB 67.

CITY OF OLIVETTE, MISSOURI
 REQUIRED SUPPLEMENTAL INFORMATION
 SCHEDULE OF ACTUARIALLY DETERMINED CONTRIBUTION AND
 SCHEDULE OF ANNUAL DOLLAR-WEIGHTED RATE OF RETURN

SCHEDULE OF ACTUARIALLY DETERMINED CONTRIBUTION

<u>Year Ended December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Employer Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Employee Payroll</u>	<u>Contributions As A Percentage Of Covered Employee Payroll</u>
2006	\$ 343,514	\$ 479,730	\$ (136,216)	\$ 2,708,300	17.71 %
2007	113,708	248,086	(134,378)	2,890,508	8.58
2008	118,505	496,280	(377,775)	2,928,155	16.95
2009	1,283,973	452,710	831,263	2,847,284	15.90
2010	990,350	678,723	311,627	2,741,672	24.76
2011	869,154	550,099	319,055	2,655,603	20.71
2012	954,121	529,586	424,535	2,553,305	20.74
2013	862,559	462,479	400,080	2,780,303	16.63
2014	635,670	540,000	95,670	2,874,888	18.78
2015	601,508	235,000	366,508	3,256,893	7.22

SCHEDULE OF ANNUAL DOLLAR-WEIGHTED RATE OF RETURN

The following is the annual dollar-weighted rate of return net of expenses:

<u>Year Ended December 31,</u>	
2006	11.86 %
2007	9.48
2008	(34.23)
2009	11.50
2010	14.51
2011	1.29
2012	13.60
2013	16.42
2014	7.71
2015	0.45

CITY OF OLIVETTE, MISSOURI
 REQUIRED SUPPLEMENTAL INFORMATION - CONTINUED
 SCHEDULE OF ACTUARIALLY DETERMINED CONTRIBUTION AND
 SCHEDULE OF ANNUAL DOLLAR-WEIGHTED RATE OF RETURN

Notes to Schedule

Valuation Date: January 1, 2016

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal cost
Amortization method	Entry age normal cost , 20 year open
Asset valuation method	Market value
Inflation	2.75%
Salary increases	4.0%, which includes 1.0% merit component
Investment return	7.25%
Retirement age	58 years of age and 5 years of credited service
Mortality	Pre-Retirement RP2014 Health Employee Table, set back 4 years for females
	Post-Retirement RP2014 Healthily Annuitant Table, set back 4 years for females

Cost of living provisions

Retirements prior to May 25, 1999	Annual max 4%; Lifetime max 50%
Retirements between May 26, 1999 and September 12, 2000	Annual max 3%; Lifetime max 35%
Retirements between September 12, 2000 and January 1, 2005	Annual max 2%; Lifetime max 20%
Retirements between January 1, 2005 and January 1, 2010	Annual max 2%; Lifetime max 25%
Retirements after January 1, 2010	No cost of living provision

CITY OF OLIVETTE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS
SCHEDULES OF EMPLOYER CONTRIBUTIONS AND FUNDING PROGRESS
FOR THE YEAR ENDED JUNE 30, 2016

SCHEDULE OF EMPLOYER CONTRIBUTIONS

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Annual Required</u> <u>Contribution</u>	<u>Annual</u> <u>Contribution</u>	<u>Percentage</u> <u>Funded</u>
2014	\$ 74,403	\$ 47,000	63.2 %
2015	53,620	21,359	39.8
2016	44,310	7,844	17.7

SCHEDULE OF FUNDING PROGRESS

<u>Actuarial</u> <u>Valuation</u> <u>Date</u>	<u>Actuarial</u> <u>Value</u> <u>of Assets</u>	<u>Actuarial</u> <u>Accrued</u> <u>Liability</u> <u>(AAL)</u>	<u>Unfunded</u> <u>(AAL)</u> <u>(UAAL)</u> <u>(2)-(1)</u>	<u>Funded</u> <u>Ratio</u> <u>(1)/(2)</u>	<u>Annual</u> <u>Covered</u> <u>Payroll</u>	<u>UAAL as a</u> <u>Percentage of</u> <u>Covered</u> <u>Payroll</u> <u>(2)-(1)/5</u>
7/1/2012	\$ -	\$ 715,939	\$ 715,939	0.0 %	\$ 2,655,603	27.0 %
7/1/2014	-	421,500	421,500	0.0	2,780,303	15.2
7/1/2016	-	321,679	321,679	0.0	4,156,881	7.7

The historical trend information about the Plan is presented to help the user assess the Plan's funding status on a going-concern basis, assess progress made in accumulating assets to pay benefits when due and make comparisons with other entities.

CITY OF OLIVETTE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Taxes	\$ 5,483,000	\$ 5,483,000	\$ 5,399,337	\$ (83,663)
Licenses and permits	412,115	412,115	424,024	11,909
Fines and court costs	312,500	312,500	302,970	(9,530)
Intergovernmental	320,400	320,400	326,572	6,172
Investment income	6,500	6,500	23,227	16,727
Charges for service	612,850	612,850	500,558	(112,292)
Miscellaneous	58,000	58,000	86,587	28,587
TOTAL REVENUES	<u>7,205,365</u>	<u>7,205,365</u>	<u>7,063,275</u>	<u>(142,090)</u>
EXPENDITURES				
Current:				
Administrative	1,053,853	1,053,853	976,901	76,952
Public safety	4,715,802	4,715,802	4,572,719	143,083
Public works	889,208	889,208	882,886	6,322
Parks and recreation	538,767	530,917	434,920	95,997
Public health	57,985	57,985	54,633	3,352
Capital outlay	13,150	101,000	88,718	12,282
TOTAL EXPENDITURES	<u>7,268,765</u>	<u>7,348,765</u>	<u>7,010,777</u>	<u>337,988</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(63,400)	(143,400)	52,498	195,898
OTHER FINANCING SOURCES				
Transfer in (out)	63,400	143,400	74,309	(69,091)
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>126,807</u>	<u>\$ 126,807</u>
FUND BALANCES -				
BEGINNING OF YEAR	<u>4,335,986</u>	<u>4,335,986</u>	<u>4,286,486</u>	
FUND BALANCES -				
END OF YEAR	<u>\$ 4,335,986</u>	<u>\$ 4,335,986</u>	4,413,293	

Explanation of difference between budgetary and GAAP fund balances:

Encumbrances for equipment and supplies ordered but not received are not reported for GAAP purposes until received.	<u>26,338</u>
GAAP fund balance end of year	<u>\$ 4,439,631</u>

CITY OF OLIVETTE, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2016

1. BUDGETARY INFORMATION

On or before April 1, the City Manager submits to the City Council a proposed operating budget for the City for the fiscal year commencing on the following July 1. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted by ordinance after public hearings are held to obtain taxpayer comments. Primary budgetary control is at the fund level. Any transfers of budgeted amounts from one department to another require approval of the City Council. The City's budgets are prepared on the modified accrual basis of accounting.

Unencumbered appropriations lapse at year-end.

SUPPLEMENTARY INFORMATION

CITY OF OLIVETTE, MISSOURI
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	Special Revenue Funds					Capital Projects Fund	Total
	Grants Fund	Fire Operations Fund	Local Parks/ Storm Water Fund	Sewer Lateral Fund	Pension Fund	Equipment Replacement Fund	
ASSETS AND OTHER DEBITS							
Cash and investments	\$ 70,645	\$ 174,317	\$ 1,027,973	\$ 654,561	\$ 4,279	\$ 343,710	\$ 2,275,485
Other taxes receivable	-	49,884	99,769	-	-	-	149,653
Intergovernmental receivable	282,579	-	-	-	-	-	282,579
TOTAL ASSETS	\$ 353,224	\$ 224,201	\$ 1,127,742	\$ 654,561	\$ 4,279	\$ 343,710	\$ 2,707,717
LIABILITIES							
Accounts payable	\$ 353,224	\$ -	\$ 12,375	\$ 3,500	\$ -	\$ -	\$ 369,099
Due to other funds	-	209,518	-	-	-	-	209,518
Accrued wages payable	-	6,672	10,607	-	-	-	17,279
TOTAL LIABILITIES	353,224	216,190	22,982	3,500	-	-	595,896
FUND BALANCES:							
Fund balances:							
Restricted:							
Local parks/storm water projects	-	-	1,104,760	-	-	-	1,104,760
Sewer lateral repairs	-	-	-	651,061	-	-	651,061
Pension	-	-	-	-	4,279	-	4,279
Fire operations	-	8,011	-	-	-	-	8,011
Assigned:							
Equipment replacement	-	-	-	-	-	343,710	343,710
TOTAL FUND BALANCES	-	8,011	1,104,760	651,061	4,279	343,710	2,111,821
TOTAL LIABILITIES AND FUND BALANCES	\$ 353,224	\$ 224,201	\$ 1,127,742	\$ 654,561	\$ 4,279	\$ 343,710	\$ 2,707,717

CITY OF OLIVETTE, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Special Revenue Funds					Capital Projects Fund	Total
	Grants Fund	Fire Operations Fund	Local Parks/ Storm Water Fund	Sewer Lateral Fund	Pension Fund	Equipment Replacement Fund	
REVENUES							
Taxes	\$ -	\$ 290,939	\$ 581,879	\$ 136,600	\$ 552,919	\$ -	\$ 1,562,337
Intergovernmental	489,514	-	-	-	-	-	489,514
Investment income	-	-	-	2,295	-	-	2,295
TOTAL REVENUES	489,514	290,939	581,879	138,895	552,919	-	2,054,146
EXPENDITURES							
Current:							
Administrative	-	-	-	1,367	562,086	-	563,453
Public safety	27,850	143,462	-	-	-	-	171,312
Parks and recreation	-	-	336,699	-	-	-	336,699
Capital outlay	562,192	-	75,288	61,419	-	-	698,899
TOTAL EXPENDITURES	590,042	143,462	411,987	62,786	562,086	-	1,770,363
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(100,528)	147,477	169,892	76,109	(9,167)	-	283,783
OTHER FINANCING SOURCES (USES)							
Transfer out	100,528	-	(34,400)	(28,000)	-	-	38,128
NET CHANGE IN FUND BALANCE	-	147,477	135,492	48,109	(9,167)	-	321,911
FUND BALANCES - BEGINNING OF YEAR	-	(139,466)	969,268	602,952	13,446	343,710	1,789,910
FUND BALANCES - END OF YEAR	\$ -	\$ 8,011	\$ 1,104,760	\$ 651,061	\$ 4,279	\$ 343,710	\$ 2,111,821

CITY OF OLIVETTE, MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
DIELMAN NEIGHBORHOOD IMPROVEMENT DISTRICT
FOR THE YEAR ENDED JUNE 30, 2016

	<u>BUDGET ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES				
Special assessments	<u>\$ 45,000</u>	<u>\$ 45,000</u>	<u>\$ 53,835</u>	<u>\$ 8,835</u>
EXPENDITURES				
Debt Service	<u>47,857</u>	<u>47,857</u>	<u>47,857</u>	<u>\$ -</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,857)</u>	<u>(2,857)</u>	<u>5,977</u>	<u>\$ 8,834</u>
FUND BALANCES - BEGINNING OF YEAR	<u>49,649</u>	<u>49,649</u>	<u>49,649</u>	
FUND BALANCES - END OF YEAR	<u><u>\$ 46,792</u></u>	<u><u>\$ 46,792</u></u>	<u><u>\$ 55,626</u></u>	

CITY OF OLIVETTE, MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2016

	BUDGET ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 475,000	\$ 475,000	\$ 494,606	\$ 19,606
Intergovernmental	250,000	250,000	247,250	(2,750)
TOTAL REVENUES	725,000	725,000	741,856	16,856
EXPENDITURES				
Current:				
Public works	571,464	571,464	470,708	100,756
Capital outlay	290,025	290,025	306,346	(16,321)
Debt Service	43,511	43,511	38,521	4,990
TOTAL EXPENDITURES	905,000	905,000	815,575	89,425
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(180,000)	(180,000)	(73,719)	(106,281)
OTHER FINANCING SOURCES				
Assets purchased with capital lease	150,000	150,000	150,000	-
Transfer in (out)	-	(30,000)	(111,944)	81,944
TOTAL OTHER FINANCING SOURCES	150,000	120,000	38,056	81,944
NET CHANGE IN FUND BALANCE	(30,000)	(60,000)	(35,663)	\$ 24,337
FUND BALANCES - BEGINNING OF YEAR	1,321,691	1,321,691	1,258,686	
FUND BALANCES - END OF YEAR	\$ 4,335,986	\$ 4,335,986	1,223,023	
Explanation of difference between budgetary and GAAP fund balances:				
Encumbrances for equipment and supplies ordered but not received are not reported for GAAP purposes until received.			63,005	
GAAP fund balance end of year			\$ 1,286,028	

CITY OF OLIVETTE, MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NEW FACILITY FUND
FOR THE YEAR ENDED JUNE 30, 2016

	<u>BUDGET ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES				
Taxes	\$ 941,000	\$ 941,000	\$ 1,018,535	\$ 77,535
Investment income	51,000	51,000	46,461	(4,539)
TOTAL REVENUES	<u>992,000</u>	<u>992,000</u>	<u>1,064,996</u>	<u>72,996</u>
EXPENDITURES				
Current:				
Administrative	-	-	11,578	(11,578)
Capital outlay	1,012,000	1,012,000	3,557,116	(2,545,116)
Debt Service	1,000,000	1,000,000	884,853	115,147
TOTAL EXPENDITURES	<u>2,012,000</u>	<u>2,012,000</u>	<u>4,453,547</u>	<u>(2,441,547)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,020,000)	(1,020,000)	(3,388,551)	<u>\$ (2,368,551)</u>
FUND BALANCES - BEGINNING OF YEAR	<u>11,576,814</u>	<u>11,576,814</u>	<u>11,576,814</u>	
FUND BALANCES - END OF YEAR	<u>\$ 10,556,814</u>	<u>\$ 10,556,814</u>	<u>\$ 8,188,263</u>	

CITY OF OLIVETTE, MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NORTH PRICE NEIGHBORHOOD IMPROVEMENT DISTRICT FUND
FOR THE YEAR ENDED JUNE 30, 2016

	BUDGET ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Capital outlay	943,000	943,000	1,116,083	(173,083)
Debt Service	-	-	8,790	(8,790)
TOTAL EXPENDITURES	943,000	943,000	1,124,873	(181,873)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(943,000)	(943,000)	(1,124,873)	(181,873)
OTHER FINANCING SOURCES				
Transfer in (out)	1,943,000	1,943,000	866,925	(1,076,075)
NET CHANGE IN FUND BALANCE	1,000,000	1,000,000	(257,948)	\$ (1,257,948)
FUND BALANCES - BEGINNING OF YEAR	(18,456)	(18,456)	(18,456)	
FUND BALANCES - END OF YEAR	\$ 981,544	\$ 981,544	\$ (276,404)	

CITY OF OLIVETTE, MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GRANTS FUND
FOR THE YEAR ENDED JUNE 30, 2016

	<u>BUDGET ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental	\$ 2,130,000	\$ 2,130,000	\$ 489,514	\$ (1,640,486)
EXPENDITURES				
Current:				
Public safety	25,000	25,000	27,850	(2,850)
Capital outlay	2,105,000	2,105,000	562,192	1,542,808
TOTAL EXPENDITURES	<u>2,130,000</u>	<u>2,130,000</u>	<u>590,042</u>	<u>1,539,958</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(100,528)	(100,528)
OTHER FINANCING SOURCES				
Transfer in (out)	<u>-</u>	<u>-</u>	<u>100,528</u>	<u>100,528</u>
NET CHANGE IN FUND BALANCE	-	-	-	<u>\$ -</u>
FUND BALANCES - BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

CITY OF OLIVETTE, MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
FIRE OPERATIONS FUND
FOR THE YEAR ENDED JUNE 30, 2016

	<u>BUDGET ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES				
Taxes	<u>\$ 280,000</u>	<u>\$ 280,000</u>	<u>\$ 290,939</u>	<u>\$ 10,939</u>
EXPENDITURES				
Current:				
Public safety	<u>224,591</u>	<u>224,591</u>	<u>143,462</u>	<u>81,129</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	55,409	55,409	147,477	<u><u>\$ 92,068</u></u>
FUND BALANCES - BEGINNING OF YEAR	<u>(139,466)</u>	<u>(139,466)</u>	<u>(139,466)</u>	
FUND BALANCES - END OF YEAR	<u><u>\$ (84,057)</u></u>	<u><u>\$ (84,057)</u></u>	<u><u>\$ 8,011</u></u>	

CITY OF OLIVETTE, MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
LOCAL PARKS/STORM WATER FUND
FOR THE YEAR ENDED JUNE 30, 2016

	BUDGET ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 562,000	\$ 562,000	\$ 581,879	\$ 19,879
EXPENDITURES				
Current:				
Public works	80,000	80,000	-	80,000
Parks and recreation	392,405	392,405	336,699	55,706
Capital outlay	64,225	64,225	75,288	(11,063)
TOTAL EXPENDITURES	536,630	536,630	411,987	124,643
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	25,370	25,370	169,892	144,522
OTHER FINANCING SOURCES				
Transfer in (out)	(34,400)	(74,900)	(34,400)	40,500
NET CHANGE IN FUND BALANCE	(9,030)	(49,530)	135,492	\$ 185,022
FUND BALANCES - BEGINNING OF YEAR	969,265	969,265	969,265	
FUND BALANCES - END OF YEAR	\$ 960,235	\$ 919,735	1,076,507	

Explanation of difference between budgetary and GAAP fund balances:

Encumbrances for equipment and supplies ordered but not received are not reported for GAAP purposes until received.	28,250
GAAP fund balance end of year	\$ 1,104,757

CITY OF OLIVETTE, MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
SEWER LATERAL FUND
FOR THE YEAR ENDED JUNE 30, 2016

	<u>BUDGET ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES				
Taxes	\$ 135,000	\$ 135,000	\$ 136,600	\$ 1,600
Investment income	720	720	2,295	1,575
TOTAL REVENUES	<u>135,720</u>	<u>135,720</u>	<u>138,895</u>	<u>3,175</u>
EXPENDITURES				
Current:				
Administrative	1,336	1,336	1,367	(31)
Capital outlay	75,000	75,000	61,419	13,581
TOTAL EXPENDITURES	<u>76,336</u>	<u>76,336</u>	<u>62,786</u>	<u>13,550</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	59,384	59,384	76,109	16,725
OTHER FINANCING SOURCES				
Transfer in (out)	<u>(28,000)</u>	<u>(28,000)</u>	<u>(28,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	31,384	31,384	48,109	<u>\$ 16,725</u>
FUND BALANCES -				
BEGINNING OF YEAR	<u>602,952</u>	<u>602,952</u>	<u>602,952</u>	
FUND BALANCES -				
END OF YEAR	<u>\$ 634,336</u>	<u>\$ 634,336</u>	<u>\$ 651,061</u>	

CITY OF OLIVETTE, MISSOURI
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
PENSION FUND
FOR THE YEAR ENDED JUNE 30, 2016

	BUDGET ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 558,000	\$ 558,000	\$ 552,919	\$ (5,081)
EXPENDITURES				
Current:				
Administrative	548,000	548,000	562,086	(14,086)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	10,000	10,000	(9,167)	\$ (19,167)
FUND BALANCES - BEGINNING OF YEAR	13,446	13,446	13,446	
FUND BALANCES - END OF YEAR	\$ 23,446	\$ 23,446	\$ 4,279	

CITY OF OLIVETTE, MISSOURI
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS				
Cash	<u>\$ 242,949</u>	<u>\$ 574,935</u>	<u>\$ 279,551</u>	<u>\$ 295,294</u>
 LIABILITIES				
Deposits held	<u>\$ 242,949</u>	<u>\$ 574,935</u>	<u>\$ 279,551</u>	<u>\$ 295,294</u>

STATISTICAL SECTION

CITY OF OLIVETTE, MISSOURI
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Governmental Activities:										
Investment in capital assets	\$ 6,779,302	\$ 4,276,173	\$ 2,970,264	\$ 1,967,098	\$ 1,681,139	\$ 1,901,598	\$ 1,838,207	\$ 1,873,165	\$ 1,791,861	\$ 1,855,339
Restricted	-	-	-	4,558,924	3,292,276	2,950,160	3,012,003	2,602,149	2,582,471	2,386,402
Capital Projects	1,286,028	1,321,691	1,753,889	-	-	-	-	-	-	-
Debt Service	1,118,899	1,012,654	902,485	-	-	-	-	-	-	-
Local Parks and Stormwater	1,104,760	969,265	871,337	-	-	-	-	-	-	-
Sanitary Sewer Lateral Program	651,061	602,952	614,910	-	-	-	-	-	-	-
Pension contributions	4,279	13,446	-	-	-	-	-	-	-	-
Unrestricted	(2,367,140)	(644,886)	2,343,513	2,757,950	2,788,963	2,646,908	1,994,518	2,632,532	2,168,417	1,031,358
Total Governmental Activities, Net Position	<u>\$ 8,577,189</u>	<u>\$ 7,551,295</u>	<u>\$ 9,456,398</u>	<u>\$ 9,283,972</u>	<u>\$ 7,762,378</u>	<u>\$ 7,498,666</u>	<u>\$ 6,844,728</u>	<u>\$ 7,107,846</u>	<u>\$ 6,542,749</u>	<u>\$ 5,273,099</u>

Source: Basic Financial Statements

Note: Detail of restricted net position not available for years prior to 2014.

CITY OF OLIVETTE, MISSOURI
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
EXPENSES										
Governmental activities:										
Administrative	\$1,217,825	\$1,318,972	\$1,593,493	\$1,359,463	\$1,397,329	\$1,299,561	\$1,604,709	\$1,361,855	\$1,326,074	\$1,301,592
Public safety	5,629,894	5,108,802	5,165,468	5,089,952	4,929,810	4,612,351	5,027,165	4,482,322	4,536,734	4,468,689
Public works	1,691,521	1,567,296	1,496,657	1,415,929	1,481,698	1,626,064	1,897,508	1,780,774	1,803,862	1,698,256
Parks and recreations	923,597	903,706	903,999	885,062	878,789	876,306	994,731	965,163	945,568	924,521
Public health	66,840	55,937	47,431	45,463	49,902	44,954	43,696	41,176	44,822	38,762
Interest on long-term debt	357,780	279,566	26,136	104,171	21,449	37,579	37,097	64,535	73,069	111,296
Total governmental activities expenses	9,887,457	9,234,279	9,233,184	8,900,040	8,758,977	8,496,815	9,604,906	8,695,825	8,730,129	8,543,116
PROGRAM REVENUE										
Governmental activities:										
Charges for services:										
Administrative	274,553	258,826	255,582	272,603	261,647	246,370	252,814	322,001	311,119	303,170
Public safety	460,099	510,701	482,050	490,381	471,659	368,835	287,977	313,521	461,183	371,981
Public works	217,021	222,984	269,793	212,623	149,033	210,696	163,857	177,444	185,319	160,612
Parks and recreations	275,879	327,141	351,623	374,011	383,723	395,128	407,546	415,503	427,652	432,988
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	1,063,336	754,252	71,323	95,470	18,446	27,887	34,654	70,847	23,063	196,336
Total governmental activities program revenue	2,290,888	2,073,904	1,430,371	1,445,088	1,284,508	1,248,916	1,146,848	1,299,316	1,408,336	1,465,087
NET EXPENSES	(7,596,569)	(7,160,375)	(7,802,813)	(7,454,952)	(7,474,469)	(7,247,899)	(8,458,058)	(7,396,509)	(7,321,793)	(7,078,029)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities:										
Taxes:										
Sales	2,990,910	2,776,482	2,688,868	2,372,044	2,192,833	2,150,596	2,438,823	2,444,822	2,628,754	2,608,481
Utility	2,004,664	2,183,105	2,246,264	2,310,362	2,291,890	15,580	19,766	2,246,832	2,580,173	1,686,718
Property	3,354,776	3,293,723	2,621,565	3,382,700	2,471,773	4,970,993	5,036,676	2,518,137	2,451,273	2,365,180
Franchise	120,368	121,531	118,759	66,240	71,960	69,902	74,804	73,370	77,329	78,332
Other	937	667	284,102	722,428	600,573	589,191	555,089	579,732	601,078	644,049
Contributed capital assets	-	-	-	-	-	-	-	-	50,000	-
Investment income	71,983	18,867	357	513	586	1,262	6,869	64,973	143,170	184,589
Transfers	493	556	-	524	568	807	846	3,344	8,157	5,251
Other miscellaneous revenue	78,329	105,842	146,190	110,433	107,998	103,506	62,067	58,859	55,013	34,676
Gain (Loss) on disposal of assets	-	-	-	-	-	-	-	(29,426)	(3,504)	2,556
Total governmental activities	8,622,460	8,500,773	8,106,105	8,965,244	7,738,181	7,901,837	8,194,940	7,960,643	8,591,443	7,609,832
CHANGES IN NET POSITION	\$1,025,891	\$1,340,398	\$ 303,292	\$1,510,292	\$ 263,712	\$ 653,938	\$ (263,118)	\$ 564,134	\$1,269,650	\$ 531,803

Soure: Basic Financial Statements

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

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Fund:										
Non-spendable	\$ 10,140	\$ 14,127	\$ 23,041	\$ 29,141	\$ 24,555	\$ 23,616	\$ -	\$ -	\$ -	\$ -
Assigned	26,338	49,550	1,647	-	-	-	-	-	-	-
Unassigned/Unreserved	4,403,153	4,272,309	3,951,027	3,293,038	2,998,492	2,782,066	2,148,311	2,095,263	2,187,287	1,385,589
Total General Fund	\$ 4,439,631	\$ 4,335,986	\$ 3,975,715	\$ 3,322,179	\$ 3,023,047	\$ 2,805,682	\$ 2,148,311	\$ 2,095,263	\$ 2,187,287	\$ 1,385,589
All Other Governmental Funds:										
Restricted/Reserved	\$ -	\$ -	\$ -	\$ 3,664,681	\$ 3,292,276	\$ 2,950,160	\$ 539,632	\$ 1,738,108	\$ 1,723,347	\$ 2,346,593
Debt Service	347,597	207,938	52,527	-	-	-	-	-	-	-
Capital Improvements	9,182,320	12,740,216	1,753,889	-	-	-	-	-	-	-
Parks and Stormwater	1,104,760	969,265	871,337	-	-	-	-	-	-	-
Sewer Lateral Repairs	651,061	602,952	614,910	-	-	-	-	-	-	-
Fire Operations	8,011	-	-	-	-	-	-	-	-	-
Pension	4,279	13,446	31,692	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned										
Equipment Replacement	343,710	343,710	343,710	-	-	-	-	-	-	-
Unassigned	(276,404)	(157,922)	(182,557)	(189,161)	(162,355)	(126,047)	-	-	-	-
Unreserved										
Designated	-	-	-	-	-	-	1,613,218	540,602	560,409	618,103
Undesignated	-	-	-	-	-	-	859,153	740,234	799,918	(49,579)
Total all other governmental funds	\$11,365,334	\$14,719,605	\$ 3,485,508	\$ 3,475,520	\$ 3,129,921	\$ 2,824,113	\$ 3,012,003	\$ 3,018,944	\$ 3,083,674	\$ 2,915,117

(1) Implemented GASB 54 in Fiscal Year 2011

Note: Detailed for restricted accounts is not available for years prior to 2014.

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

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Revenues										
Taxes and special assessments	\$ 8,528,650	\$ 8,401,892	\$ 8,015,254	\$ 7,771,709	\$ 7,391,523	\$ 7,760,777	\$ 8,193,501	\$ 7,807,802	\$ 8,395,926	\$ 7,363,312
Licenses, permits, and inspection fees	424,024	396,444	419,501	428,041	363,820	352,141	357,012	450,078	439,462	423,597
Fines and court costs	302,970	339,011	282,012	283,289	309,123	283,259	287,542	312,821	460,033	369,681
Intergovernmental	1,063,336	754,252	71,323	95,470	18,446	27,887	34,654	70,847	23,063	196,336
Investment income	71,983	18,867	357	513	586	1,261	6,869	64,943	143,170	184,589
Charges for services	500,558	584,197	657,535	638,288	593,118	585,628	467,640	465,570	485,778	475,473
Miscellaneous	86,587	116,948	169,244	355,343	350,753	103,506	62,067	69,644	68,835	39,525
Total revenues	<u>10,978,108</u>	<u>10,611,611</u>	<u>9,615,226</u>	<u>9,572,653</u>	<u>9,027,369</u>	<u>9,114,459</u>	<u>9,409,285</u>	<u>9,241,705</u>	<u>10,016,267</u>	<u>9,052,513</u>
Expenditures										
Current:										
Administrative	1,557,594	1,534,933	1,582,224	1,301,972	1,339,107	1,232,147	1,501,390	1,360,596	1,294,646	1,265,189
Public safety	4,744,031	4,927,998	4,744,610	4,678,473	4,575,299	4,296,429	4,592,969	4,600,878	4,455,090	4,406,194
Public works	1,371,094	1,350,210	1,337,862	1,225,121	1,244,205	1,397,841	1,644,942	1,683,035	1,591,109	1,586,970
Parks and recreation	771,619	810,611	765,248	753,052	762,958	743,070	844,380	854,002	852,947	874,697
Public health	54,633	55,937	47,431	44,868	49,902	44,954	43,696	41,176	44,822	38,762
Capital outlay	5,767,162	3,025,830	614,705	427,005	1,131,947	765,450	351,290	462,915	412,962	461,390
Debt service:										
Principal, interest, and fiscal	980,022	885,375	167,124	1,227,955	335,852	458,572	385,357	399,194	402,593	404,365
Total expenditures	<u>15,246,155</u>	<u>12,590,894</u>	<u>9,259,204</u>	<u>9,658,446</u>	<u>9,439,270</u>	<u>8,938,463</u>	<u>9,364,024</u>	<u>9,401,796</u>	<u>9,054,169</u>	<u>9,037,567</u>
Revenues over (under) expenditures	<u>(4,268,047)</u>	<u>(1,979,283)</u>	<u>356,022</u>	<u>(85,793)</u>	<u>(411,901)</u>	<u>175,996</u>	<u>45,261</u>	<u>(160,091)</u>	<u>962,098</u>	<u>14,946</u>
Other Financing Sources (Uses)										
Debt proceeds	1,016,925	13,592,113	-	730,000	934,506	292,678	-	-	-	-
Bond discount	-	(19,018)	-	-	-	-	-	-	-	-
Transfers in (out)	493	-	-	524	568	807	846	3,344	8,157	5,251
Total other financing sources (uses)	<u>1,017,418</u>	<u>13,573,095</u>	<u>-</u>	<u>730,524</u>	<u>935,074</u>	<u>293,485</u>	<u>846</u>	<u>3,344</u>	<u>8,157</u>	<u>5,251</u>
Net change in fund balances	<u>\$(3,250,629)</u>	<u>\$11,593,812</u>	<u>\$ 356,022</u>	<u>\$ 644,731</u>	<u>\$ 523,173</u>	<u>\$ 469,481</u>	<u>\$ 46,107</u>	<u>\$ (156,747)</u>	<u>\$ 970,255</u>	<u>\$ 20,197</u>
Debt service as a percentage of noncapital expenditures	10.0%	10.2%	2.0%	15.3%	4.2%	5.9%	4.5%	4.7%	4.9%	4.9%

Sources: Basic Financial Statements
(1) Implemented GASB 54 in 2011

CITY OF OLIVETTE, MISSOURI
PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Governmental activities:										
Administrative	\$ 274,553	\$ 258,826	\$ 255,582	\$ 272,603	\$ 261,647	\$ 246,370	\$ 252,814	\$ 322,001	\$ 311,119	\$ 303,170
Public safety	460,099	510,701	482,050	490,381	471,659	368,835	287,977	313,521	461,183	371,981
Public works	217,021	222,984	269,793	212,623	149,033	210,696	163,857	177,444	185,319	160,612
Parks and recreation	275,879	327,141	351,623	374,011	383,723	395,128	407,546	415,503	427,652	432,988
Total Governmental Activities	<u>\$ 1,227,552</u>	<u>\$ 1,319,652</u>	<u>\$ 1,359,048</u>	<u>\$ 1,349,618</u>	<u>\$ 1,266,062</u>	<u>\$ 1,221,029</u>	<u>\$ 1,112,194</u>	<u>\$ 1,228,469</u>	<u>\$ 1,385,273</u>	<u>\$ 1,268,751</u>

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

Fiscal Year	Property (1)	Sales and Use (2)	Franchise and Public Service	Total
2016	\$ 3,412,708	\$ 2,990,910	\$ 2,125,031	\$ 8,528,649
2015	3,320,774	2,776,482	2,304,636	8,401,892
2014	2,652,229	2,998,002	2,365,023	8,015,254
2013	2,985,977	2,682,357	2,346,526	8,014,860
2012	2,814,027	2,507,790	2,327,623	7,649,440
2011	2,744,674	2,473,064	2,563,653	7,781,391
2010	2,679,144	2,761,327	2,677,363	8,117,834
2009	2,754,961	2,801,525	2,302,399	7,858,885
2008	2,806,487	2,948,731	2,640,708	8,395,926
2007	2,664,035	2,955,858	1,743,419	7,363,312

- 1) Includes road and bridge tax and sewer lateral fees.
- 2) The City participates in the county-wide sales tax sharing pool and a point of sale sharing; sales tax is not the City's own source of revenue.

CITY OF OLIVETTE, MISSOURI
SALES TAX REVENUES BY TYPE, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Fiscal Year	General 1% (1)	Cigarette *	State Motor Fuel *	Stormwater /Parks 1/2% (2)	Capital Improvement 1/2% (3)	Fire Operations 1/4% (4)	Use Tax	Total
2016	\$1,356,043	\$ -	\$ -	\$ 581,879	\$ 494,606	\$ 290,939	\$ 267,443	\$ 2,990,910
2015	1,281,488	-	-	549,592	466,998	274,797	203,607	2,776,482
2014	1,249,241	21,341	287,793	534,837	455,393	267,421	181,976	2,998,002
2013	1,077,504	22,568	276,601	460,301	391,284	230,151	223,947	2,682,356
2012	1,010,696	21,796	280,039	432,977	368,108	216,518	177,656	2,507,790
2011	1,011,972	22,268	284,514	429,457	365,127	214,729	144,997	2,473,064
2010	1,252,101	26,773	280,868	451,023	383,475	225,512	141,574	2,761,326
2009	1,144,186	24,272	276,735	484,526	254,821	242,263	217,602	2,644,405
2008	1,124,258	24,861	295,121	539,295	457,932	269,667	237,597	2,948,731
2007	1,110,397	25,932	321,444	525,090	450,533	262,758	259,704	2,955,858

* - No longer determined to be sales tax revenue due to distribution method

1) The 1% general sales tax is received from St. Louis County according to the redistribution agreement based on Olivette's designation as a Point-of-Sale(POS) type "A" city. The formula for distribution involves a redistribution pool for other areas of the County based on per capita sales tax amounts. The amounts shown are net of the redistribution and annexation adjustments.

2) The Stormwater/Parks sales tax was approved in April of 2002 with all collections retained by the City.

3) The Capital Improvement sales tax was approved in November of 1995 and is subject to a 15% sharing provision. The amounts shown are net of sharing provisions.

4) The Fire Operations sales tax was approved in November of 2001 with all collections retained by the City.

CITY OF OLIVETTE, MISSOURI
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1)
LAST TEN FISCAL YEARS

Fiscal Year	Real Property	Personal Property	Railroads and Utilities	Assessed Value	Estimated Actual Value	Total Direct Tax Rate
2016	\$ 214,533,280	\$ 29,901,690	\$ 2,911,263	\$ 247,346,233	\$ 1,052,040,685	1.270
2015	201,516,170	27,606,690	2,659,601	231,782,461	980,833,760	1.334
2014	199,792,200	26,448,260	2,697,927	228,938,387	971,210,996	0.914
2013	207,424,840	26,925,960	2,650,515	237,001,315	1,010,799,929	0.869
2012	207,149,460	24,206,630	2,593,483	233,949,573	1,005,530,863	0.852
2011	213,256,500	25,862,810	2,401,227	241,520,537	1,030,065,091	0.817
2010	213,991,150	27,750,900	2,346,356	244,088,406	1,029,684,866	0.779
2009	219,051,130	28,476,900	2,092,615	249,620,645	1,055,404,527	0.779
2008	217,486,900	29,875,920	2,164,624	249,527,444	1,044,372,266	0.779
2007	173,586,770	28,430,140	2,123,504	204,140,414	840,748,519	0.945

(1) Source: St. Louis County Assessor

CITY OF OLIVETTE, MISSOURI
PROPERTY TAX RATES - DIRECT AND ALL OVERLAPPING GOVERNMENTS (1)
FOR THE LAST TEN FISCAL YEARS

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
City of Olivette										
General Fund	\$ 0.6230	\$ 0.6700	\$ 0.6700	\$ 0.6380	\$ 0.6360	\$ 0.5970	\$ 0.5730	\$ 0.5730	\$ 0.5730	\$ 0.6950
Pension	0.2270	0.2440	0.2440	0.2310	0.2160	0.2200	0.2060	0.2060	0.2060	0.2500
Debt Service	0.4200	0.4200	-	-	-	-	-	-	-	-
Total	\$ 1.2700	\$ 1.3340	\$ 0.9140	\$ 0.8690	\$ 0.8520	\$ 0.8170	\$ 0.7790	\$ 0.7790	\$ 0.7790	\$ 0.9450
Overlapping governments:										
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
County General	0.2060	0.2090	0.2000	0.2000	0.2000	0.2000	0.1900	0.1900	0.1900	0.1900
County Health	0.1380	0.1400	0.1400	0.1400	0.1400	0.1400	0.1500	0.1500	0.1500	0.1650
County Park Maintenance	0.0490	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0350
County Bond Retirement	0.0190	0.0190	0.0280	0.0280	0.0280	0.0280	0.0280	0.0630	0.0630	0.0630
County Road and Bridge	0.1030	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050
St. Louis Community College	0.2176	0.2200	0.2200	0.2200	0.2200	0.2179	0.2136	0.2013	0.2003	0.2233
Special School District	1.2348	1.2609	1.2400	1.0123	1.0125	0.9950	0.9384	0.9184	0.9084	0.8235
Metro Zoo Park and Museum	0.2777	0.2797	0.2797	0.2684	0.2671	0.2546	0.2493	0.2344	0.2330	0.2611
St. Louis County Library	0.2460	0.2500	0.2500	0.1730	0.1630	0.1565	0.1400	0.1400	0.1400	0.1500
Ladue School District	3.5339	3.7000	3.6300	3.6300	3.1000	3.1000	2.9800	2.9800	2.9800	2.9800
Metro Sewer District	0.0876	0.0879	0.0874	0.0635	0.0818	0.0790	0.0000	0.0000	0.0667	0.0687
Sewer - Deer Creek	0.0830	0.0860	0.0860	0.0840	0.0840	0.0810	0.0000	0.0000	0.0600	0.0600
Sheltered Workshop	0.0880	0.0900	0.0890	0.0840	0.0840	0.0790	0.0740	0.0690	0.0700	0.0820
Total Overlapping Governments	6.3136	6.5275	6.4351	6.0882	5.5654	5.5160	5.1483	5.1311	5.2464	5.2366
Combined Residential rate	7.5836	7.8615	7.3491	6.9572	6.4174	6.3330	5.9273	5.9101	6.0254	6.1816
Combined commercial rates	7.8456	7.9715	7.4571	7.1082	6.5334	6.4472	5.9923	6.0071	6.0074	6.2196
Combined personal property rate	7.8497	7.8805	7.4391	7.1012	6.5884	6.5535	6.1953	6.1831	6.2924	6.3206

(1) Source - St. Louis County Assessor (rates stated per \$100 assessed valuation)

Commencing in 2003, Missouri State Law required entities to calculate a separate tax rate for residential real estate, agricultural real estate, commercial real estate, and personal property. The breakdown of residential rate code 117AK presented with commercial rates not materially different and presented as a total.

CITY OF OLIVETTE, MISSOURI
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

<u>Property Taxpayer</u>	<u>2016</u>			<u>2007</u>		
	Taxable Assessed Valuation	Rank	Percent Of Total City Taxable Assessed Value	Assessed Valuation	Rank	Percent Of Total City Taxable Assessed Value
Murphy Group Holdings Inc.	\$ 2,969,410	1	1.20 %			
Bonhomme Village Apartments Associates LLC	2,880,740	2	1.16	\$ 2,269,360	3	0.92 %
Intelligrated Systems Inc	2,844,260	3	1.15			
9666 Partners LLC	2,540,480	4	1.03			
Pingree 2000 Real Estate Holdings LLC	2,219,610	5	0.90			
OL2 CBI Exit LLC	2,107,390	6	0.85			
US Bank NA	1,874,720	7	0.76			
Malibu Midwest LLC	1,520,830	8	0.61			
Paynecrest Electric Inc	1,372,570	9	0.55			
PPM Baur LLC	1,366,560	10	0.55			
Dielman LLC				2,391,560	1	0.97
Olive Corporate LLC				2,304,000	2	0.93
Olivette Associates A Mo LTD Partnership				1,908,730	4	0.77
Duke Realty LP AN IN LT				1,718,100	5	0.69
US Bank NA				1,540,760	6	0.62
North Price Partnership LLP				1,461,630	7	0.59
Nuvox Communications				1,419,880	8	0.57
Alvey Inc				1,345,640	9	0.54
Stag II St Louis LLC				1,333,900	10	0.54
Totals	<u>\$21,696,570</u>		<u>8.76 %</u>	<u>\$17,693,560</u>		<u>7.14 %</u>

Source: St. Louis County Assessor

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

<u>Fiscal Year</u>	<u>Net Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent Collected As Current</u>	<u>Delinquent Tax Collections (Refunds)</u>	<u>Total Tax Collections</u>	<u>Total Collections As Percent of Levy</u>
2016	\$3,275,061	\$3,214,249	98.1 %	\$ (5,429)	\$3,208,820	98.0 %
2015	3,172,988	3,109,865	98.0	15,992	3,125,857	98.5
2014	2,172,059	2,151,401	99.0	45,057	2,196,458	101.1
2013	2,170,667	2,132,617	98.2	964	2,133,581	98.3
2012	2,081,077	2,044,596	98.2	33,170	2,077,766	99.8
2011	2,070,082	2,015,123	97.3	7,888	2,023,011	97.7
2010	1,992,315	1,961,937	98.5	66,933	2,028,870	101.8
2009	2,049,426	1,967,487	96.0	35,911	2,003,398	97.8
2008	1,993,396	1,964,015	98.5	93,567	2,057,582	103.2
2007	1,968,547	1,907,078	96.9	14,290	1,921,368	97.6

1) Source: St. Louis County Collector's office

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

<u>Governmental Activities</u>						
<u>Fiscal Year</u>	<u>Notes Payable</u>	<u>Capital Lease</u>	<u>General Obligation Bonds</u>	<u>Total Debt - Governmental Activities</u>	<u>Percentage of Personal Income (1)</u>	<u>Per Capita</u>
2016	\$ 959,038	\$ 111,479	\$12,950,000	\$14,020,517	3.7 %	\$1,787
2015	92,113	-	13,530,000	13,622,113	3.6	1,736
2014	-	60,710	705,000	765,710	0.2	98
2013	-	178,699	730,000	908,699	0.2	117
2012	-	300,966	-	300,966	0.1	39
2011	-	425,410	185,000	610,410	0.2	79
2010	-	319,151	475,000	794,151	0.2	103
2009	-	387,689	755,000	1,142,689	0.5	154
2008	-	444,764	1,040,000	1,484,764	0.6	200
2007	-	501,740	1,320,000	1,821,740	0.8	245

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

1) See Demographics and Economics Statistics Table.

CITY OF OLIVETTE, MISSOURI
DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2016

<u>Name Of Governmental Unit</u>	<u>Debt Outstanding (1)</u>	<u>Percentage Applicable To City Of Olivette (2)</u>	<u>Amount Applicable To City Of Olivette</u>
Direct:			
City of Olivette	\$ 12,950,000	100.00 %	\$ 12,950,000
City direct debt (3)	1,070,517	100.00	1,070,517
Overlapping:			
St. Louis County	101,690,000	1.09	1,108,421
Ladue School District	148,719,976	16.41	<u>24,404,948</u>
			<u><u>\$ 39,533,886</u></u>

Source: Bond amounts were provided by the representative taxing districts or from records available through the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system ("EMMA"). Assessments were provided by the respective taxing districts or the St. Louis County Collector.

(1) Excludes overlapping taxing districts with assessed valuations applicable to the City that are less than 1%.

(2) Estimated based on 2015 real and personal property assessment roll as of December 31, 2015.

(3) Capital lease and notes payable debt not classified as general obligation

CITY OF OLIVETTE, MISSOURI
LEGAL DEBT MARGIN INFORMATION
FOR THE LAST TEN FISCAL YEARS

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Debt limit	\$24,734,623	\$23,178,246	\$22,893,839	\$23,700,132	\$23,394,957	\$24,152,054	\$24,408,841	\$24,962,065	\$24,952,744	\$20,414,041
Net debt applicable to limit	<u>12,950,000</u>	<u>13,530,000</u>	<u>705,000</u>	<u>730,000</u>	-	<u>185,000</u>	<u>475,000</u>	<u>755,000</u>	<u>1,040,000</u>	<u>1,320,000</u>
Legal Debt Margin	<u><u>\$37,684,623</u></u>	<u><u>\$36,708,246</u></u>	<u><u>\$23,598,839</u></u>	<u><u>\$24,430,132</u></u>	<u><u>\$23,394,957</u></u>	<u><u>\$24,337,054</u></u>	<u><u>\$24,883,841</u></u>	<u><u>\$25,717,065</u></u>	<u><u>\$25,992,744</u></u>	<u><u>\$21,734,041</u></u>
Total Net Debt Applicable To The Limit As A Percentage Of Debt Limit	52.36%	58.37%	3.08%	3.08%	0.00%	0.77%	1.95%	3.02%	4.17%	6.47%

Note: Bonded indebtedness is limited by Sections 95.111 and 95.120 of the Missouri Revised Statutes (1986) to 10% of the assessed value of taxable tangible property.

CITY OF OLIVETTE, MISSOURI
DEMOGRAPHICS AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Population</u>	<u>Median Age</u>	<u>Personal Income</u>	<u>Per Capita Income</u>	<u>Unemployment Rate(1)</u>
2016	7,845	43.7	\$ 376,442,325	\$ 47,985	5.1 %
2015	7,845	43.7	376,442,325	47,985	5.6
2014	7,845	43.7	376,442,325	47,985	6.5
2013	7,737	41.8	379,066,578	48,994	7.6
2012	7,737	41.8	371,933,064	48,072	7.5
2011	7,737	41.8	369,836,337	47,801	8.9
2010	7,737	41.8	341,774,238	44,174	9.6
2009	7,438	42.1	240,835,002	32,379	10.3
2008	7,438	42.1	240,835,002	32,379	6.3
2007	7,438	42.1	240,835,002	32,379	5.5

NOTE: 2015 and 2016 city specific data for population, median age, and per capital income are not availab

Source: US Census Bureau, US Bureau of Labor Statistics, and Missouri Dept. of Economic

(1) - June St. Louis, MO-IL MSA

CITY OF OLIVETTE, MISSOURI
PRINCIPAL EMPLOYERS
CURRENT YEAR AND SEVEN YEARS AGO

<u>Employer</u>	<u>2016</u>			<u>2009 *</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Enterprise Fleet Management	653	1	11.14 %			
US Bank	463	2	7.90	458	3	9.80 %
Intelligrated Systems	300	3	5.12			
The Murphy Company	248	4	4.23			
HDIS, Inc.	243	5	4.15	121	8	2.59
Medical West Respiratory Se	147	6	2.51			
PayneCrest Electric, Inc.	100	7	1.71	300	4	6.42
Lutheran Family and Childre	94	8	1.60			
BECS Technology, Inc.	82	9	1.40			
American HomeCare Manag	77	10	1.31			
Allied Industrial Equipment	77	10	1.31			
AT&T Operations				529	1	11.32
Waste Management				517	2	11.06
Monsanto Company				176	5	3.77
Excel Home Care, Inc.				161	6	3.44
Veolia Environmental Services				130	7	2.78
Alpha Care, Inc				107	9	2.29
Allied Waste				100	10	2.14
	<u>2,484</u>		42.38 %	<u>2,599</u>		55.61 %

* Information prior to 2009 not available

Source: Business License Applications

CITY OF OLIVETTE, MISSOURI
PRINCIPAL EMPLOYMENT BY BUSINESS CATEGORY
CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	<u>2016</u>			<u>2007</u>		
	<u>Employees *</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees *</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Real Estate, Rental, and Leasing	689	1	11.8 %	77	10	1.5 %
Construction	642	2	11.0			
Retail Trade	593	3	10.1	392	7	7.7
Professional, Scientific, and Technical Services	588	4	10.0	686	3	13.6
Finance and Insurance	532	5	9.1			
Manufacturing	520	6	8.9	676	4	13.4
Wholesale Trade	515	7	8.8	704	2	13.9
Health Care and Social Assistance	502	8	8.6	532	5	10.5
Accommodation and Food Service	293	9	5.0	257	8	5.1
Other services (except public administration)	229	10	3.9	118	8	2.3
Information (publishing and data management)				1,113	1	22.0
Administrative Support and Waste Management				457	6	9.0
All others	<u>758</u>		12.9	<u>49</u>		1.0
	<u><u>5,103</u></u>			<u><u>5,061</u></u>		

* Information from business license applications.

CITY OF OLIVETTE, MISSOURI
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Administrative:										
Legislative services	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Administrative services	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	4.0
Finance	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Police:										
Officers	23.0	23.0	23.0	23.0	23.0	23.0	23.0	23.0	23.0	23.0
Animal Control	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Civilians	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Fire:										
Officers	23.0	23.0	23.0	23.0	23.0	23.0	23.0	23.0	23.0	23.0
Civilians	0.5	0.5	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public works:										
Street maintenance	5.0	4.0	4.0	4.0	4.0	4.0	5.5	5.5	5.5	5.5
Fleet Mechanic	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Planning	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Parks and Recreation:										
Community Center	2.5	2.5	2.5	2.5	2.5	2.5	1.0	2.0	2.0	2.0
Recreation	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Parks Maintenance	4.5	4.5	4.5	4.5	4.5	4.5	4.0	4.0	4.0	5.0
Municipal court	1.5	1.5	1.5	1.5	1.5	1.5	2.0	2.0	2.0	2.0

1) Source: Annual budget document

CITY OF OLIVETTE, MISSOURI
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Police-patrol:										
Calls for Service	12,316	11,824	12,824	*	*	*	*	*	10,330	9,867
Auto Accidents	276	237	247	*	*	*	*	*	289	277
Violations Written	2,988	3,027	3,578	*	*	*	*	*	3,673	3,904
Arrests	377	442	423	*	*	*	*	*		
Fire/EMS:										
Fire Calls	460	428	369	290	350	412	404	510	483	648
Medical Calls	820	768	796	779	805	806	762	722	760	723
Court:										
Cases Heard	3,126	3,664	3,879	3,641	3,717	3,544	3,344	*	3,876	3,524
Warrants Issued	491	427	409	392	319	283	328	*	400	358
Parks and Recreation:										
Community Center Reservations	2,004	2,670	2,017	*	*	*	*	*	*	*
Youth sports participants	1,297	1,403	1,963	2,727	2,746	2,880	3,108	2,853	3,040	3,014
Public works:										
Snow Events	5	6	14	7	4	12	8	6	6	3
Planning and building:										
Building Permits Issued	196	165	192	*	*	*	*	*	380	416
Inspections Performed	3,163	3,534	3,163	*	*	*	*	*	2,490	2,752

* - Information not available

CITY OF OLIVETTE, MISSOURI
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Marked patrol units	6	6	6	6	6	6	6	6	6	6
Animal control vehicle	1	1	1	1	1	1	1	1	1	1
Fire:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire engines	2	2	2	2	2	2	2	2	2	2
Ambulances	1	1	1	1	1	1	1	1	1	1
Public Works:										
Street maint/snow removal vehicles	8	8	8	8	8	8	8	8	8	8
Lane Miles Maintained	43	43	43	43	43	43	43	43	43	43
Parks and recreation:										
Community centers	1	1	1	1	1	1	1	1	1	1
Number of parks	5	5	5	5	5	5	5	5	5	5
Acres of parks	90	90	90	90	90	90	90	90	90	90
Number of multi-use trails	5	5	5	5	5	5	5	5	5	5
Miles of multi-use trails	9	9	9	9	9	9	9	9	9	9



CITY COUNCIL AGENDA SUBMISSION
November 8, 2016

Agenda Item:

APPOINTMENTS TO THE OLIVETTE TAX INCREMENT FINANCING COMMISSION.

Description:

The Council is asked appoint Jeffrey Springer, David Busker, Richard Brophy, Thomas Curran, Pamela Reitz, and Glenn Henninger to the Olivette Tax Increment Financing Commission.

Mr. Springer is the Chair of the Olivette Economic Development Commission.

Mr. Busker is a member of the Olivette Economic Development Commission.

Mr. Brophy is a member of the Planning and Community Design Commission.

Mr. Curran is with the St. Louis County Executive Office.

Ms. Reitz is with the St. Louis County Department of Administration.

Mr. Henninger is with the St. Louis County Department of Transportation.

Recommended Action:

Motion to appoint Glenn Henninger to the Olivette Tax Increment Financing Commission.

Motion to appoint Thomas Curran to the Olivette Tax Increment Financing Commission.

Motion to appoint Pamela Reitz to the Olivette Tax Increment Financing Commission.

Motion to appoint Jeffrey Springer to the Olivette Tax Increment Financing Commission.

Motion to appoint Richard Brophy to the Olivette Tax Increment Financing Commission.

Motion to appoint David Busker to the Olivette Tax Increment Financing Commission.

Attachments:

Funding Request: N/A

Submitted by:

Barbara Sondag
CITY MANAGER



CITY COUNCIL AGENDA SUBMISSION
November 8, 2016

Agenda Item:

APPOINTMENT OF ZONING BOARD OF APPEALS ALTERNATE

Description:

The Council is asked appoint Adrian Hartman as an Alternate to the Zoning Board of Appeals. Mr. Hartman is a Principal at Prudential Mortgage Capital Company. Chairman Pro Tem Carl, liaison to the ZBA, has spoken with Mr. Hartman and is recommending this appointment.

Recommended Action:

Motion to appoint Adrian Hartman as an Alternate Member of the Zoning Board of Appeals for immediate appointment with a term ending June 30, 2021.

Attachments:

Funding Request: N/A

Submitted by:

Barbara Sondag
CITY MANAGER



**CITY COUNCIL AGENDA SUBMISSION
November 8, 2016**

Agenda Item:

Consideration of 2007 Chevrolet Impala surplus

Description:

The Planning department has retired asset 6868 (2007 Chevrolet Impala VIN 2G1WS55R679190677) and replaced it with the 2013 Chevrolet Impala that was recently taken out of service by the Police Department.

Recommended Action:

Motion to declare asset 6868 surplus so that it may be sold at public auction.

Attachments:

N/A

Funding Request:

N/A

Submitted by:

Bruce McGregor

DEPARTMENT HEAD



**CITY COUNCIL AGENDA SUBMISSION
NOVEMBER 8, 2016**

Agenda Item:

Review and Approval of the Minutes of the October 25, 2016 City Council Meeting.

Recommended Action:

Motion to approve the minutes of the October 25, 2016 City Council meeting.

Attachments:

- Draft Minutes

Submitted by:

Myra G. Bennett, CMC/MPCC
City Clerk

DEPARTMENT HEAD

**CITY OF OLIVETTE
CITY COUNCIL MEETING MINUTES
October 25, 2016**

The Olivette City Council met on October 25, 2016 at 7:00 PM in the Council Chambers at Olivette City Hall located at 9473 Olive Boulevard, Olivette, Missouri. Mayor Ruth Springer called the meeting to order.

Mayor Springer noted that she and Police Chief Knox attended the funeral of St. Louis County Police Officer Blake Snyder, on October 13th. She stated that attending the funeral was a heart wrenching occasion for her. She stated that Officer Snyder was dedicated to his faith, his wife and young son, his profession as a Police Officer, and the community he served. Thousands attended his funeral. She stated that this is not the first funeral she has attended, but hopes it will be the last. Mayor Springer asked for a moment of silence for Officer Snyder, to remember him and to offer prayers to his family for the days ahead.

Item #1 – Roll call

On roll call, the following persons were present: Mayor Ruth Springer, Chairman Pro-tem J. Gregory Carl, Council Member Maxine Weil, Council Member Missy Waldman and Council Member Suzanne Sewell.

Also in attendance were City Manager Barbara Sondag, City Attorney Paul Martin, Police Chief Rick Knox, Lieutenant Dave Wolf, Assistant Fire Chief Ron Johnson, Finance Director Darren Mann, Planning & Community Development Director Carlos Trejo, Human Resources Administrator Denise Mandle, and City Clerk Myra Bennett.

Item #2 – Communications

City Clerk Bennett noted that no written communications were submitted for the October 25, 2016 City Council meeting.

Police Chief Knox introduced newly hired Police Officer, Justin Dertinger. Mayor Springer conducted a swearing-in ceremony for Officer Dertinger.

Item #3 – City Manager's Report

City Manager Sondag reported the following:

- The contractor is scheduled to finish the paving of Old Bonhomme Road either today or tomorrow. Work has begun at the intersection of Old Bonhomme Road and Olive Boulevard, and two-way traffic should open on November 1st, depending upon the status of the utility work.
- Construction of the new City Center continues. Framing of the reception area has begun, and the dry wall work on the second floor is almost completed. A second "low voltage" meeting was held last week. The masonry work on the exterior of the building is almost complete, and most of the window frames are in. It was noted that "move in" is still scheduled for March 2017, and the project remains well within budget.
- "Boo Bash" was held last weekend, with approximately 100 children in attendance.
- The Public Works Department has taken possession of the new Bob Cat. Concrete replacement on Warson Pines is completed.

DRAFT

- The 3rd Annual “Turkey Trot”, 5K run/walk, will be held on Thanksgiving Day at 8:00 AM at Stacy Park. Urban Chestnut has donated beer for after the run, for anyone participating in the event who is 21 years of age or older.
- A “Coffee with the Mayor” event will be held tomorrow morning at 8:45 AM at City Hall.
- Citywide leaf collection will begin on November 2nd. A complete schedule for the pickup is available on the City website.

Item #4 – City Council Reports

Council Member Waldman noted that the next Planning and Community Design Commission meeting will be held on Thursday, October 27, 2016, at the Community Center.

Council Member Sewell stated that she attended the Parks and Recreation Commission meeting on October 19, 2016. She noted that the Commission recapped some of the information from the National Parks and Recreation Conference. She also noted that Parks & Recreation Director Tucker-Knight will be asking some of the vendors from the convention to meet with the Parks and Recreation Commission. The upcoming schedule of special events was reviewed with the Commission, including “Bulb-a-palooza”, Women’s Tea, and Photography Exhibit. The possibility of offering COCA (Center of Creative Arts) Summercamp programs was also discussed. Council Member Sewell stated that the proposed layout for the activity guide was presented to the Commission.

Council Member Weil stated that she has nothing to report at this time.

Chairman Pro-tem Carl reported that he attended an “Olivette One” meeting. He noted that this group is planning to initiate a tutoring program for middle school students, beginning in January.

Chairman Pro-tem Carl also reported that he attended a meeting of the Economic Development Commission last night. He stated that discussion was held regarding the assessed value of property along Olive Boulevard. It was also noted that the North Price Industrial Park and Dielman Industrial park are occupied in excess of 98%.

Mayor Springer stated that she attended a meeting of the Executive Board of the St. Louis County Municipal League last Thursday, and they discussed the legislative agenda that they wish to pursue in Jefferson City.

Item #5 – September Financial Report

Finance Director Mann gave a summary of revenues and expenditures for all funds. He noted that revenues are below expectations; however, they are higher than last year. He reported that all revenue sources are reporting above prior year except parks and recreation revenues and court revenues. Mr. Mann stated that Parks and Recreation revenues continue to struggle at the community center rental line and youth soccer lines, despite lower budgets; he noted that permits income continues to outperform expectations at 31% of budget, and \$16,251 higher than last year to date. He noted that expenditures ended September at 24.92% of budget, and \$134,076 higher than last September to date. Mr. Mann also noted that sales tax revenues remain strong, at approximately 27%, which is above the expected 25%.

Council Member Waldman asked if the Parks and Recreation revenues have improved over the past two years. Finance Director Mann stated that it is difficult to say, due to changes in programming in that Department.

Item #6 – Quarterly Investment Report

Finance Director Mann noted that a summary statement has been distributed to the City Council, which was provided by FTN Financial who facilitates the purchase of investments for the City's operational funds. He stated that, since the last report in July, there have been 3 CD maturities in the general fund holdings and 1 CD maturity with the sewer lateral fund. Finance Director Mann reported that the last maturity, at the end of September, was reinvested for another year in the general fund activities with a .05% yield improvement to .75%. He stated that major projects led to uncertainty of timing of cash needs and no reinvestment until recently. He noted that, since much of the uncertainty has been alleviated, and property tax collection will begin soon, reinvestments are resuming.

Item #7 – Hearing from Citizens (Part I)

Sue Rich, 8927 Hilltop Manor Drive, thanked the Mayor and City Council for giving the members of the Park and Recreation Committee the opportunity to attend the National Parks Conference.

OLD BUSINESS – None.

NEW BUSINESS

Item #8 – Bill #2822 - An Ordinance to Amend a Certain Section of Personnel Ordinances and Regulations – First Reading.

City Clerk Bennett read Bill #2822 - An Ordinance to Amend a Certain Section of Personnel Ordinances and Regulations, for the first time, by title only.

City Manager Sondag stated that under the Personnel Rules and Regulations, (Travel and Travel Related Reimbursement policy) as currently written, reimbursement for meals during travel is done based solely on the per diem rates established by the U.S. General Services Administration (GSA). The proposed language would reimburse for meals and incidentals based on itemized receipts, up to the maximum allowable per diem meal rates published by the U.S. GSA.

It is anticipated that the second reading of this bill will be held at the November 8, 2016 City Council meeting.

Item #9 – Resolution 2016-120 - A Resolution Authorizing the City Manager to enter into an Agreement with EMS Management & Consultants, Inc. For Ambulance Billing Services and with ESO Solutions, Inc. for an Electronic Patient Care Reporting System

Assistant Fire Chief Johnson gave an overview of this item, noting that a request for proposals for Ambulance Billing Service and electronic Patient Care Reporting (ePCR) software was published on July 29th, and three responses were received from the following vendors: McKesson, Proclaims, and ESO Solutions. He stated that, after review of the proposals, the most economical choice for the City would be EMS Management/ESO Solutions, Inc. Discussion held regarding the language of the agreements and review process.

Chairman Pro-tem Carl made a motion to approve Resolution 2016-120 - A Resolution Authorizing the City Manager to enter into an Agreement with EMS Management & Consultants, Inc. for Ambulance Billing Services and with ESO Solutions, Inc. for an Electronic Patient Care Reporting System. Motion seconded by Council Member Weil.

POLL OF THE COUNCIL:

Chairman Pro-tem Carl	Yea
Council Member Weil	Yea
Council Member Sewell	Yea
Council Member Waldman	Yea
Mayor Springer	Yea

Motion passed.

Item #10 – Resolution #2016-121 - A Resolution Approving a Procurement Policy for the City of Olivette

City Manager Sondag asked that this item be deferred for discussion at the next City Council Work Session. City Council agreed.

Item #11 – Resolution #2016-122 - A Resolution Approving a Contract with PKI for the Installation, Access, and Testing of Two Monitoring Wells in Indian Meadows Park

City Manager Sondag stated that the City received a request from Perkinelmer, Inc (PKI), an environmental consultant, to install and maintain two monitoring wells, near 9615 Huron Drive in Indian Meadows Park, for the purpose of investigating contamination at the Chicago Heights Site in Overland. She stated that it appears that there was a release of contamination at 9979 Page Avenue. Detectable surface contamination at the Overland location has been minimal and is being addressed; however, the EPA requires an investigation into the possibility of groundwater contamination migrating to the south. PKI does not expect to find any contamination at our site; this is simply a precautionary measure required by the EPA. She added that the wells will stay in place for a period of five years, and noted that Park and Recreation Director Beverly Tucker-Knight is in support of the agreement.

Tom Zychinski, representative of PKI, was in attendance to answer questions from the City Council. Discussion held.

Council Member Waldman made a motion to approve Resolution #2016-122 - A Resolution Approving a Contract with PKI for the Installation, Access, and Testing of Two Monitoring Wells in Indian Meadows Park, with the condition that PKI agrees to send letters to the residents in the impacted area, and the understanding that no work will commence without the approval of the City Manager and notification to residents. Motion seconded by Council Member Sewell.

POLL OF THE COUNCIL:

Council Member Waldman	Yea
Council Member Sewell	Yea
Council Member Weil	Yea
Chairman Pro-tem Carl	Yea
Mayor Springer	Yea

Motion passed.

Item #12 - Resolution #2016-123 – A Resolution Authorizing the Execution of Change Orders #25, #32 and #36 of the Contract between the City of Olivette and United Construction for the Construction of the New City Center

City Manager Sondag noted that City policy stated that change orders over \$10,000 require City Council approval. She stated that the City Council is being asked to approve a resolution authorizing execution of three change orders of the contract between the City of Olivette and

United Construction for construction of the new City Center. Change Order #25 in the amount of \$12,982, includes costs of labor and materials associated with internet and networking infrastructure upgrades. Change Order #32, in the amount of \$90,152, includes cost and labor associated with the decision to upgrade sections of the parking area from pervious concrete to permeable pavers. Change Order #36, in the amount of \$40,181, includes costs of labor and materials associated with upgrading the parking area from asphalt to concrete. City Manager Sondag noted that, while change orders #32 and #36 add cost at construction, both change orders will provide a higher quality product and reduce future maintenance costs.

Council Member Weil made a motion to approve Resolution #2016-123 - A Resolution Authorizing the Execution of Change Orders #25, #32 and #36 of the Contract between the City of Olivette and United Construction for the Construction of the New City Center. Motion seconded by Council Member Waldman.

POLL OF THE COUNCIL:

Council Member Weil	Yea
Council Member Waldman	Yea
Council Member Sewell	Yea
Chairman Pro-tem Carl	Yea
Mayor Springer	Yea

Motion passed.

Item #13 - Financial Advisory Agreement

City Manager Sondag gave an overview of this issue noting that, as North Price Road NID construction comes to an end, staff has begun work on the financial reconciliation. She stated that, once all costs are in, the City Council will be asked to authorize the assessment role and associated final financing. She noted that it is anticipated that total costs will be approximately \$1.4 million, which will be financed through the sale of bonds, to be paid by property owners. City Manager Sondag stated that staff recommends that the City enter into a contract with WM Financial Strategies for assistance on structuring and selling the bonds.

Mayor Springer asked if the total cost could theoretically be less than anticipated. City Manager Sondag indicated that it could, but that is not anticipated.

Council Member Sewell made a motion to enter into a Financial Advisory Agreement with WM Financial Strategies as outlined in Exhibit A. Motion seconded by Council Member Waldman.

POLL OF THE COUNCIL:

Council Member Sewell	Yea
Council Member Waldman	Yea
Council Member Weil	Yea
Chairman Pro-tem Carl	Yea
Mayor Springer	Yea

Motion passed.

Item #14 – Approval to Purchase One (1) Replacement Vehicle for the Olivette Police Department to be Utilized by the Patrol Division

Lieutenant Wolf stated that the recently adopted Operating Budget for Fiscal Year 2016-17 included the authorization for replacement of two (2) vehicles for the Olivette Police Department. He noted that the first vehicle was purchased in July 2016, and the Police

Department is now coming before the City Council with the second request. He stated that the Police Department is requesting that the City Council authorize the purchase of one (1) 2017 Ford Police Interceptor Sedan from Lou Fusz Ford, for use by the Patrol Division. Discussion held.

Council Member Waldman made a motion to approve the purchase of one (1) 2017 Ford Police Interceptor Sedan from Lou Fusz Ford, not to exceed \$23,662.00. Motion seconded by Council Member Weil.

POLL OF THE COUNCIL:

Council Member Waldman	Yea
Council Member Weil	Yea
Council Member Sewell	Yea
Mayor Springer	Yea
Chairman Pro-tem Carl	Yea

Motion passed.

Item #15 - Selection of New City Center Telephone System

Finance Director Mann gave an overview of this issue, noting that the current City phone system has been deemed as not cost effective to bring up to date to be moved to the new City Center. He stated that exploration of new phone systems began over 1 year ago with preliminary budgeting, and progressed over the last 3 months with the consideration of many systems to provide the best fit for the City. He reported that two systems were chosen to be reviewed by staff, and after reviewing their input and comments regarding each system, it is recommended that the City Council authorize the purchase of the Mitel 5000HX system, through Tech Electronics, Inc.

Mayor Springer noted that she attended a portion of the most recent staff meeting, where this issue was being discussed. She commended staff on their knowledge of both systems, and their input on this decision.

Council Member Weil made a motion to authorize the City Manager to enter into contract with Tech Electronics, Inc. for purchase of Mitel 5000HX and components along with additional 4 year extended maintenance agreement, in amount not to exceed \$51,250. Motion seconded by Council Member Sewell.

POLL OF THE COUNCIL:

Council Member Weil	Yea
Council Member Sewell	Yea
Council Member Waldman	Yea
Chairman Pro-tem Carl	Yea
Mayor Springer	Yea

Motion passed.

Item #16 - Request for Document Destruction

City Clerk Bennett noted that, last year, the City Council adopted Ordinance 2552, outlining a process for document destruction for the City, based on the State records retention guidelines. She stated that with the move to the new City Center approaching, staff in all departments have been reviewing files, in order to eliminate documents that have exceeded the minimum retention schedule. It was noted that memos from Human Resources Director Mandle and the

City Clerk have been distributed to the City Council, outlining documents that the City is currently maintaining, which have exceeded the retention requirements. The Human Resources Director and City Clerk are requesting authorization for the secure destruction of these documents.

Council Member Sewell made a motion to authorize the destruction of documents as defined in the attached memo from the City Clerk dated October 19, 2016, and in the attached memo from the Human Resources Administrator, dated October 21, 2016. Motion seconded by Council Member Waldman.

POLL OF THE COUNCIL:

Council Member Sewell	Yea
Council Member Waldman	Yea
Mayor Springer	Yea
Chairman Pro-tem Carl	Yea
Council Member Weil	Yea

Motion passed.

Item #17 - Review and Approval of the Minutes of the September 27, 2016 City Council Meeting & October 4, 2016 Work Session Meeting

Mayor Springer asked if there were any corrections to be made to the minutes of the September 27, 2016 City Council Meeting & October 4, 2016 Work Session Meeting. Being none, Council Member Weil made a motion to approve the September 27, 2016 City Council Meeting & October 4, 2016 Work Session Meeting minutes as written. Motion seconded by Council Member Sewell.

POLL OF THE COUNCIL:

Council Member Weil	Yea
Council Member Sewell	Yea
Council Member Waldman	Yea
Chairman Pro-tem Carl	Yea
Mayor Springer	Yea

Motion passed.

Item #18 – Hearing from Citizens (Part 2)

No speaker cards were submitted.

Item #19 – City Attorney’s Report

City Attorney Martin noted that oral arguments in the Police Standards case are scheduled for December 7, 2016.

City Manager Sondag recommended that the City Council hold an Executive Session for attorney-client privileged communications and to discuss real estate matters, pursuant to the Revised Statutes of the State of Missouri, Section 610.021.1 and Section 610.021.2.

Executive Session

Council Member Waldman made a motion to move into Executive Session, pursuant to the Revised Statutes of the State of Missouri, Section 610.021.1 and Section 610.021.2, for

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attorney-client privileged communications and real estate matters. Motion was seconded by Chairman Pro-tem Carl.

POLL OF THE COUNCIL:

Council Member Waldman	Yea
Chairman Pro-tem Carl	Yea
Council Member Sewell	Yea
Council Member Weil	Yea
Mayor Springer	Yea

Motion passed. City Council moved to Executive Session at approximately 8:36 PM.

The City Council reconvened to the regular meeting at approximately 10:08 PM. It was noted that no reportable votes were taken.

Item #20 – Adjournment

Being no further business, Chairman Pro-tem Carl made a motion to adjourn the meeting. Motion seconded by Council Member Waldman. Mayor Springer adjourned the meeting at approximately 10:10 PM.

Mayor Ruth Springer

ATTEST:

Myra G. Bennett, CMC/MPCC
City Clerk
City of Olivette



CITY COUNCIL AGENDA SUBMISSION

Agenda Item:

Hearing from Citizens (Part 2)

Description:

Olivette citizens and businesses express concerns, discuss issues, and make requests of the City Council's assistance in getting matters resolved.

The Mayor and City Council would like to remind the audience of the following:

1. The purpose is to hear your concerns, issues, and questions.
2. Cards submitted after the beginning of 1st "Hearing from Citizens" will not be called until the 2nd "Hearing from Citizens".
3. The Chair has discretion to allow individuals to speak without previously submitting a card; however, those individuals will also need to complete a card.
4. Personal attacks of Council Member, Staff, and/or individuals are not permissible.
5. Any question should be directed to the Chair and only the Chair.
6. Questions concerning agenda items may be addressed by Council or staff at the time the agenda item is discussed.
7. Questions that are not pertaining to agenda items may receive an answer by the method of your choice; indicated at the bottom of the submittal cards.
8. Profanity is not allowed.
9. Campaigning and electioneering are not permitted.

"Hearing from Citizens" is not intended to be an open discussion. It is intended to provide an opportunity for citizens to be heard at official meetings.

When called, please step to the podium; state your name and your address before addressing your subject matter.

Each person has up to three (3) minutes to speak. Should your time elapse, you are welcome to continue at the second hearing from citizen's session again, for up to 3 minutes.