



CITY OF OZARK

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471-581-2407

2021

Annual Comprehensive Financial Report

For the fiscal year ended December 31, 2021

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CITY OF OZARK, MISSOURI

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR
ENDED DECEMBER 31, 2021

REPORT PREPARED AND SUBMITTED
BY THE FINANCE DEPARTMENT

Stephen Childers, City Administrator
And
Mary Edna Wilson, Finance Director

City of Ozark, Missouri
Annual Comprehensive Financial Report
For the Year Ended December 31, 2021

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City of Ozark, Missouri
Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2021

SECTION I – INTRODUCTORY



July 28, 2022

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Ozark:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements. The City's financial statements are prepared on an accrual basis of accounting which complies with generally accepted accounting principles (GAAP). These statements are audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the City of Ozark for the fiscal year ended December 31, 2021

This report consists of management's representations concerning the finances of the City of Ozark. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Ozark has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Ozark's financial statements in conformity with the accrual basis of accounting. Because the cost of internal controls should not outweigh their benefits, the City of Ozark's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Ozark's financial statements have been audited by Decker & DeGood, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Ozark for the fiscal year ended December 31, 2021 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, there was a reasonable basis for rendering an unqualified opinion that the City of Ozark's financial statements for the fiscal year ended December 31, 2021, are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is presented as the first component of the financial section of this report.

GASB requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Ozark's MD&A can be found immediately following the report of the independent auditor.

Profile of the Government

The City of Ozark, incorporated on August 3, 1888, has been one of the fastest growing cities in the State of Missouri for the past 2 decades. We are located in the southwestern part of the state, in an area considered to be a top growth area in the state. Ozark lies 10 minutes south of Springfield, the state's third largest city, and 20 minutes north of Missouri's number one tourist destination, Branson. The City of Ozark currently occupies a land area of approximately 12 square miles, and has the ability to service an additional 30.9 square miles outside of our current city limits with public water and sewer infrastructure, an area referred to as the "Urban Service Area." The City of Ozark is empowered to levy a property tax on real properties located within its boundaries, and historically only annexes property when petitioned by landowners.

The City of Ozark operates under the Mayor-Board of Aldermen form of government. Policy-making and legislative authority are vested in a governing Board consisting of the mayor and six Board of Aldermen. The governing Board is responsible, among other things, for passing ordinances, adopting the budget, approving appointments to committees, hiring the city administrator,



and approving appointments of certain city officials. The city administrator is responsible for carrying out the policies and ordinances of the governing Board, and for overseeing the day-to-day operations of the government. The Board of Aldermen is elected on a non-partisan basis. Board members serve two-year staggered terms, with three Board members elected every year. The mayor is elected to serve a two-year term. Two Board members are elected from each of the city's three wards.

The City of Ozark provides the following services as authorized by its charter: public safety (police), highway and streets, sanitation, wastewater treatment, potable water, capital improvements, emergency management, municipal court, parks & recreation, planning and zoning, and general administrative services.

The annual budget serves as the foundation for the City of Ozark's financial planning and control. Each July, administration starts collecting data necessary to make preliminary revenue estimates for the coming fiscal year. Department heads are required to submit a statement of expected expenditures for the coming fiscal year by the end of August. In the fall of each year, administration reviews departmental requests, makes final revenue estimates for the coming fiscal year, and begins assembling the City budget in October and November. The city administrator presents this proposed budget to the Board, where the Board is required to hold public hearings on the proposed budget. The Board must adopt a final budget no later than December 31, the close of the City of Ozark's fiscal year. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Amendments to the budget must be approved by the governing Board. Budget-to-actual comparisons are provided in this report for each individual department within the General Fund for which an appropriated annual budget has been adopted.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Ozark operates.

Local economy

Although Ozark grew from a population of 5,000 to 20,000 in approximately 20 years, the economic crash of 2008 slowed Ozark's growth considerably between 2008 and 2010. Fortunately both residential and commercial development started again in 2011, and we expect that trend to continue through 2022 and beyond. Because of our geographic location between Springfield and Branson, our "pro-business" approach toward managing the city, and our available land and infrastructure, we feel the city shall remain as an attractive location for development in the decades to come.

Ozark offers a combination of rural beauty combined with urban land uses which provide for a diverse economic climate. We believe Ozark's core "quality of life" attributes such as an affordable cost of living; affordable cost of development, low crime rate, and close proximity to good paying jobs in the City of Springfield makes Ozark a desirable place to live, retire, and raise a family. Our community is home to the beautiful Finley River Valley and its surrounding natural beauty, various housing options for families, outstanding park and recreation programs and facilities, including a new "Inclusive Park", and an exceptionally strong school district. The Ozark R-VI School District currently holds an A rating from the State Department of Elementary and Secondary Education with a total enrollment of approximately 5,688 students. The Ozark School District is the City's largest employer.

The City of Ozark is also home to the Ozark Technical Community College Richwood Valley Campus serving approximately 1,800 students. The community college was recently successful in obtaining voter approval for an increase in their general tax levy. With this new revenue they have expanded their services at the Richwood Valley Campus by bringing their Turf Management, Landscaping and Agricultural Programs to Ozark. A new facility for this program has been completed and was opened in 2019. The Richwood Valley Campus is encompassed by a wonderful pedestrian greenway trail, has been connected to other trail/sidewalk infrastructure in 2021 that allows a continuous walkway from the campus to the City of Ozark's Central Business District.



Major manufacturers/Distributors: Tracker Marine, boat trailers; North American Tank, Stainless Steel Tanks; Republic Refrigeration, commercial & industrial refrigeration equipment, Heavy Duty Rebuilders, rebuilt motors and transmissions; Prestressed Casting, concrete works, precast and prestressed concrete products, and Creative Audio an online retailer and distribution company for high end audio components and equipment.

Major retailers: Wal-Mart Super Center is the largest retail business in Ozark, employing approximately 332. Lowe's currently employs approximately 150. Lambert's restaurant employs approximately 198. Shoppers in Ozark can choose from historic downtown shops, antique shops and flea markets, or the latest in shopping malls. Our antique shops and flea markets are visited annually by an estimated 800,000 visitors.

Major Service businesses: Ozark Riverview Manor and Ozark Nursing and Care Center are major employers in Ozark and provide a valuable service to our senior citizens and their families. Murfins Market, Price Cutter Grocery Stores and Orschelns Farm Supply Company are also major retailers that provide jobs and added tax revenue for the community. The City is also fortunate to have several dentists, medical physicians' offices, and eye care centers located here. The two major medical providers, Mercy & Cox Health, also have medical facilities in Ozark including a emergency walk in clinic as well as clinics that can perform minor medical procedures.

According to census figures, the City of Ozark's employed labor force is approximately 11,512.

Located along Highway 65, the City includes three fully functioning commercial interchanges which all connect to available development property.

- (1) North Ozark – Located at the NE corner of our northern most interchange is the nationally known destination restaurant “Lamberts,” which draws over one-hundred thousand visitors a year. Two new local restaurants have also located at this intersection which are “The Vineyard” and “B-29’s. Both are exceptional and have provided new economic benefits to Ozark. At the NW corner of this intersection is our newest commercial shopping center, Deerbrooke Commercial Place. This development boasts a new McDonald’s, Taco Bell, Culvers, Kum & Go convenience store, and a new commercial strip center that will include a Prima’s Mexican Cantina and other commercial venues. Deerbrooke has other large commercial lots that have not yet been developed but are zoned to accommodate hospitality and other retail uses. At the SW corner of this intersection is the Fremont Towne Centre. This development consists of several professional office buildings ranging in use from medical to construction services. The newest retailer to this area is the Christian County Discount Grocery Store, which includes over 25,000 square feet of new retail space. The newest professional office building, houses the Cox Health Urgent Care facility. Anchoring the SE corner of this intersection is the newly renovated U.S Baseball stadium. This stadium recently completed over \$3M of upgrades to the turf and scoreboard and has complete a state of the art indoor training facility and club house. U.S. Baseball Park hosts regularly scheduled minor league and college games, and will be hosting the Missouri High School Championship for the next five years.
- (2) Central Ozark - The NW corner of the intersection of Highway 65 and Highway 14 serves as the primary entrance into our Central Business District and is also a vital commercial area. This area provides both professional and retail services for local citizens and highway travelers consisting of gas stations, convenience stores, restaurants, movie theaters, lodging, antique retailers, automotive sales, financial institutions and various professional offices. The Ozark Corners Shopping Center is home to one of our McDonald’s, Chambers Outlet Store, Family Center Farm & Home retail store, as well as several restaurant/service/office businesses. Mo. State Hwy 14 has been widened from this intersection both to the east past the Finley River Bridge and to the west.
- (3) South Ozark – The intersection of Highway 65 & FF is the access to our largest and most profitable commercial district called Ozark Center. The Ozark Centre shopping area is anchored by a Wal-Mart Super Center and Lowe’s. The shopping center also offers retail and service businesses, restaurants, banking institutions, two car washes one being a full service car wash. Several strip centers and retail stores, including Walgreens, lie just to the east of Ozark Center including the offices of the Ozark Chamber of Commerce. The primary arterial serving south Ozark, South Street, was just widened by MoDot through a cost-share program between MoDot and the City of Ozark from three to five lanes opening up several tracts of land for future commercial opportunities.



- (4) Central Business District (CBD) – This district can be reached from any interchange in Ozark but is most directly served by the Highway 65/14 Central interchange. Business 65 runs through the heart of the city known as the Ozark Downtown River District. Within this district lies the beautiful Finley River, home to a new tourist destination called Finley Farms. Finley Farms consists of 54-master planned acres and features the newly renovated Ozark Mill restaurant, brewery, , cottages, outdoor education buildings, thousands of square feet of meeting space, Ozark Heritage Museum, and the Ozark Farmers Market. Also included as part of this development is the relocation of the one lane Finley River Bridge and Wedding Pavilion.
- (5) Ozark is the county seat of Christian County and within the center of our downtown (the square) sits the historic Christian County Courthouse which still houses many of the governmental offices for both Christian County and the City of Ozark. Along the perimeter of the square and across the street from the courthouse are many more historically significant buildings which have been renovated and repurposed as modern retail, office, and shopping locations. Some also include residential loft apartments on the upper floors. One new restaurant called “The Finley,” which was the former Ozark Presbyterian Church is now an eatery, meeting space, and speakeasy. Also new to the historic downtown square is the recently opened Christian County Court Facility which will serve to make our community safer as well as provide much needed additional parking for downtown customers.

Long-Term “Financial” Planning.

Planning for the future is essential to a growing city. Ozark has taken this seriously over the past decade and is conducting updates to all of its existing master plans. In March 2019 the Planning and Zoning Commission adopted an update to their Comprehensive Land Use Plan which sets forth the guidelines for land use and zoning to maximize the highest and best use for properties. This plan supports the goals and objectives that were established by the Board of Aldermen in their recently adopted 2016 Strategic Plan. These documents define the vision of the Community, identify the goals and establish action steps for city leaders and staff to implement actions that will help preserve, protect and promote the quality of life for our Citizens.

The Ozark Land Clearance for Redevelopment Authority (LCRA) and Public Funding Corporation (PFC) acquired approximately 15-acres of development land in the central business district after the economic crash in approximately 2009. Although this debt impacted the general revenue fund significantly, the property is now debt free. This will provide a great incentive to secure development in the heart of Ozark. The City is pursuing that development at this time. In order to make this property more marketable, the City has completed different land use plans over the years to make the property more marketable. In addition, the City has completed \$200,000 of upgrades to the area’s water and electric infrastructure and in partnership with Mo Dept. of Transportation completed a \$1.3 million upgrade to the 3rd Street intersection. Included in the intersection project is a new pedestrian sidewalk that links Ozark’s Central Business District to the Finley River Park

Ozark’s first sewer master plan was completed in 2005. According to this plan, and recognizing the pressure of new development on our older sewer facility, the Board of Aldermen decided to borrow over \$20M to construct the new Elk Valley Wastewater Treatment Plant and Interceptor gravity sewer main which became operational in September, 2009. This project was financed through the State Revolving Fund at 1.9% interest. The addition of this wastewater treatment facility to our sewer system provided for future growth and now that the economy is growing again will be able to provide sewer capacity for the new growth. However, as that occurred over a decade ago the city’s sewer system has aged and more improvements need to be made. The City’s Public Works Department has now completed an update to the sewer master plan and reestablished a new priority list of projects. This list of sewer projects is estimated to cost the city an additional \$13M over the next decade and will require staggered sewer user rate increases used to fund the additional bond debt. The debt will be paid for from existing sewer reserve funds as well as the new revenue from user fees.

The Ozark Community Center (The O.C.) is a beautiful, 30,000 square foot facility and houses the parks & recreation department offices, banquet/meeting rooms, basketball courts, aerobic room, spinning room, arcade, snack bar, and a suspended indoor walking/running track, fitness facilities, indoor pool and other amenities and is currently meeting the recreational needs of our citizens. However, as the city grows so does the desire and demand for more recreational amenities such as trails, parks, open



space, playgrounds, and sports fields. Our Park and Recreation Department completed a Park Master Plan at the end of 2018 which included a citizen survey outlining a list of priorities they wanted to see happen over the next decade. One of these priorities was an “Inclusive Park” that can be utilized by anyone but has special accommodations for children with special needs. This was completed and opened in early 2022. How to pay for these new amenities is the challenge and probably always will be so we are working to identify both public and private funding options which were utilized for the Inclusive Park.

The City of Ozark is in the process of completing needed improvements to our water delivery system. These much needed projects are being funded by two separate bond issues totaling \$14,205,000. We believe these improvement will handle the current and future users and fire flow pressure requirements for citizens of the City of Ozark. The final phases of a water main improvement is currently under construction in the Central Business District and should be completed by the end of 2022. The Board of Aldermen has already approved by ordinance for the water user fee increases that will generate the additional revenues to satisfy this long term bond debt. This water user fee increase was phased in over a 3-year period.

A significant challenge to the City of Ozark over the past decade has been finding the necessary revenues to maintain its rapidly deteriorating transportation network. Upkeep and maintenance of existing streets was inadequate and continued to compete with other departments within the General Revenue Fund such as public safety, planning and development services, and other administrative costs. That lack of available general fund revenue kept the City from implementing new transportation capital improvements such as intersection expansions, lane additions, turn lane extensions, as well as bridge and local street replacements which are all needed to support future economic development.

Fortunately, the City received voter approval in April 2017 for its first ever 3/8 cent transportation sales tax. This sales tax has a sunset clause of 5-years and was successfully renewed by voters in 2022. It is estimated to generate nearly \$5.5 million dollars in new revenue that will be dedicated to transportation improvements such as roads, bridges, sidewalks, and trails.

Transportation planning and engineering have become priorities for the City of Ozark in the past few years. In 2019, the City was successful in obtaining four TAP grants totaling over \$1M in federal funding assistance. This round of TAP grant projects began in the fall of 2020 and will be completed by the spring of 2022. In 2020 the City was also successful in obtaining a 50/50 cost share grant from MoDot, and through an Intergovernmental Agreement with the Ozark School District a financial partnership donation, to install two pedestrian underpasses under Jackson Street. These new pedestrian underpasses extend the Chadwick Flyer Greenway trail and provide a safe passage for students and citizens between the main Ozark School campuses on the north side of Jackson Street to the schools new Innovation Center on the south side of Jackson St.

Working in conjunction with OTO, Mo Dept. of Transportation (MoDot) the City of Ozark will be accomplishing many major transportation projects in the next 5-years using the new sales tax revenue, State and Federal Funds.

Cash management policies and practices.

Cash temporarily idle during the year is invested in high yield savings or in certificates of deposit with maturities ranging from 30 days to 12 months.

Risk management.

During 2021, the City was insured by Tokyo Marine for Property/Casualty and General Liability coverage and Missouri Employers Mutual for Workers Compensation coverage. The City carries a blanket surety bond on all employees.

Pension and other post-employment benefits.

The City of Ozark participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan that provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information.



Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated services of the entire City staff. We would like to thank everyone who assisted and contributed to the preparation of this report. Credit also must be given to the mayor and the governing council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Ozark's finances.

Respectfully submitted,

A handwritten signature in black ink that reads "Stephen Childers".

Stephen C. Childers
City Administrator

A handwritten signature in black ink that reads "Mary Edna Wilson".

Mary Edna Wilson
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

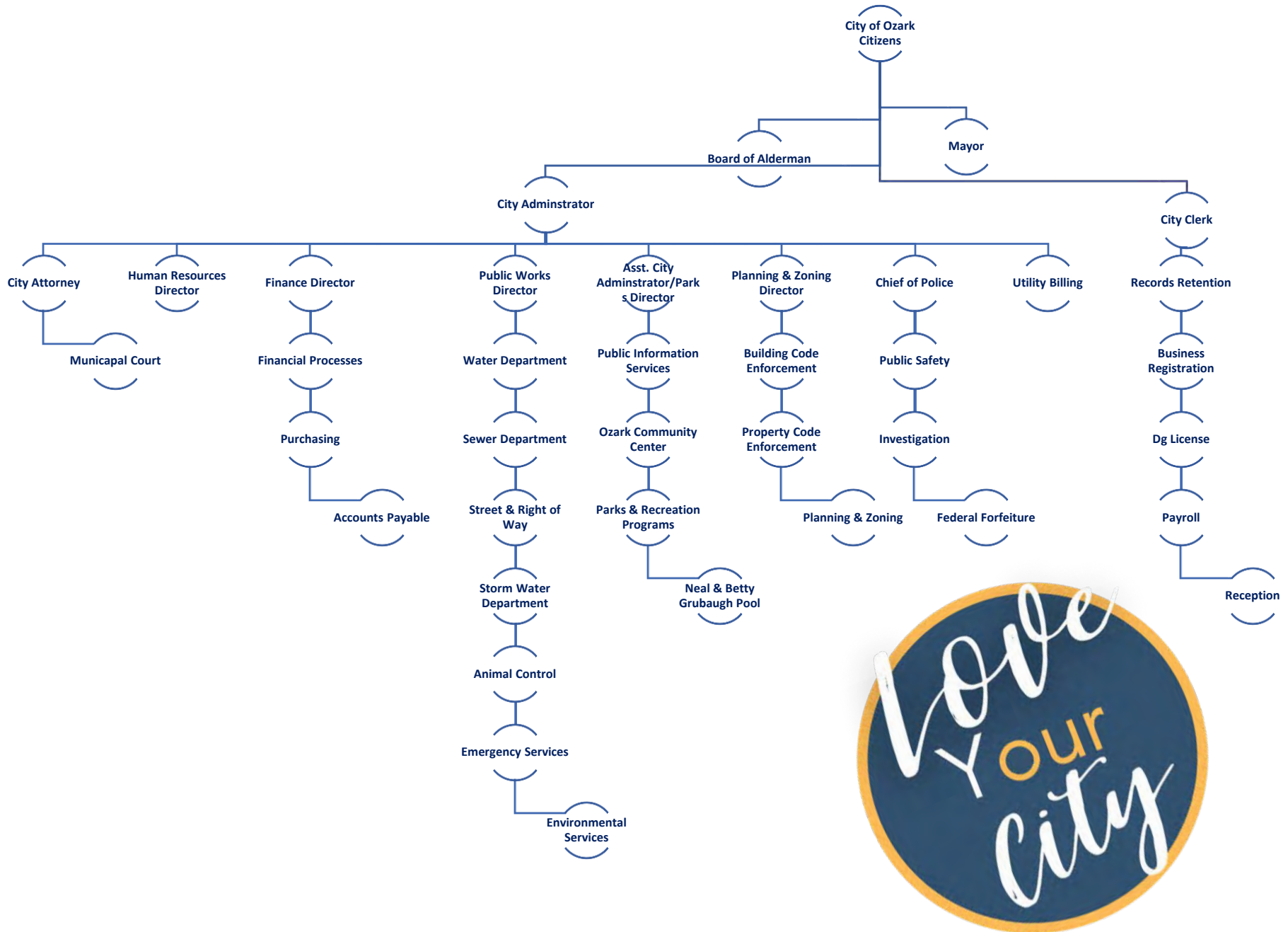
**City of Ozark
Missouri**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Executive Director/CEO

CITY OF OZARK MO ORGANIZATIONAL CHART



CITY OF OZARK, MISSOURI
ELECTED OFFICIALS AND ADMINISTRATION
December 31, 2021

ELECTED OFFICIALS

Mayor	Bradley Jackson
Alderman – Ward I	R. J. Flores
Alderman – Ward I	Nathan Posten
Alderman – Ward II	Bruce Galloway
Alderman – Ward II	Rick Gardner
Alderman – Ward III	Eddie Campbell
Alderman – Ward III	Heather Alder

ADMINISTRATION

City Administrator	Steve Childers
Assistant City Administrator/ Parks & Recreation Director	Samantha Payne
City Attorney	Samantha Payne
City Clerk	Amanda Callaway
Finance Director	Chandra Hodges
Police Chief	Mary Edna Wilson
Public Works/EMA Director	Justin Arnold
Planning & Development Director	Jeremy Parsons
	Cameron Smith

City of Ozark, Missouri
Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2021

SECTION II – FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of City Council
City of Ozark, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ozark, Missouri, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Ozark, Missouri's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ozark, Missouri, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in net pension liability and related ratios, and schedule of pension plan contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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



Decker & DeGood
Springfield, Missouri
July 5, 2022

City of Ozark Missouri



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Ozark, Missouri 65721

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Ozark's financial performance provides an overview of the City's financial activities for the year ended December 31, 2021. Please read it in conjunction with the City's financial statements, which begin on page 13.

Financial Highlights

- * The assets and deferred outflows of resources of the City of Ozark exceeded its liabilities and deferred outflows at the close of the most recent fiscal year by \$ 93,935,044 (net position). Of this amount, \$ 25,257,140 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- * As of December 31, 2021, governmental activities and business-type activities had net positions of \$ 48,840,402 and \$ 45,094,642, respectively.
- * At the end of the current fiscal year, the City of Ozark's governmental funds reported combined ending fund balances of \$ 15,233,728, an increase of \$ 3,375,331 in comparison with the prior year. Approximately 51.48% or \$ 7,842,787 is available for discretionary spending by the City of Ozark. The remaining fund balance is either restricted by outside parties or in nonspendable form.
- * The unassigned fund balance for the General Fund, \$ 7,842,787, is 88.17% of total General Fund expenditures, and is an increase in comparison with the prior year unassigned fund balance.
- * The City of Ozark's long-term debt obligations decreased by \$ 1,960,732, or 4.68% as compared to prior fiscal year.

Overview of the Financial Statements

This discussion and analysis provided here are intended to serve as an introduction to the City of Ozark's basic financial statements. The City of Ozark's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the basic financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements

The *government-wide financial* statements are designed to provide readers with a broad overview of the City of Ozark's finances, in a manner like a private-sector business.

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

The *statement of activities* presents information showing how the City of Ozark's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

The government-wide financial statements can be found on pages 13 and 14 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Ozark, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City of Ozark can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Ozark maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Street Fund which are considered to be major funds. Data from the other three governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The City of Ozark adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 15-18 of this report.

Proprietary funds. The City of Ozark maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Ozark uses enterprises funds to account for its Water and Sewer operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer operations which are considered to be major funds of the City of Ozark.

The basic proprietary fund financial statements can be found on pages 19-21 of this report.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22-54 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City of Ozark's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 55-59 of this report.

The budget to actual of nonmajor governmental fund is presented immediately following the required supplementary information on pensions. The schedules can be found on page 60 of this report.

Government-Wide Overall Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. In the case of the City of Ozark, assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$ 93,935,044, at the close of the most recent fiscal year.

City of Ozark
Condensed Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current Assets and other assets	\$ 19,917,763	\$ 11,365,796	\$ 17,287,239	\$ 17,227,734	\$ 37,205,002	\$ 28,593,530
Capital Assets	51,207,168	50,568,253	51,875,811	49,161,348	103,082,979	99,729,601
Total Assets	71,124,931	61,934,049	69,163,050	66,389,082	140,287,981	128,323,131
Deferred Outflows of Resources						
Deferred on refunding	222,562	237,400	58,050	61,679	280,612	299,079
Deferred pension related	557,072	726,915	265,747	468,936	822,819	1,195,851
Total Deferred Outflows	779,634	964,315	323,797	530,615	1,103,431	1,494,930
Current Liabilities	2,978,487	1,053,479	796,000	607,290	3,774,487	1,660,769
Long-term Debt	18,371,684	19,306,430	22,542,381	24,730,985	40,914,065	44,037,415
Total Liabilities	21,350,171	20,359,909	23,338,381	25,338,275	44,688,552	45,698,184
Deferred Inflows						
Deferred pension related	1,713,992	250,953	1,053,824	110,865	2,767,816	361,818
Total Deferred Inflows	1,713,992	250,953	1,053,824	110,865	2,767,816	361,818
Net Position:						
Invested in						
capital assets-net	33,236,254	30,427,737	30,162,519	25,518,825	63,398,773	55,946,562
Restricted	700,774	989,455	4,578,357	5,795,021	5,279,131	6,784,476
Unrestricted	14,903,374	10,870,310	10,353,766	10,156,711	25,257,140	21,027,021
Total net position	\$ 48,840,402	\$ 42,287,502	\$ 45,094,642	\$ 41,470,557	\$ 93,935,044	\$ 83,758,059

By far, the largest portion of the City of Ozark's net position (67.49%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City of Ozark uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although, the City of Ozark's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Ozark's net position (5.62%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$ 25,257,140 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the City of Ozark is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The City of Ozark's overall net position improved \$ 10,176,985 or a difference of \$ 3,027,130 from the prior year's improvement.

City of Ozark
Changes in Net Position

	Governmental Activities		Business-type Activities	
	2021	2020	2021	2020
Revenues:				
Program Revenues:				
Charge for services	\$ 2,765,997	\$ 1,923,040	\$ 10,345,852	\$ 8,602,454
Operating grants and contributions	457,187	2,870,436	1,900	-
Capital grants and contributions	2,987,522	89,158	1,493,604	2,037,875
General Revenues:				
Taxes	11,052,182	9,946,752	1,126,135	1,053,807
Interest	38,162	83,121	79,340	115,494
Other	19,129	63,594	-	-
Total Revenues	<u>17,320,179</u>	<u>14,976,101</u>	<u>13,046,831</u>	<u>11,809,630</u>
Expenses:				
Administration	2,085,356	1,760,099	-	-
Public Safety	3,151,269	3,032,981	-	-
Parks and recreation	3,194,073	2,794,103	-	-
Stormwater	-	32,320	-	-
Streets	1,634,297	2,761,847	-	-
Interest	812,284	783,000	-	-
Water	-	-	4,152,709	3,519,233
Sewer	-	-	4,144,852	4,435,310
Sanitation	-	-	1,071,237	1,036,144
Total Expenses	<u>10,877,279</u>	<u>11,164,350</u>	<u>9,368,798</u>	<u>8,990,687</u>
Other sources and (uses):				
Transfers	110,000	110,000	(110,000)	(110,000)
Sale of assets		6,576	56,052	-
Change in Net Position	<u>6,552,900</u>	<u>3,928,327</u>	<u>3,624,085</u>	<u>2,708,943</u>
Net Position, beginning	<u>42,287,502</u>	<u>38,359,175</u>	<u>41,470,557</u>	<u>38,761,614</u>
Net Position, ending	<u>\$ 48,840,402</u>	<u>\$ 42,287,502</u>	<u>\$ 45,094,642</u>	<u>\$ 41,470,557</u>

Governmental Activities. During the current fiscal year, net position for governmental activities increased \$ 6,552,900 which was an increase of \$ 2,111,988 as compared to the prior fiscal year with an ending balance of \$ 42,287,502. The increase was due to an increase in sales tax revenue of \$ 910,314, grants of increase of \$ 485,115 along with park activity fees going up by \$ 566,180 due to opening of facilities due to dropping Covid rules, and property taxes increasing \$ 63,855.

Business-type Activities. For the City of Ozark's business-type activities, the results for the current fiscal year were positive in that the overall net position increased to reach an ending balance of \$ 45,094,642 or a \$ 3,624,085 increase which was \$ 915,142 more than the prior year. This increase was due mainly to an increase in sales of \$ 1,743,398 offset with an increase in operating expenses of \$ 378,000 and drop in developers' contributions of water and sewer lines of \$ 544,271.

Financial Analysis of the Governmental Funds

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

Governmental Funds

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

Some significant items are presented below for comparison and analysis.

	Percent of			Change	
	Total	2021	2020	Amount	%
Revenues:					
Property taxes	5.77%	\$ 998,107	\$ 934,252	\$ 63,855	6.83%
Franchise fees	3.53%	610,239	550,265	59,974	10.90%
Sales taxes	50.00%	8,646,311	7,735,997	910,314	11.77%
Missouri motor fuel taxes	4.46%	770,556	699,269	71,287	10.19%
Licenses & permits	2.06%	356,025	248,344	107,681	43.36%
Charges for services	11.69%	2,021,767	1,464,381	557,386	38.06%
Fines & forfeitures	0.28%	48,688	40,439	8,249	20.40%
Interest	0.22%	38,162	83,121	(44,959)	-54.09%
Grants	4.27%	739,266	966,662	(227,396)	-23.52%
Miscellaneous	17.72%	3,064,089	2,226,402	837,687	37.63%
Total	100.00%	17,293,210	14,949,132	2,344,078	15.68%

	Percent of Total	2021	2020	Change	
				Amount	%
Expenditures:					
General government	9.64%	1,418,190	1,698,448	(280,258)	-16.50%
Police and Courts	22.43%	3,298,498	2,963,847	334,651	11.29%
Streets	4.20%	617,808	1,848,503	(1,230,695)	-66.58%
Parks	19.07%	2,804,542	2,420,889	383,653	15.85%
Capital outlay	32.52%	4,783,037	3,342,689	1,440,348	43.09%
Debt service	12.14%	1,784,978	1,088,565	696,413	63.98%
	100.00%	14,707,053	13,362,941	1,344,112	10.06%

The General Fund revenue increased by \$ 1,522,468 over the prior year due an increase in sales tax of \$ 591,935 due the City opening up after Covid-19 restrictions and startup of new business, property taxes increased \$ 51,119 due to new housing starts, and with that franchise taxes increased \$ 59,974 and along with that developers' contribution of streets over the prior year increased \$ 726,961.

The Park/Storm Water Fund increased by \$ 184,842 over the prior year which again is attributable to an increase in sales tax of \$ 212,260 and park program fees increasing due to drop in restrictions due to Covid-19.

Business-type Activities

In reviewing the current to the past year on the Waterworks and Sewerage Fund and Solid Waste Fund, we noted the following:

	2021	2020	Change	
			Amount	%
Waterworks and Sewerage				
Revenue	\$ 9,046,224	\$ 7,539,118	\$ 1,507,106	19.99%
Expense net of Depreciation and interfund	5,670,934	5,407,326	263,608	4.88%
Operating Income	1,376,730	776,676	600,054	77.26%
Solid Waste				
Revenue	1,163,790	1,040,536	123,254	11.85%
Expense net of Depreciation and interfund	1,071,237	1,036,144	35,093	3.39%
Operating Income	92,553	4,392	88,161	2007.31%

In business type activities, the increase to operating income for the Waterworks and Sewerage Fund and the Solid Waste Fund is due to an increase in rates to provide sufficient income to cover debt payments for improvements to the systems and to the reduced time allowed between bills being issued and delinquent dates.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year the City revises its annual budget estimates by increases/decreases in revenues and expenditures. In 2021 these changes included in the General Fund an increase due to developers' contributions of new streets \$ 2,546,434 and grants not anticipated in the original budget of \$ 453,695 offset by increase in budget for capital improvements of \$ 1,964,878.

CAPITAL ASSET AND DEBT ADMINISTRATION

On December 31, 2021, the City had \$ 103,082,979 invested in capital assets. (See table below). This represents an increase of \$ 4,795,476 from the prior year.

CITY OF OZARK'S CAPITAL ASSETS

(Net of accumulated depreciation)

	Governmental Activities		Business-Type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Land	\$ 13,653,420	\$ 13,796,920	\$ 1,302,436	\$ 1,003,439	\$ 14,955,856	\$ 14,800,359
Improvements	22,934,561	20,596,459	-	-	22,934,561	20,596,459
Buildings	13,107,492	13,814,789	173,830	269,586	13,281,322	14,084,375
Water system			19,774,746	18,786,462	19,774,746	18,786,462
Waste system			28,078,295	27,884,058	28,078,295	27,884,058
Machinery & Equipment	1,428,571	917,987			1,428,571	917,987
Construction -in-Progress	83,124	-	2,546,504	1,217,803	2,629,628	1,217,803
	<u>\$ 51,207,168</u>	<u>\$ 49,126,155</u>	<u>\$ 51,875,811</u>	<u>\$ 49,161,348</u>	<u>\$ 103,082,979</u>	<u>\$ 98,287,503</u>

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

Debt

At year-end, the City had \$ 39,964,818 in outstanding notes as compared to the prior year of \$ 41,925,550.

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenue Bonds	\$ -	\$ -	\$ 9,285,000	\$ 10,610,000	\$ 9,285,000	\$ 10,610,000
Special assessment debt	61,476	70,235			61,476	70,235
Certificates of Participation	18,132,000	18,151,112	11,944,625	12,383,184	30,076,625	30,534,296
Lease & Note Obligations	-	-	541,717	711,019	541,717	711,019
TOTALS	\$ 18,193,476	\$ 18,221,347	\$ 21,771,342	\$ 23,704,203	\$ 39,964,818	\$ 41,925,550

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

ECONOMIC FACTORS AND NEXT YEARS BUDGET AND RATES

The City of Ozark has utilized the funds provided from the City Transportation Tax of .375% to improve and upgrade existing highways, trails and by partnering with MoDot to expand those funds and complete upgrades to busy intersections in the City of Ozark. This has been the practice for the last several years and since the renewal of that tax by the Citizens for 5 years in 2022 that practice will continue. The Downtown Project was substantially completed in 2021 but there are a few additional streets that will be completed in 2022 for this project. The City of Ozark purchased the Garrison Springs Property in 2021 with both local funds, state funds and federal funds. This property will be maintained and used as an additional park property after some renovation and upgrades. There are several ecological sites on this property that the Missouri Dept of Conservation is working with the City to ensure their protection and survival.

Show Me Christian County continues to be a vital part of economic development for this region. They serve all seven communities in Christian County and are dedicated to business attraction, business retention and expansion and workforce development across the region. They have a new CEO, Ms. Kristen Haseltine and their home office is presently located in Ozark, Mo.

As mentioned above the citizens of Ozark renewed the Transportation Sales Tax for an additional 5 years. Sales tax collections for the City have continued to increase as our economy has continued to grow during the pandemic with the shift in shopping and purchasing patterns. The 2022 outlook assumed a slight growth but with the economic uncertainty at the end of 2021, no substantial increases were included in our 2022 projections.

There are several new developments in Ozark also. The Ozark Mill opened their doors in 2021 with a restaurant and they have added the Garrison, and the Mercantile venues in 2022. Finley Farms Workshop is also open to the public providing a work/meeting space with food options. There is also an open-air wedding venue "The Chapel" overlooking the Finley River that includes the reconstruction of the Finley River Bridge near this location. There are future plans for transportation changes and upgrades to accommodate additional expansion of this project

Deerbrook Properties is a development that has been growing and has the potential for additional growth. There are several food establishments in this development already and more coming. In addition, Ozark is going to be the home of a new Starbucks location and a new What a Burger food establishment.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director's Office at 205 North 1st Street, Ozark, Missouri.



Finance Director
City of Ozark

Basic Financial Statements

CITY OF OZARK, MISSOURI
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 14,959,606	\$ 9,280,298	\$ 24,239,904
Accounts receivable-			
Utilities, net	-	680,271	680,271
Real estate taxes, net	662,513	103,750	766,263
Sales taxes	734,808	82,928	817,736
Franchise taxes	104,769	-	104,769
Missouri motor fuel taxes	64,396	-	64,396
Interest	-	143,233	143,233
Other	5,598	-	5,598
Internal balances	(169,927)	169,927	-
Prepaid items	160,367	105,567	265,934
Security deposits	11,776	-	11,776
Restricted assets-cash and cash equivalents	1,551,264	5,727,770	7,279,034
Net pension asset	1,832,593	993,495	2,826,088
Capital assets:			
Land	13,653,420	1,302,436	14,955,856
Construction in progress	83,124	2,546,504	2,629,628
Other capital assets, net of accumulated depreciation	37,470,624	48,026,871	85,497,495
Total Assets	<u>71,124,931</u>	<u>69,163,050</u>	<u>140,287,981</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on refunding	222,562	58,050	280,612
Deferred amounts related to pensions	557,072	265,747	822,819
Total Deferred Outflows of Resources	<u>779,634</u>	<u>323,797</u>	<u>1,103,431</u>
LIABILITIES			
Accounts payable	213,408	372,907	586,315
Accrued wages and benefits	80,810	39,317	120,127
Unearned revenue	2,066,486	-	2,066,486
Accrued sales tax and primacy fee	-	1,697	1,697
Security deposits	472,117	-	472,117
Court bond and fees	17,076	-	17,076
Accrued interest	128,590	382,079	510,669
Due to primary government	-	-	-
Noncurrent liabilities:			
Due within one year	424,418	1,948,195	2,372,613
Due in more than one year	17,947,266	20,594,186	38,541,452
Total Liabilities	<u>21,350,171</u>	<u>23,338,381</u>	<u>44,688,552</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred amounts related to pensions	1,713,992	1,053,824	2,767,816
NET POSITION			
Net investment in capital assets	33,236,254	30,162,519	63,398,773
Restricted for:			
Debt service	700,774	1,856,336	2,557,110
Construction projects	-	2,722,021	2,722,021
Unrestricted	14,903,374	10,353,766	25,257,140
Total Net Position	<u>\$ 48,840,402</u>	<u>\$ 45,094,642</u>	<u>\$ 93,935,044</u>

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

CITY OF OZARK MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-type Activities	Total
Governmental activities:							
General government	\$ 2,085,356	\$ 607,636	\$ 2,500	\$ 131,750	\$ (1,343,470)	\$ -	\$ (1,343,470)
Public safety:							
Police	3,105,732	69,720	454,687	41,905	(2,539,420)	-	(2,539,420)
Court	45,537	48,688	-	-	3,151	-	3,151
Streets	1,634,297	-	-	2,769,567	1,135,270	-	1,135,270
Parks	3,194,073	2,039,953	-	44,300	(1,109,820)	-	(1,109,820)
Interest on long-term debt	812,284	-	-	-	(812,284)	-	(812,284)
Total governmental activities	10,877,279	2,765,997	457,187	2,987,522	(4,666,573)	-	(4,666,573)
Business-type activities:							
Water	4,152,709	4,543,114	1,900	991,983	-	1,384,288	1,384,288
Sewer	4,144,852	4,638,948	-	501,621	-	995,717	995,717
Sanitation	1,071,237	1,163,790	-	-	-	92,553	92,553
Total business-type activities	9,368,798	10,345,852	1,900	1,493,604	-	2,472,558	2,472,558
Total Primary Government	\$ 20,246,077	\$ 13,111,849	\$ 459,087	\$ 4,481,126	(4,666,573)	2,472,558	(2,194,015)

General Revenues			
Property taxes for general purposes	822,954	-	822,954
Property taxes for park purposes	202,122	-	202,122
Property taxes for debt purposes	-	109,342	109,342
Franchise taxes	610,239	-	610,239
Sales taxes	8,646,311	1,016,793	9,663,104
Missouri motor fuel taxes	770,556	-	770,556
Interest on investments	38,162	79,340	117,502
Miscellaneous	19,129	-	19,129
Transfers	110,000	(110,000)	-
Gain on sale of assets	-	56,052	56,052
Total general revenues and transfers	11,219,473	1,151,527	12,371,000
Change in net position	6,552,900	3,624,085	10,176,985
Net position beginning-Restated	42,287,502	41,470,557	83,758,059
Net position ending	\$ 48,840,402	\$ 45,094,642	\$ 93,935,044

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

CITY OF OZARK, MISSOURI

BALANCE SHEET- GOVERNMENTAL FUNDS DECEMBER 31, 2021

	General Fund	Park/ Stormwater Funds	Nonmajor Fund Capital Improvement Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 9,664,432	\$ 4,922,628	\$ 372,546	\$ 14,959,606
Accounts receivable-				
Real estate taxes	531,848	130,665	-	662,513
Sales tax	456,079	195,711	83,018	734,808
Franchise tax	104,769	-	-	104,769
Missouri motor fuel taxes	64,396	-	-	64,396
Other	5,598	-	-	5,598
Due from other funds	-	69,752	-	69,752
Prepaid items	98,322	62,045	-	160,367
Security deposits	-	11,776	-	11,776
Restricted assets: Cash and cash equivalents	875,611	675,653	-	1,551,264
Total Assets	\$ 11,801,055	\$ 6,068,230	\$ 455,564	\$ 18,324,849
LIABILITIES				
Accounts payable	\$ 139,659	\$ 73,749	\$ -	\$ 213,408
Accrued liabilities-				
Wages, taxes, and benefits payable	57,082	23,728	-	80,810
Due to other funds	239,679	-	-	239,679
Unearned revenue	2,066,486	-	-	2,066,486
Security deposits	463,117	9,000	-	472,117
Court bonds and fees	17,076	-	-	17,076
Total Liabilities	2,983,099	106,477	-	3,089,576
DEFERRED INFLOW OF RESOURCES				
Unavailable revenue-property taxes	1,236	309	-	1,545
Total Deferred inflows of resources	1,236	309	-	1,545
FUND BALANCES				
Fund Balances -				
Nonspendable	98,322	131,797	-	230,119
Restricted	28,154	675,653	455,564	1,159,371
Assigned	847,457	5,153,994	-	6,001,451
Unassigned	7,842,787	-	-	7,842,787
Total Fund Balances	8,816,720	5,961,444	455,564	15,233,728
TOTAL LIABILITIES AND FUND BALANCES	\$ 11,801,055	\$ 6,068,230	\$ 455,564	\$ 18,324,849

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

CITY OF OZARK, MISSOURI
RECONCILIATION OF THE GOVERNMENT FUNDS
BALANCE SHEET TO THE GOVERNMENT-WIDE
STATEMENT OF NET POSITION
DECEMBER 31, 2021

Total Fund Balances-Governmental Funds		\$ 15,233,728
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.		
Non-depreciable assets	13,736,544	
Depreciable assets	<u>37,470,624</u>	
		51,207,168
Certain amounts are not a use of financial resources and, therefore, are not reported in the governmental funds. These items consist of:		
Deferred inflow-Unavailable property taxes	1,545	
Net pension assets	1,832,593	
Deferred outflows - pension related	557,072	
Deferred inflows - pension related	<u>(1,713,992)</u>	
		677,218
Long-term liabilities and deferred outflows are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.		
Deferred amount on refunding	222,562	
Long-term liabilities at year-end consist of:		
Compensated absences	(178,208)	
Debt	(18,193,476)	
Accrued interest	<u>(128,590)</u>	
		<u>(18,277,712)</u>
Net position of governmental activities		<u>\$ 48,840,402</u>

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

CITY OF OZARK, MISSOURI
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	General Fund	Park/ Stormwater Funds	Nonmajor Fund Capital Improvement Fund	Total Governmental Funds
REVENUES				
Taxes:				
Property taxes	\$ 801,298	\$ 196,809	\$ -	\$ 998,107
Franchise taxes	610,239	-	-	610,239
Sales taxes	5,595,662	2,033,766	1,016,883	8,646,311
Intergovernmental revenue:				
Missouri motor fuel taxes	770,556	-	-	770,556
Licenses & permits	356,025	-	-	356,025
Charges for services				
Park programs	-	1,952,047	-	1,952,047
Police services	69,720	-	-	69,720
Fines & forfeitures	48,688	-	-	48,688
Interest	30,248	7,914	-	38,162
Grants -Federal	607,516	-	-	607,516
Grants -State	131,750	-	-	131,750
Rents	251,611	87,906	-	339,517
Developers contributions	2,658,643	-	-	2,658,643
Impact fees	-	44,300	-	44,300
Donations	2,500	-	-	2,500
Miscellaneous	15,391	3,738	-	19,129
Total Revenues	<u>11,949,847</u>	<u>4,326,480</u>	<u>1,016,883</u>	<u>17,293,210</u>
EXPENDITURES				
Current:				
General government	1,418,190	-	-	1,418,190
Police	3,254,041	-	-	3,254,041
Court	44,457	-	-	44,457
Streets	617,808	-	-	617,808
Parks	-	2,804,542	-	2,804,542
Capital outlay	4,067,760	715,277	-	4,783,037
Debt service:				
Principal retirement	648,722	337,335	-	986,057
Interest and fiscal agent fees	20,743	778,178	-	798,921
Total Expenditures	<u>10,071,721</u>	<u>4,635,332</u>	<u>-</u>	<u>14,707,053</u>
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES BEFORE OTHER				
FINANCING SOURCES (USES)	<u>1,878,126</u>	<u>(308,852)</u>	<u>1,016,883</u>	<u>2,586,157</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	960,000	610,075	-	1,570,075
Lease proceeds	-	244,599	-	244,599
Sale of assets	426,175	8,400	-	434,575
Transfers (to) other funds	(610,075)	-	(850,000)	(1,460,075)
Total Other Sources (Uses)	<u>776,100</u>	<u>863,074</u>	<u>(850,000)</u>	<u>789,174</u>
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES AND OTHER				
FINANCING SOURCES (USES)	<u>2,654,226</u>	<u>554,222</u>	<u>166,883</u>	<u>3,375,331</u>
FUND BALANCES - BEGINNING (RESTATED)	<u>6,162,494</u>	<u>5,407,222</u>	<u>288,681</u>	<u>11,858,397</u>
FUND BALANCES - ENDING	<u>\$ 8,816,720</u>	<u>\$ 5,961,444</u>	<u>\$ 455,564</u>	<u>\$ 15,233,728</u>

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

CITY OF OZARK, MISSOURI
RECONCILIATION OF STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

Net change in fund balances--total governmental funds	\$ 3,375,331
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlays	4,783,037
Depreciation expense	(1,679,770)
Basis of asset sold	(1,073,762)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the same statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Debt payments of principal	986,057
Loan lease proceeds	(244,599)
Under the modified accrual basis of accounting used in the governmental funds, revenues are not recognized until funds are measurable and available to finance current expenditures. In the statement of activities, however, which is presented on the accrual basis, revenues are reported regardless of when financial resources are available. This is the net adjustment to property tax revenue in converting to the full accrual basis.	243
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.	
Compensated absences	(18,158)
Pension expense	411,158
Amortization of deferred amount on refunding	14,838
Accrued interest	(1,475)
Change in net position of governmental activities	<u>\$ 6,552,900</u>

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

CITY OF OZARK, MISSOURI

STATEMENT OF NET POSITION-

PROPRIETARY FUNDS

DECEMBER 31, 2021

	Waterworks and Wastewater Fund	Nonmajor Fund Solid Waste Fund	Total
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	\$ 9,206,885	\$ 73,413	\$ 9,280,298
Receivables:			
Accounts receivables, net	572,890	107,381	680,271
Property taxes	103,750	-	103,750
Interest SRF	143,233	-	143,233
Sales tax	82,928	-	82,928
Due from other funds	152,979	16,948	169,927
Prepaid items	105,567	-	105,567
Total Current Assets	10,368,232	197,742	10,565,974
Noncurrent assets:			
Restricted cash and cash equivalents			
Bond reserves	3,005,749	-	3,005,749
Construction	2,722,021	-	2,722,021
Net pension assets	993,495	-	993,495
Capital assets:			
Land	1,302,436	-	1,302,436
Construction in progress	2,546,504	-	2,546,504
Other capital assets, net of accumulated depreciation	48,026,871	-	48,026,871
Total Noncurrent Assets	58,597,076	-	58,597,076
Total Assets	68,965,308	197,742	69,163,050
 <u>Deferred Outflow of Resources</u>			
Discount on 2016 debt issue	58,050	-	58,050
Deferred amounts related to pensions	265,747	-	265,747
Total Deferred Outflows	323,797	-	323,797
 <u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	372,907	-	372,907
Accrued wages	39,317	-	39,317
Accrued sales tax and primacy fee	1,697	-	1,697
Accrued interest	382,079	-	382,079
Debt due within one year	1,937,668	-	1,937,668
Compensated absences	10,527	-	10,527
Total Current Liabilities	2,744,195	-	2,744,195
Noncurrent liabilities:			
Debt due in more than one year	19,833,674	-	19,833,674
Compensated absences	94,737	-	94,737
Customer deposits	665,775	-	665,775
Total Noncurrent Liabilities	20,594,186	-	20,594,186
Total Liabilities	23,338,381	-	23,338,381
 <u>Deferred Inflows of Resources</u>			
Deferred amounts related to pensions	1,053,824	-	1,053,824
 <u>NET POSITION</u>			
Net investment in capital assets	30,162,519	-	30,162,519
Restricted for-			
Debt reserves	1,856,336	-	1,856,336
Construction projects	2,722,021	-	2,722,021
Unrestricted	10,156,024	197,742	10,353,766
Total Net Position	\$ 44,896,900	\$ 197,742	\$ 45,094,642

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

CITY OF OZARK, MISSOURI
STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Waterworks and Wastewater Fund	Nonmajor Fund Solid Waste Fund	Total
OPERATING REVENUES:			
Charges for services	\$ 7,868,585	\$ 1,163,790	\$ 9,032,375
Hookups and reconnect fees	688,145	-	688,145
Inspections	44,405	-	44,405
Sale of meters	91,525	-	91,525
Miscellaneous income	353,564	-	353,564
Total Operating Revenue	<u>9,046,224</u>	<u>1,163,790</u>	<u>10,210,014</u>
OPERATING EXPENSES:			
Wages and benefits	2,412,778	-	2,412,778
Insurance	193,975	-	193,975
Repairs and maintenance	1,543,877	-	1,543,877
Utilities	703,426	-	703,426
Contracted refuse hauling and other expense	-	1,071,237	1,071,237
All other expense	816,878	-	816,878
Depreciation	1,998,560	-	1,998,560
Total Operating Expenses	<u>7,669,494</u>	<u>1,071,237</u>	<u>8,740,731</u>
OPERATING INCOME	<u>1,376,730</u>	<u>92,553</u>	<u>1,469,283</u>
NON-OPERATING REVENUES (EXPENSES):			
Property taxes	109,342	-	109,342
Sales taxes	1,016,793	-	1,016,793
Lease income	1,900	-	1,900
Gain on sale of assets	191,890	-	191,890
Interest income-checking and savings	79,340	-	79,340
Interest expense and agent fees	(628,067)	-	(628,067)
Total Non-operating Revenues	<u>771,198</u>	<u>-</u>	<u>771,198</u>
INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	<u>2,147,928</u>	<u>92,553</u>	<u>2,240,481</u>
CAPITAL TRANSFERS AND CONTRIBUTIONS			
Capital contributions	1,493,604	-	1,493,604
Transfers	-	(110,000)	(110,000)
Total	<u>1,493,604</u>	<u>(110,000)</u>	<u>1,383,604</u>
CHANGE IN NET POSITION	3,641,532	(17,447)	3,624,085
TOTAL NET POSITION - BEGINNING	<u>41,255,368</u>	<u>215,189</u>	<u>41,470,557</u>
TOTAL NET POSITION - ENDING	<u>\$ 44,896,900</u>	<u>\$ 197,742</u>	<u>\$ 45,094,642</u>

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

CITY OF OZARK, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Waterworks and Sewerage Fund	Nonmajor Fund Solid Waste Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	\$ 9,089,688	\$ 1,150,927	\$ 10,240,615
Payments to suppliers	(3,000,558)	(1,071,237)	(4,071,795)
Payments to employees	(2,301,169)	-	(2,301,169)
Net Cash Provided by Operating Activities	3,787,961	79,690	3,867,651
CASH FLOWS FROM NONCAPITAL ACTIVITIES:			
Transfers (to)	-	(110,000)	(110,000)
Increase in due from other funds	(144,540)	(8,509)	(153,049)
Lease income	1,900		1,900
Property taxes	109,342		109,342
Sales taxes	1,016,793		1,016,793
Net Cash Provided by (Used for) Noncapital Activities	983,495	(118,509)	864,986
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Capital contributions	1,493,604	-	1,493,604
Sale of capital assets	191,890		
Payments for capital acquisitions	(5,036,925)	-	(5,036,925)
Principal Repayments	(1,932,861)	-	(1,932,861)
Interest paid	(624,438)	-	(624,438)
Net Cash (Used for) Capital and Related Financing Activities	(5,908,730)	-	(6,100,620)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest earned	79,340	-	79,340
Net Cash Provided by Investing Activities	79,340	-	79,340
NET CASH (DECREASE) FOR THE YEAR	(1,057,934)	(38,819)	(1,096,753)
CASH AT BEGINNING OF YEAR	15,992,589	112,232	16,104,821
CASH AT END OF YEAR	\$ 14,934,655	\$ 73,413	\$ 15,008,068
SUMMARY OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents	\$ 9,206,885	\$ 73,413	\$ 9,280,298
Restricted assets-Cash and cash equivalents	5,727,770	-	5,727,770
	<u>\$ 14,934,655</u>	<u>\$ 73,413</u>	<u>\$ 15,008,068</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating Income	\$ 1,376,730	\$ 92,553	\$ 1,469,283
Adjustments to reconcile net operating income to net cash provided by operating activities:			
Depreciation expense	1,998,560	-	1,998,560
(Increase) Decrease in accounts receivable	18,793	(12,863)	5,930
(Increase) Decrease in prepaid items	1,234	-	1,234
Increase (Decrease) in accounts payable	256,145	-	256,145
Increase (Decrease) in accrued wages and benefits	42,844	-	42,844
Increase (Decrease) in pensions	68,765	-	68,765
Increase (Decrease) in other liabilities	219	-	219
Increase in customer deposits	24,671	-	24,671
Net Cash Provided by Operating Activities	<u>\$ 3,787,961</u>	<u>\$ 79,690</u>	<u>\$ 3,867,651</u>

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

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

THE REPORTING ENTITY

The City of Ozark, Missouri, was incorporated August 3, 1888. The City operates under a form of government which is comprised of an elected Board of Aldermen and an elected mayor. As authorized by its charter, the City provides the following services: public safety (police and municipal court), highway and streets, sanitation, public improvements, recreation, zoning and planning, and general administrative services. The accompanying basic financial statements include the transactions of all of the City's funds. The City's funds are established under statutory authority.

Entity status for financial reporting purposes is governed by the Governmental Accounting Standards Board (GASB). The GASB is the standard-setting body for the establishment of GAAP in governmental entities. The financial statements of the City present the financial activities of the City and any component units. The City is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's Board or because the component unit will provide a financial benefit or impose a financial burden on the City. The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component units.

Blended component units

Ozark Public Funding Corporation (PFC) and Land Clearance for Redevelopment Authority (LRCA) are, in substance, the same as the Government, as their boards are appointed by mayor and council. In addition, they receive all their funding from the City which is used to pay off long term debt. Therefore, they are reported as part of the primary government included in the General Fund. They have a governing body that is substantially the same as the governing body of the Government; provide services entirely, or almost entirely, to the Government; or otherwise exclusively, or almost exclusively, benefit the Government even though they do not provide services directly to the Government.

Ozark Public Funding Corporation (PFC) – The Ozark Public Funding Corporation of the City of Ozark, Missouri, is a not-for-profit corporation duly organized and existing under the General Not-For-Profit Corporation, Chapter 355 of the Revised Statutes of Missouri, 1986 as amended, for the purpose of benefiting and carrying out the purpose of the City of Ozark, Missouri, by providing for the acquisition, construction, improvement, extension, repair, remodeling, renovation and financing of municipal sites, buildings, facilities, furnishings and equipment for the use of the City.

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

THE REPORTING ENTITY- continued

Land Clearance For Redevelopment Authority of the City of Ozark, Missouri (LCRA) – The LCRA was formed under sections 99.300 to 99.660 of RSMo 1994, the “Land Clearance For Redevelopment Authority Law.” It was approved by voters on February 3, 2004. The LCRA is a legally separate entity whose purpose is to eliminate blight within the City limits by acquiring and preparing land for redevelopment.

The City has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a component unit in the City’s financial statements. In addition, the City is not aware of any entity which would exercise such oversight which would result in the City being considered a component unit of the entity.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

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

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

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

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Special Revenue Funds: Special Revenue Funds are used to account for the proceeds of the specific revenue sources that are either legally restricted to expenditures for specified purpose or designated to finance particular functions or activities of the City. The reporting entity includes the following special revenue funds:

Park/Storm Water Funds – These funds are combined under one group heading as they all relate to park improvement and operations and are used exclusively for the following:

Pool Fund – Accounts for taxes received that are legally restricted for pool recreational services, grants and revenues received and expenditures paid for recreational services provide by the pool.

Park Fund – Accounts for taxes received that are legally restricted for recreational services, grants and donations, and revenues received, and expenditures paid for recreational service provided by the park department.

Park/Stormwater Sales Tax Fund – Accounts for sales taxes that are legally restricted for use by the park and for storm water control.

Park Impact Fee Fund – Accounts for the park impact fees legally restricted for park equipment and facilities.

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

Enterprise Funds: Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the following enterprise funds:

Waterworks and Sewerage Fund: Accounts for the operation of the water and sewer system of the City.

Solid Waste Fund: Accounts for the operations of the sanitation services of the City.

Nonmajor Fund Types:

Capital Improvement Fund – This fund is used exclusively for the revenues of and expense from the ¼ cent capital improvement sales tax legally restricted for various capital improvement projects.

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable, and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, sales tax, intergovernmental taxes, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation, the principal operating revenues of the enterprise fund are charges for services. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets.

All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - continued

ASSETS, LIABILITIES AND NET POSITION/FUND BALANCE

Cash and Cash Equivalents

The City pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash account is available to meet current operating requirements.

Cash balances from the majority of funds recorded as restricted accounts are pooled for investment purposes. Earnings from such investments are allocated to the respective funds based on applicable cash participation by each fund. The investment pools are managed such that all participating funds have the ability to deposit and withdraw cash as if they were demand deposit accounts, and therefore all balances representing participants' equity in the investment pools are classified as cash equivalents for purposes of these statements. For investments which are held separately from the pools, those which are highly liquid (including restricted assets) with an original or remaining maturity of 90 days or less when purchased are considered to be cash equivalents.

Statement of Cash Flows

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

Investments

Missouri State statutes authorize the City to invest in obligations of the U.S. Treasury, federal agencies, commercial paper, corporate bonds, and repurchase agreements. Investments are stated at cost.

Due to and due from other funds

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

Accounts Receivable and Allowances

All receivables were stated at gross because the amounts were collected within the following 30 days except for solid waste, water and sewer utilities receivable which had \$ 30,152 for water and sewer, \$ 2,378 for solid waste, and \$ 13,088 for property taxes as allowances for doubtful accounts. An estimated amount has been recorded for services rendered, but not yet billed, as of the close of the year.

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Prepaid items

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

Restricted assets

Enterprise Funds, because of certain bond covenants, are required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only to service outstanding debt. The bond account is used only for the payment of principal and interest on revenue bonds. The depreciation and replacement account is to be expended only for repairs or replacements to the water and sewer fund. The bond reserve account is to be used only to pay bonds at maturity or interest as it becomes due and to the extent other funds are not available for this purpose.

Certain General Fund monies are classified as restricted assets on the Statement of Net Position and Balance Sheet because their use is limited by covenants of the capital lease agreement. The reserve account is to be used solely for the purpose of making lease payments on the applicable due dates when and to the extent other funds are not available for this purpose. The lease payment account is used only for the payment of the principal and interest on the lease obligation.

Inventories

The City does not maintain material amounts of supplies and maintenance materials; therefore, no inventory amount is reflected in the financial statements. Inventories are recorded as expenditures/expenses at the time of purchase, and, therefore, no balances for inventory on hand are reported in the statements.

Capital Assets and Depreciation

Capital assets, which include property, equipment, and infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of more than \$ 2,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Buildings	20-50 years
Building improvements	15-20 years
Utility plant and extensions	33-40 years
Infrastructure	10-40 years
Machinery, furniture and equipment	3-10 years
Vehicles	5-10 years

Bond Premiums/Discounts, and Issuance Costs

In the government-wide and proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, a method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the period in which the debt is issued.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the period in which the debt is issued. The face amount of debt issued, and any related premiums or discounts are reported as other financing sources/uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures during the year they are incurred.

Deferred Outflows of Resources/Loss on Refunded Debt

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

charge on refunding reported in the government-wide statement of net position and the statement of net position for proprietary funds. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is the amount related to pension outflows as per GASB 68.

Deferred Inflows of Resources/Unavailable Revenue

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period (s)

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

and so will not be recognized as an inflow of resources (revenue) until that time. The government has two types of items that qualify for reporting in this category. One is in the governmental funds which is unavailable revenues from one source: real estate taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. The second item is in the Governmental Activities as related to pension inflows as per GASB 68.

Obligation for Bond Arbitrage Rebate

Pursuant to Section 148(f) of the U.S. Internal Revenue Code, the City must rebate to the United State Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. Arbitrage rebate, if any, is due and payable on each five-year anniversary of the respective debt issue. As of December 31, 2021, the City had no outstanding arbitrage rebate liability.

Vacation, sick leave, and other compensated absences

City employees are entitled to certain compensated absences based on their length of employment. All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Pensions

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

Fund Balances-Governmental Funds

As of December 31, 2021, fund balances of the governmental funds are classified as follows:

Non-spendable-This classification includes amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

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

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Assigned-This classification is used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing council (council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily.

Unassigned-This classification represents the residual positive balance within the General Fund, which has not been restricted, committed, or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assigned actions.

The fund balance of the City's General Fund has accumulated cash to provide stability and flexibility to respond to unexpected adversity and/or opportunities. Currently the General Fund has set aside \$ 847,457.

Net Position

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

enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restrictions of Net Position

The City records restrictions to indicate that a portion of the net position is legally segregated for a specific future use. The following details the description and amounts of all restrictions used by the City as of December 31, 2021:

Proprietary Fund Types-Business Type Activities

<u>Waterworks and Sewerage System Fund</u>	<u>Total</u>
Debt reserve	\$ 1,831,961
Depreciation and replacement	24,375
	<u>\$ 1,856,336</u>
Construction projects	<u>\$ 2,722,021</u>

Use of Estimates

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

Revenue Recognition - Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and are due and payable at that time. All unpaid taxes levied October 1 become delinquent January 1, of the following year. Valuation for 2021 was \$ 346,142,243 with the levy set at \$.2742 total broken down \$.2193 for General Fund and \$.0549 Parks and Recreation.

Revenue Recognition - Sales Tax authorizations

Sales tax authorizations consist of a one-cent general sales recorded in the General Fund (\$ 4,068,673), 3/8 cent Transportation sales tax (\$ 1,526,989) (expires September 30, 2022) ¼ cent Capital Improvement sales tax (\$ 1,016,883), and ½ cent Park/Storm Water sales tax (\$ 2,033,766).

Interest Earned on SRF Bond Reserves

On the debt issues funded under the State Revolving Funds the City earns interest on reserve accounts established by the Federal Government and State of Missouri which is applied to reduce the required interest payments for the City.

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting

The City is required by Missouri State Law RSMo 105.485 to prepare a budget each year based on estimates of revenues and expected expenditures which include at a minimum a budget message, budget summary, schedule with prior year comparison of estimated revenue and expenditures, schedule of bonded debt obligations and budget approval letter. The accompanying statement of revenues, expenditures and changes in fund balance-budget and actual includes the budgeted expenditures for the year, along with management's estimate of revenues for the year for both the original budget and the final budget which is reflective of any amendments throughout the fiscal year. The legal level of budgetary control is at the total fund level.

Budgetary basis of accounting

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

Excess of expenditures over appropriations

For the year ended December 31, 2021, expenditures did not exceed appropriations in any of the Governmental Funds.

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY(Continued)

Bond Reserve Compliance

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

Legal Debt Margin

The City's assessed value supports a general obligation bond limit of \$ 34,614,422. The City did not have any general obligation bonds outstanding as of December 31, 2021.

DETAILED NOTES ON ALL FUNDS

NOTE B – DEPOSITS AND INVESTMENTS

Deposits - Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned, or the City will not be able to recover collateral securities in the possession of an outside party. The City's bank deposits are required by state law to be secured by the deposit of certain securities specified at RSMo 30.270 with the City or trustee institution. The value of the securities must amount to the total of the City's cash not insured by the Federal Deposit Insurance Corporation.

As of December 31, 2021, the City's bank balances were entirely secured or collateralized with

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE B – DEPOSITS AND INVESTMENTS (Continued)

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

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

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

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE C – RESTRICTED ASSETS

For December 31, 2021, restricted cash accounts were as follows:

ENTERPRISE FUND	Restricted Cash	Required Per Bond Agreements
Waterworks and Sewerage Fund		
Debt Reserves	\$ 1,898,746	\$ 1,161,491
Depreciation and replacement Projects	1,107,003 2,722,021	694,845 -
	<u>\$ 5,727,770</u>	<u>\$ 1,856,336</u>

GOVERNMENTAL ACTIVITIES	Restricted Cash	Required Per Bond Agreements
Park Fund		
Debt Reserves	\$ 672,620	\$ 672,620
General Fund		
Debt Reserves	28,154	28,154
Court	3,033	-
Operation reserves	847,457	-
	<u>\$ 1,551,264</u>	<u>\$ 700,774</u>

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE D – CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended December 31, 2021, was as follows:

Governmental Activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 13,796,920	\$ 380,000	\$ 523,500	\$ 13,653,420
Construction in progress	-	83,124	-	83,124
Total capital assets not being depreciated	<u>13,796,920</u>	<u>463,124</u>	<u>523,500</u>	<u>13,736,544</u>
Capital assets, being depreciated:				
Land improvements	28,349,865	3,410,945	-	31,760,810
Buildings	18,129,640	140,236	523,500	17,746,376
Machinery and Vehicles	<u>3,948,487</u>	<u>802,722</u>	<u>617,739</u>	<u>4,133,470</u>
Total capital assets being depreciated	<u>50,427,992</u>	<u>4,353,903</u>	<u>1,141,239</u>	<u>53,640,656</u>
Less: Accumulated depreciation for:				
Land improvements	7,753,406	1,072,843	-	8,826,249
Buildings	4,313,979	359,805	34,900	4,638,884
Machinery and Vehicles	<u>3,031,372</u>	<u>247,122</u>	<u>573,595</u>	<u>2,704,899</u>
Total accumulated depreciation	<u>15,098,757</u>	<u>1,679,770</u>	<u>608,495</u>	<u>16,170,032</u>
Total capital assets being depreciated, net	<u>35,329,235</u>	<u>2,674,133</u>	<u>532,744</u>	<u>37,470,624</u>
Governmental activities capital assets, net	<u>\$ 49,126,155</u>	<u>\$ 3,137,257</u>	<u>\$ 1,056,244</u>	<u>\$ 51,207,168</u>

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

Governmental activities:

General government	\$ 71,103
Police	149,205
Court	1,080
Streets	1,029,368
Parks	<u>429,014</u>
	<u>\$ 1,679,770</u>

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE D – CAPITAL ASSETS AND DEPRECIATION (Continued)

Business Type Activities:				
	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 1,003,439	\$ 298,997	\$ -	\$ 1,302,436
Construction in progress	1,217,803	1,328,701	-	2,546,504
Total capital assets not being depreciated	\$ 2,221,242	\$1,627,698	\$ -	\$ 3,848,940
Capital assets, being depreciated:				
Buildings	\$ 326,792	\$ -	\$ 93,394	\$ 233,398
Water system	28,287,635	1,591,039	-	29,878,674
Waste water system	49,603,856	1,449,663	-	51,053,519
Total capital assets being depreciated	78,218,283	3,040,702	93,394	81,165,591
Less accumulated depreciation for:				
Buildings	55,601	3,967		59,568
Water system	9,458,155	715,005	69,232	10,103,928
Waste water system	21,719,798	1,279,588	24,162	22,975,224
Total accumulated depreciation	31,233,554	1,998,560	93,394	33,138,720
Total capital assets being depreciated, net	\$ 46,984,729			\$ 48,026,871
Business-type activities capital assets, net	\$ 49,205,971			\$ 51,875,811

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

Business-type activities:	
Water	\$ 715,005
Wastewater	<u>1,283,555</u>
	<u>\$ 1,998,560</u>

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE E – LONG-TERM DEBT

Business-type activities

The following is a summary of debt transactions of the City for the year ended December 31, 2021, as it relates to the business type activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount due Within one Year
Revenue Bonds	\$ 10,610,000	\$ -	\$ 1,325,000	\$ 9,285,000	\$ 1,380,000
Cert. of Part.	12,383,184	-	438,559	11,944,625	443,559
NID Bonds	711,019	-	169,302	541,717	114,109
Totals	<u>\$ 23,704,203</u>	<u>\$ -</u>	<u>\$ 1,932,861</u>	<u>\$ 21,771,342</u>	<u>\$ 1,937,668</u>
Compensated Absences	<u>\$ 103,207</u>	<u>\$ 80,684</u>	<u>\$ 78,627</u>	<u>\$ 105,264</u>	<u>\$ 10,527</u>

As reported on the financial statement:

Amount due within one year

Debt	\$ 1,937,668
Compensated absences	10,527
	<u>1,948,195</u>

Amount due in more than one year:

Revenue bonds	7,905,000
NID Bonds	427,608
Certificate of participation	11,501,066
Compensated absences	94,737
Customer deposits	665,775
	<u>20,594,186</u>
	<u>\$ 22,542,381</u>

Accrued compensation liability are liquidated in proportion to the Water and Sewer Departments.

The bond ordinances require that the City establish rates and charges for its water and sewer services, such that the revenues derived from the water and sewer system are sufficient to provide for the payment of principal and interest on the revenue bonds and for the operation and maintenance of the water and sewer system. NID bonds are debt payments are provided by a special assessment property tax and capital leases payment comes from operation and maintenance funds.

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE E – LONG-TERM DEBT (Continued)

State Revolving Fund Program Bonds: The City has \$ 11,730,000 of State Revolving Fund Program Bonds. In conjunction with this issuance, the City entered into an agreement with the Missouri Department of Natural Resources whereby the state of Missouri will advance monies to establish a reserve fund in an amount up to 70% of the outstanding bonds. This reserve fund will serve as collateral on the State Revolving Fund Program Bonds in the event of default and interest earnings on the reserve fund will be used to reduce the City's interest payment on the outstanding bonds. As of December 31, 2021, the reserve fund has approximately \$ 6,802,916.

The Proprietary Funds long-term debt as of December 31, 2021, follows:

Revenue Bonds

\$ 975,000, 2001A Series, Waterworks and Sewerage System Revenue Bonds due in annual installments of principal ranging from \$ 35,000 to \$ 65,000 and with interest rates ranging from 4.0% to 5.0% payments are made monthly to trustee with the debt maturing January 1, 2022. State Revolving Fund Program.	\$ 65,000
\$ 7,980,000, 2006A Series, Waterworks and Sewerage System Revenue Bonds due in annual installments of principal ranging from \$ 305,000 to \$ 480,000 and with interest rates ranging from 4.0% to 5.25% payments are made monthly to trustee with the debt maturing July 1, 2026. State Revolving Fund Program.	2,300,000
\$ 15,125,000, 2007A Series, Waterworks and Sewerage System Revenue Bonds due in annual installments of principal ranging from \$ 495,000 to \$ 2,175,000 and with interest rates ranging from 4.0% to 4.375% payments are made monthly to trustee with the debt maturing January 1, 2028. State Revolving Fund Program.	6,815,000
\$ 435,000, 2012 Series, Combined Waterworks and Sewerage System Refunding Revenue Bonds due in annual installments of principal ranging from \$ 25,000 to \$ 40,000 with interest paid semiannual at rates ranging from 2.3% to 4.0%. Debt matures December 1, 2025.	105,000
	<u>\$ 9,285,000</u>

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE E – LONG-TERM DEBT (Continued)

The annual requirements to amortize revenue bonded debt as of December 31, 2021, follows:

Year Ending December 31,	Principal	Interest	Total
2022	\$ 1,380,000	\$ 394,183	\$ 1,774,183
2023	1,360,000	329,161	1,689,161
2024	1,410,000	265,901	1,675,901
2025	1,465,000	200,144	1,665,144
2026	1,495,000	130,062	1,625,062
2027-2028	2,175,000	96,140	2,271,140
	<u>\$ 9,285,000</u>	<u>\$ 1,415,591</u>	<u>\$ 10,700,591</u>

Certificate of Participation:

\$ 7,815,000, 2013 Series, Refunding Water System Improvement \$ 5,379,625
 Certificates of Participation, paying principal annually ranging from
 \$ 50,000 to \$ 720,000 with stated interest rates of 2.00% to 4.625%.
 Principal and interest due 5/1 and interest only 11/1 with debt
 maturing 5/1/2033. \$ 307,727 of debt was issued to the General
 Fund or 4.12% and the remaining \$ 7,457,273 or 95.88% to the
 Water Department.

\$ 6,700,000, 2016 Series, For Water System Improvements, 6,565,000
 Certificates of Participation, paying principal annually ranging from
 \$ 85,000 to \$ 890,000 with stated interest rates of 2.00% to 3.25%.
 Principal and interest due 5/1 and interest only 11/1 with debt
 maturing 5/1/2038.

Total Certificates of Participations \$ 11,944,625

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE E – LONG-TERM DEBT (Continued)

Year Ending December 31,	Water Department	
	Principal	Interest
2022	\$ 443,559	\$ 421,368
2023	505,751	406,000
2024	534,750	388,187
2025	539,549	368,669
2026	539,750	347,917
2026-2031	3,074,988	1,388,266
2032-2036	4,556,278	656,901
2037-2038	1,750,000	57,364
	<u>\$ 11,944,625</u>	<u>\$ 4,034,672</u>

Neighborhood Improvement District Bonds

\$ 1,165,000 2006 Series Kirkwood Improvement District. Principal paid annually with \$ 58,250 due each year and semiannual interest payments at 4.95% with debt maturing September 1, 2026.	\$ 291,250
 \$ 797,500 2006 Series Stonegate Improvement District. Principal paid annually with \$ 39,875 due each year and semiannual interest payments at 4.45% with debt maturing June 30, 2026.	 159,500
 \$ 270,000 2006 Series Laurel Hills Improvement District. Principal paid annually ranging from \$ 10,897 to \$ 19,777 and semiannual interest payments at 4.35% with debt maturing March 1, 2027.	 90,967
	<u><u>\$ 541,717</u></u>

Special improvement bonds were issued to pay for sewer
improvements and are paid by a special property tax assessment.

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE E – LONG-TERM DEBT (Continued)

The annual requirements to amortize special assessment debt as of December 31, 2021, is as follows:

Year Ending December 31,	Principal	Interest	Total
2022	\$ 58,250	\$ 14,417	\$ 72,667
2023	114,805	21,709	136,514
2024	115,521	16,355	131,876
2025	116,287	10,905	127,192
2026	117,077	5,456	122,533
2007	19,777	860	20,637
	\$ 541,717	\$ 69,702	\$ 611,419

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE E – LONG-TERM DEBT (Continued)

Governmental activities

The following is a summary of debt transactions of the City for the year ended December 31, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount due Within one Year
Special Assessment Bonds	\$ 70,235	\$ -	\$ 8,759	\$ 61,476	\$ 9,153
Certificates of Participation	18,276,646	244,600	389,246	18,132,000	397,444
	<u>\$ 18,346,881</u>	<u>\$ 244,600</u>	<u>\$ 398,005</u>	<u>\$ 18,193,476</u>	<u>\$ 406,597</u>
Compensated absences	\$ 160,050	\$ 147,059	\$ 128,901	\$ 178,208	\$ 17,821
As reported on the financial statement:					
Amount due within one year					
Debt				\$ 406,597	
Compensated absences				17,821	
				<u>424,418</u>	
Amount due in more than one year:					
Special Assessment Bonds				52,323	
Certificates of Participation				17,734,556	
Compensated absences				160,387	
				<u>17,947,266</u>	
Total				<u>\$ 18,371,684</u>	

For governmental activities the liability for compensated absences are liquidated by the General Fund 70% and the Park/Stormwater Fund 30%.

The Governmental long-term special obligation debt as of December 31, 2021, follows:

\$ 155,000, December 31, 2007, Bluff Drive Community Improvement District Bonds for the purpose of signalization project. Payments are annual of \$11,920 with an interest rate of 4.50%. Debt matures matures July 17, 2027. \$ 61,476

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE E – LONG-TERM DEBT (Continued)

The annual requirement to amortize special obligation bonded debt as of December 31, 2021, is as follows:

Year Ending December 31,	Principal	Interest	Totals
2022	\$ 9,153	\$ 2,766	\$ 11,919
2023	9,565	2,354	11,919
2024	9,990	1,929	11,919
2025	10,445	1,474	11,919
2026	10,915	1,004	11,919
2007	11,408	513	11,921
	<u>\$ 61,476</u>	<u>\$ 10,040</u>	<u>\$ 71,516</u>

The Governmental long-term certification of participation debt as of December 31, 2021, follows:

\$ 19,350,000, 2014 Series, Refunding Certificate of Participation
paying principal annually ranging from \$ 200,000 to \$ 2,765,000
with stated interest rates of 2.00% to 4.00%. Principal and interest
due 9/1 and interest only 3/1 with debt maturing September 1, 2044. \$ 17,635,000

\$ 7,815,000, 2013 Series, Refunding Water System Improvement
Certificates of Participation, paying principal annually ranging from
\$ 50,000 to \$ 720,000 with stated interest rates of 2.00% to 4.625%.
Principal and interest due 5/1 and interest only 11/1 with debt
maturing 5/1/2033. \$ 309,767 of debt was issued to the General
Fund or 3.96% and the remaining \$ 7,505,233 or 96.04% to the
Water Department. 205,074

\$ 244,600 July 19, 2021, lease purchase of fitness equipment for the
fitness center with semi-annual payments of 13,149.00 at 5.501%
interest rate and the final payment January 16, 2026 211,024

\$ 18,051,098

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE E – LONG-TERM DEBT (Continued)

The annual requirement to amortize the certificate of participation debt as of December 31, 2021, is as follows:

Year Ending December 31,	Principal	Interest	Totals
2022	\$ 352,230	\$ 786,254	\$ 1,138,484
2023	373,692	775,707	1,149,399
2024	401,179	761,115	1,162,294
2025	427,783	745,405	1,173,188
2026	458,612	724,771	1,183,383
2027-2031	2,776,362	3,416,009	6,192,371
2032-2036	3,531,240	2,617,436	6,148,676
2037-2041	4,690,000	1,757,440	6,447,440
2042-2044	5,040,000	518,412	5,558,412
	<u>\$ 18,051,098</u>	<u>\$ 12,102,549</u>	<u>\$ 30,153,647</u>

Blended Component units

The following is a summary of debt transactions of the PFC and LCRA for the year ended December 31, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount due Within one Year
Note payables	<u>\$ 713,586</u>	<u>\$ -</u>	<u>\$ 632,684</u>	<u>\$ 80,902</u>	<u>\$ 45,216</u>

As reported on the financial statement:

Amount due within one year	\$ 45,216
Amount due in more than one year:	
Note payables	<u>35,686</u>
Total	<u>\$ 80,902</u>

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE E – LONG-TERM DEBT (Continued)

The Component Units note payables debt as of December 31, 2021, follows:

Public Financing Corporation

\$ 300,000 note payable entered into November 2016, for purchase of real estate at 203-207 E. Brick Street. Payable monthly principal and interest payments of \$ 3,901.39 and interest rate of 2.50%.
December 2023.

\$ 80,902

The annual requirement to amortize the note payables as of December 31, 2021, is as follows:

Year Ending December 31,	Principal	Interest	Totals
2022	\$ 45,216	\$ 1,596	\$ 46,812
2023	35,686	449	36,135
	<u>\$ 80,902</u>	<u>\$ 2,045</u>	<u>\$ 82,947</u>

NOTE F – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains commercial insurance coverage for property damage and various Missouri Official's bonds. Management believes coverage is sufficient to preclude any significant uninsured losses to the City.

On December 31, 2021, the City maintained commercial insurance coverage for building and contents and employee theft. In the past three years the City had no losses that exceeded commercial insurance coverage.

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE G – DEFINED BENEFIT PENSION PLAN

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

Plan description

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

Benefits provided

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

	<u>2021 Valuation</u>
Benefit Multiplier:	1.50%
Final Average Salary:	3 years
Member Contributions:	0.00%

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

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE G – DEFINED BENEFIT PENSION PLAN (Continued)

Employees covered by benefit terms

On June 30, 2021, the following employees were covered by the benefits terms:

Inactive employees or beneficiaries currently receiving benefits	51
Inactive employees entitled to but not yet receiving benefits	43
Active employees	<u>105</u>
Total	<u><u>199</u></u>

Contributions

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer contribute 0% of their gross pay to the pension plan. Employer's contribution rates are 12.70% General and 11.6% Police of annual covered payroll.

Net Pension Liability

The employer's net pension liability was measured as June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2021.

Actuarial assumptions

The total pension liability in the February 28, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75% wage inflation; 2.25% price inflation
Salary increase	2.75% to 6.55% including wage inflation
Investment rate of return	7.00% net of investment expenses

Mortality rates were based on the 1994 Group Annuity Mortality Table set back 0 years for both males and females.

The actuarial assumptions used in the February 28, 2021, valuation were based on the results of an actuarial experience study for the period March 1, 2010, through February 28, 2015.

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE G – DEFINED BENEFIT PENSION PLAN (Continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	39.00%	4.16%
Fixed Income	28.00%	0.89%
Real Assets	33.00%	2.09%

Discount rate

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

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE G – DEFINED BENEFIT PENSION PLAN (Continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)+(b)
Balances at 7/1/2020	<u>\$ 16,436,785</u>	<u>\$ (15,942,868)</u>	<u>\$ 493,917</u>
Changes for the year:			
Service Cost	485,006	-	485,006
Interest	1,183,292	-	1,183,292
Changes in assumptions	(240,213)	-	(240,213)
Difference between expected and actual experience	(27,915)	-	(27,915)
Contribution - employer	-	(592,772)	(592,772)
Net investment income	-	(4,379,662)	(4,379,662)
Benefit payments, including refunds	(720,157)	720,157	-
Administrative expense	-	18,295	18,295
Other changes	-	233,964	233,964
Net changes	<u>680,013</u>	<u>(4,000,018)</u>	<u>(3,320,005)</u>
Balances at 6/30/2021	<u><u>\$ 17,116,798</u></u>	<u><u>\$ (19,942,886)</u></u>	<u><u>\$ (2,826,088)</u></u>

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

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

	Current Single Discount Rate Assumption	
<u>1% Decrease</u>		<u>1% Increase</u>
<u>6.00%</u>	<u>7.00%</u>	<u>8.00%</u>
<u>\$ (96,816)</u>	<u>\$ (2,826,088)</u>	<u>\$ (5,049,351)</u>

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE G – DEFINED BENEFIT PENSION PLAN (Continued)

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

For the year ended June 30, 2021, the employer recognized pension expense of \$ 73,575. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ 224,856	\$ (317,100)
Differences in assumptions	94,085	(229,353)
Excess(deficit) in investment returns	72,172	(1,683,011)
Contributions subsequent to the measurement date*	332,559	-
Total	<u>\$ 723,672</u>	<u>\$ (2,229,464)</u>

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as an increase in the Net Pension Asset for the year ending December 31, 2022

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

Year ended:	
2022	\$ (587,334)
2023	(479,119)
2024	(482,859)
2025	(674,910)
2026	(43,872)
Thereafter	(9,460)
Total	<u>\$ (2,277,554)</u>

Payable to the Pension Plan

On December 31, 2021, the City of Ozark reported a payable of \$ 0.00 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2021.

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE H – GRANTS

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

NOTE I – CONTINGENCIES

Litigation – Various claims and lawsuits are pending against the City. In the opinion of the City's management, the potential loss on all claims and lawsuits will not be significant to the City's financial statements.

NOTE J – INTERFUND TRANSFERS

Interfund transfers as follows were used to supplement the operating expenditures:

Transfers:	To	From
General Fund	\$ 110,000	\$ 610,075
Park Fund	610,075	-
Solid Waste	-	110,000
	<u>\$ 720,075</u>	<u>\$ 720,075</u>

NOTE K – INTERFUND TRANSFERS FOR CAPITAL IMPROVEMENTS

During the year, the Capital Improvement Fund transferred \$ 850,000 to the General Fund which in turn used the money to purchase capital assets.

	To	From
General Fund	\$ 850,000	\$ -
Capital Improvement Fund	<u>-</u>	<u>850,000</u>
	<u>\$ 850,000</u>	<u>\$ 850,000</u>

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE L – TOWER LEASES

The City leases space on the City's water towers to various wireless providers for the placement of antennae. A total of \$ 76,750 was received during the year ended December 31, 2021 and is reported in the General Fund. For the next five years, scheduled payments to receive are:

2022	\$ 88,796
2023	91,269
2024	93,828
2025	96,475
2026	99,214

NOTE M – CONSTRUCTION IN PROGRESS

Construction in progress is authorized by actions of the City Council (governing body). A summary of construction in progress as of December 31, 2021, is as follows:

<u>Project</u>	<u>Cost of Project</u>	<u>Construction in Progress</u>	<u>Remaining Cost to Complete</u>
Waterworks and Sewerage Fund			
Third Street Water Improvements	\$ 825,000	\$ 729,219	\$ 95,781
19th Street Water Improvements	35,000	22,388	12,612
Finley Valley Water Improvements	25,000	7,577	17,423
Downtown Water Improvements	1,250,000	1,074,995	175,005
Birdhead Project	335,000	9,900	325,100
2021-2022 Sewer Rehab	300,000	292,615	7,385
WWTP Truck Storage Building	450,000	397,888	52,112
Selmore Rd & South St Improvements	20,000	11,922	8,078
	<u>\$ 3,240,000</u>	<u>\$ 2,546,504</u>	<u>\$ 693,496</u>
Governmental Activities			
Chadwick Flyer Project Phase 1	\$ 155,000	\$ 83,124	\$ 71,876
	<u>\$ 155,000</u>	<u>\$ 83,124</u>	<u>\$ 71,876</u>

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE N – FUTURE ACCOUNTING PRONOUNCEMENTS

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

The City adopted the following statements during the year ended December 31, 2021:

GASB Statement No. 87, *Leases*, issued June 2017, will be effective for the City beginning after June 15, 2021. This Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Section 457 Deferred Compensation Plans-and amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, issued June 2021. Effective date is June 15, 2021, with earlier application permitted.

GASB Statement No. 98, This Statement establishes the term *annual comprehensive financial report* and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness. Effective date of this requirement is for fiscal years ending after December 15, 2021, but earlier application is encouraged.

The City did not have any changes to report for the year ending December 31, 2021, upon adopting GASB 87,97, and 98.

CITY OF OZARK, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE O– CHANGE IN PRESENTATION

For the prior year Ozark Public Funding Corporation and Land Clearance for Redevelopment Authority were included in the report as Discretely Presented Blended Component Units per the comments of the ACRF review 2019 but per past review by ACRF 2020 findings commented that they should be changed to a Blended Component Units which resulted Net Position-Beginning increasing \$ 5,221,328 and Fund Balance for the General Fund increasing \$ 23,047.

City of Ozark, Missouri
Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2021

REQUIRED SUPPLEMENTAL INFORMATION

CITY OF OZARK, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	General Fund			
	Budgeted Amounts			Variance With
REVENUES	Original	Final	Actual	Final Budget
Taxes:				
Property taxes	\$ 755,635	\$ 755,635	\$ 801,298	\$ 45,663
Franchise taxes	610,000	624,000	610,239	(13,761)
Sales taxes	4,859,625	5,503,200	5,595,662	92,462
Intergovernmental:				
Missouri motor fuel taxes	680,000	673,000	770,556	97,556
Charge for services:				
Police services	60,000	60,000	69,720	9,720
Licenses & permits	178,000	290,000	356,025	66,025
Fines & forfeitures	43,300	43,300	48,688	5,388
Interest	26,800	9,800	30,248	20,448
Grants	229,744	683,439	739,266	55,827
Rents	145,100	145,100	251,611	106,511
Developers contribution	-	2,546,434	2,658,643	112,209
Miscellaneous	8,100	6,100	17,891	11,791
Total Revenues	<u>7,596,304</u>	<u>11,340,008</u>	<u>11,949,847</u>	<u>609,839</u>
EXPENDITURES				
Current:				
General government	1,861,180	1,944,980	1,418,190	526,790
Police	3,425,211	3,466,341	3,254,041	212,300
Court	95,031	98,231	44,457	53,774
Street	844,399	1,138,499	617,808	520,691
Capital outlay	3,217,556	5,182,434	4,067,760	1,114,674
Debt service:				
Principal	33,800	621,852	648,722	(26,870)
Interest and fees	7,325	24,222	20,743	3,479
Total Expenditures	<u>9,484,502</u>	<u>12,476,559</u>	<u>10,071,721</u>	<u>2,404,838</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	<u>(1,888,198)</u>	<u>(1,136,551)</u>	<u>1,878,126</u>	<u>3,014,677</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	960,000	960,000	960,000	-
Transfers (to) other funds	(527,850)	(759,800)	(610,075)	149,725
Sale of assets	-	627,000	426,175	(200,825)
	<u>432,150</u>	<u>827,200</u>	<u>776,100</u>	<u>(51,100)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,456,048)</u>	<u>\$ (309,351)</u>	2,654,226	<u>\$ 2,963,577</u>
FUND BALANCES - BEGINNING			6,162,494	
FUND BALANCES - ENDING			\$ 8,816,720	

CITY OF OZARK, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Park/Stormwater Funds			
	Budgeted Amounts			Variance With
REVENUES	Original	Final	Actual	Final Budget
Taxes:				
Property taxes	\$ 179,000	\$ 180,900	\$ 196,809	\$ 15,909
Sales taxes	1,666,700	2,010,025	2,033,766	23,741
Charge for services:				
Park programs	1,620,900	1,817,300	1,952,047	134,747
Interest	9,000	9,000	7,914	(1,086)
Grants			-	-
Rents	46,800	84,400	87,906	3,506
Impact fees	50,000	50,000	44,300	(5,700)
Miscellaneous	1,100	1,100	3,738	2,638
Total Revenues	<u>3,573,500</u>	<u>4,152,725</u>	<u>4,326,480</u>	<u>173,755</u>
Current:				
Administration park department	2,752,472	3,144,162	2,804,542	339,620
Capital outlay	585,000	829,599	715,277	114,322
Debt service:				
Principal	360,000	360,000	337,335	22,665
Interest and fees	780,388	780,388	778,178	2,210
Total Expenditures	<u>4,477,860</u>	<u>5,114,149</u>	<u>4,635,332</u>	<u>478,817</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	(904,360)	(961,424)	(308,852)	652,572
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	610,075	610,075	610,075	-
Lease proceeds	-	244,599	244,599	-
Sale of assets	-	-	8,400	8,400
NET CHANGE IN FUND BALANCE	<u>\$ (294,285)</u>	<u>\$ (106,750)</u>	554,222	<u>\$ 660,972</u>
FUND BALANCES - BEGINNING			<u>5,407,222</u>	
FUND BALANCES - ENDING			\$ 5,961,444	

CITY OF OZARK, MISSOURI
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON INFORMATION
DECEMBER 31, 2021

Explanation of Budgetary Process

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

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

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

The budgeted amounts included in the basic financial statements are as originally adopted or amended by the City Council, pursuant to State Statutes. The City Council adopts annual budgets for the General Fund, Park/Storm Water Fund, and Capital Improvement Fund.

For the year ended December 31, 2021, actual expenditures were within budget.

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

	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability							
Service costs	\$ 485,006	\$ 483,706	\$ 468,241	\$ 384,253	\$ 368,306	\$ 359,531	\$ 359,695
Interest on Total Pension Liability	1,183,292	1,112,179	1,021,297	871,188	808,447	731,857	688,854
Changes in benefits terms	-	-	-	1,254,378	-	-	-
Difference between expected and actual experience	(27,915)	(13,932)	183,106	(91,636)	41,033	(138,114)	(165,300)
Changes in assumptions	(240,213)	-	-	-	(175,642)	596,565	-
Benefit payments, including refunds	(720,157)	(487,366)	(368,121)	(409,120)	(297,516)	(361,316)	(221,179)
Net change in total pension liability	680,013	1,094,587	1,304,523	2,009,063	744,628	1,188,523	662,070
Total Pension Liability-beginning	16,436,785	15,342,198	14,037,675	12,028,612	11,283,984	10,095,461	9,433,391
Total Pension Liability-ending	<u>\$ 17,116,798</u>	<u>\$ 16,436,785</u>	<u>\$ 15,342,198</u>	<u>\$ 14,037,675</u>	<u>\$ 12,028,612</u>	<u>\$ 11,283,984</u>	<u>\$ 10,095,461</u>
Plan Fiduciary Net Position							
Contributions - employer	\$ (592,772)	\$ (560,982)	\$ (539,556)	\$ (488,853)	\$ (409,182)	\$ (401,675)	\$ (449,197)
Contributions - employee	-	-	-	-	-	-	(6,291)
Net investment income	(4,379,662)	(211,282)	(965,758)	(1,633,648)	(1,353,122)	15,442	(225,128)
Benefits payments, including refunds	720,157	487,366	368,121	409,120	297,516	361,316	221,179
Pension Plan Administrative Expense	18,295	23,267	19,689	13,320	12,898	12,118	12,956
Other (Net Transfer)	233,964	(171,542)	67,533	52,301	16,999	110,197	(245,288)
Net change in plan fiduciary net position	(4,000,018)	(433,173)	(1,049,971)	(1,647,760)	(1,434,891)	97,398	(691,769)
Plan Fiduciary Net Position-beginning	(15,942,868)	(15,509,695)	(14,459,724)	(12,811,964)	(11,377,073)	(11,474,471)	(10,782,702)
Plan Fiduciary Net Position-ending	<u>\$ (19,942,886)</u>	<u>\$ (15,942,868)</u>	<u>\$ (15,509,695)</u>	<u>\$ (14,459,724)</u>	<u>\$ (12,811,964)</u>	<u>\$ (11,377,073)</u>	<u>\$ (11,474,471)</u>
Net Pension Liability/(Asset)	<u>\$ (2,826,088)</u>	<u>\$ 493,917</u>	<u>\$ (167,497)</u>	<u>\$ (422,049)</u>	<u>\$ (783,352)</u>	<u>\$ (93,089)</u>	<u>\$ (1,379,010)</u>
Plan fiduciary net position as a percentage of the total pension liability	116.51%	97.00%	101.09%	103.01%	106.51%	100.82%	113.66%
Covered payroll	\$ 4,679,175	\$ 4,693,635	\$ 4,593,400	\$ 4,253,903	\$ 4,199,370	\$ 4,163,024	\$ 4,070,250
Net Pension liability as a percentage of covered payroll	-60.40%	10.52%	-3.65%	-9.92%	-18.65%	-2.24%	-33.88%

Notes to schedule:

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

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

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

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Contribution in Relation</u>	<u>Contribution Deficiency</u>	<u>Covered Employee Payroll</u>	<u>Contribution as Percentage</u>
2012	\$ 524,410	\$ 524,410	\$ -	\$ 3,971,697	13.20%
2013	490,150	490,150	-	3,908,394	12.54%
2014	477,794	477,794	-	4,045,031	11.81%
2015	416,846	416,846	-	4,070,250	10.24%
2016	394,221	394,221	-	4,163,024	9.47%
2017	394,221	394,221	-	4,163,024	9.47%
2018	542,495	542,495	-	4,404,436	12.32%
2019	543,940	543,940	-	4,519,135	12.04%
2020	598,717	598,717	-	4,862,604	12.31%
2021	614,417	614,417	-	4,980,385	12.34%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date: February 28, 2021

Notes: The roll-forward of total pension liability from February 28, 2021 to June 30, 2021 reflects expected service cost and interest reduced by actual benefit payments.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal and Modified Terminal Funding
Amortization Method	A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.
Remaining Amortization Period	Multiple bases from 9 to 16 years
Asset Valuation Method	5-Year smoothed market; 20% corridor
Inflation	2.75% wage inflation; 2.25% price inflation
Salary Increases	2.75% to 6.55% including wage inflation
Investment Rate of Return	7.00%, net of investment expenses
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups. Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.
Other information:	None

City of Ozark, Missouri
Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2021

OTHER SUPPLEMENTAL INFORMATION

CITY OF OZARK, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Capital Improvement Fund			
	<u>Budgeted Amounts</u>			Variance With
REVENUES	Original	Final	Actual	Fin ! Budge !_
Taxes:				
Sales taxes	\$ <u>875,000</u>	<u>\$1,005,200</u>	<u>\$1,016,883</u>	<u>\$ 11,683</u>
Total Revenues	<u>875,000</u>	1,005,200	1,016,883	<u>11,683</u>
OTHER FINANCING SOURCES (USES)				
Transfers (to) other funds	(850,000)	<u>(850,000)</u>	<u>(850,000)</u>	
NET CHANGE IN FUND BALANCE	\$ 25,000	\$ 155,200	166,883	\$ <u>11,683</u>
FUND BALANCES - BEGINNING			<u>288,681</u>	
FUND BALANCES - ENDING			\$ 455,564	

City of Ozark, Missouri
Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2021

SECTION III - STATISTICAL SECTION

(Unaudited)

City of Ozark, Missouri

Statistical Section Overview

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

Contents	Pages
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Financial Trends	
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These Schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	61-66
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Revenue Capacity	
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These schedules contain information to help the reader assess the City's most significant local revenue sources.	67-73
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Debt Capacity	
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These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	74-78
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Demographic and Economic Information	
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	79-81
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Operating Information	
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These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	82-84
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Sources: Unless otherwise noted, the information in these schedules is derived from the audited annual financial reports for the relevant year.

CITY OF OZARK, MISSOURI
Net Position by Component
Last 10 Fiscal Years

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental activities										
Net investment in capital assets	\$ 33,236,254.00	\$ 25,229,456.00	\$ 21,882,169.00	\$ 19,792,488.00	\$ 16,388,853	\$ 13,521,562	\$ 11,821,889	\$ 10,957,196	\$ 10,591,749	\$ 7,923,661
Restricted	700,774.00	989,455.00	69,490.00	819,556.00	2,182,340	2,151,834	1,545,000	2,147,170	1,943,269	2,063,000
Unrestricted	14,903,374.00	10,847,263.00	9,945,922.00	6,492,086.00	5,720,013	6,341,012	6,912,707	4,048,708	3,155,439	3,856,784
Total governmental activities net position	\$ 48,840,402.00	\$ 37,066,174.00	\$ 31,897,581.00	\$ 27,104,130.00	\$ 24,291,206	\$ 22,014,408	\$ 20,279,596	\$ 17,153,074	\$ 15,690,457	\$ 13,843,445
Business-type activities										
Net investment in capital assets	\$ 30,162,519.00	\$ 25,518,825.00	\$ 20,587,591.00	\$ 19,715,659.00	\$ 15,068,037	\$ 10,695,017	\$ 14,521,276	\$ 12,847,034	\$ 10,420,509	\$ 16,766,895
Restricted	4,578,357.00	5,795,021.00	5,681,280.00	5,613,182.00	7,987,036	9,782,390	6,682,768	9,164,804	10,400,424	4,797,075
Unrestricted	10,353,766.00	10,156,711.00	12,492,743.00	10,993,970.00	11,590,107	12,523,614	9,641,344	6,641,671	6,792,540	4,890,347
Total business-type activities net position	\$ 45,094,642.00	\$ 41,470,557.00	\$ 38,761,614.00	\$ 36,322,811.00	\$ 34,645,180	\$ 33,001,021	\$ 30,845,388	\$ 28,653,509	\$ 27,613,473	\$ 26,454,317
Primary government										
Net investment in capital assets	\$ 63,398,773.00	\$ 50,748,281.00	\$ 42,469,760.00	\$ 39,508,147.00	\$ 31,456,890	\$ 24,216,579	\$ 26,343,165	\$ 23,804,230	\$ 21,012,258	\$ 24,690,556
Restricted	5,279,131.00	6,784,476.00	5,750,770.00	6,432,738.00	10,169,376	11,934,224	8,227,768	11,311,974	12,343,693	6,860,075
Unrestricted	25,257,140.00	21,003,974.00	22,438,665.00	17,486,056.00	17,310,120	18,864,626	16,554,051	10,690,379	9,947,979	8,747,131
Total primary government net position	\$ 93,935,044.00	\$ 78,536,731.00	\$ 70,659,195.00	\$ 63,426,941.00	\$ 58,936,386	\$ 55,015,429	\$ 51,124,984	\$ 45,806,583	\$ 43,303,930	\$ 40,297,762

CITY OF Ozark, MISSOURI
Changes in Net Position
Last Ten Fiscal Years
Page 1 of 2

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses										
Government Activities										
Administration	\$ 2,085,356	\$ 1,760,099	\$ 1,333,588	\$ 1,511,583	\$ 1,252,244	\$ 1,218,057	\$ 1,150,947	\$ 1,145,806	\$ 1,062,310	\$ 1,100,849
Public Safety	\$ 3,151,269	\$ 3,032,981	\$ 2,973,267	\$ 3,139,038	2,947,731	\$ 2,930,467	\$ 2,628,419	\$ 2,690,892	\$ 2,848,087	\$ 2,517,193
Parks & Recreation	\$ 3,194,073	\$ 2,794,103	\$ 2,997,065	\$ 2,926,520	2,708,982	2,675,328	2,568,444	2,707,119	2,531,024	2,793,859
Stormwater		\$ 32,320	\$ 26,848	\$ 20,028	43,121					
Streets	\$ 1,634,297	\$ 2,761,847	\$ 1,746,300	\$ 1,644,791	1,675,404	1,332,357	1,315,161	1,190,263	641,003	905,895
Interest	\$ 812,284	\$ 783,000	\$ 845,131	\$ 892,475	899,101	912,468	1,063,885	995,707	994,263	907,636
Total Government Activities	\$ 10,877,279	\$ 11,164,350	\$ 9,922,199	\$ 10,134,435	9,526,583	9,068,677	8,726,856	8,729,787	8,076,687	8,225,432
Business-type Activities										
Water	\$ 4,152,709	\$ 3,519,233	\$ 3,326,332	\$ 3,452,953	3,008,455	2,606,761	2,474,304	2,486,968	2,247,757	2,159,614
Sewer	\$ 4,144,852	\$ 4,435,310	\$ 4,181,467	\$ 4,369,956	4,072,227	4,310,197	3,838,042	4,531,729	4,312,506	4,485,363
Sanitation	\$ 1,071,237	\$ 1,036,144	\$ 890,312	\$ 995,058	867,357	835,928	797,122	783,707	738,503	717,109
Total Business-type Activities	\$ 9,368,798	\$ 8,990,687	\$ 8,398,111	\$ 8,817,967	7,948,039	7,752,886	7,109,468	7,802,404	7,298,766	7,362,086
Program Revenues										
Government Activities										
Charges for services	\$ 2,765,997	\$ 1,923,040	\$ 2,478,030	\$ 2,349,866	2,294,580	2,268,975	2,249,655	2,239,833	2,140,970	2,058,264
Operating grants and contributions	\$ 457,187	\$ 2,870,436	\$ 56,376	\$ 25,414	46,812	81,829	123,174	97,032	125,259	45,630
Capital grants and contributions	\$ 2,987,522	\$ 89,158	\$ 2,349,038	\$ 1,950,444	1,755,873	887,685	676,169	560,616	152,082	567,570
Total Government Activities	\$ 6,210,706	\$ 4,882,634	\$ 4,883,444	\$ 4,325,724	4,097,265	3,238,489	3,048,998	2,897,481	2,418,311	2,671,464
Business-type Activities										
Charges for services	\$ 10,345,852	\$ 8,602,454	\$ 8,356,951	\$ 8,195,716	7,916,878	7,909,416	7,594,158	7,399,442	6,675,797	6,652,252
Operating grants and contributions	\$ 1,900	\$ -	\$ -		-	56,173	-			
Capital grants and contributions	\$ 1,493,604	\$ 2,037,875	\$ 1,156,890	\$ 1,073,536	808,097	1,100,650	179,615	106,970	496,600	
Total Business-type Activities	\$ 11,841,356	\$ 10,640,329	\$ 9,513,841	\$ 9,269,252	\$ 8,724,975	\$ 9,066,239	\$ 7,773,773	\$ 7,506,412	\$ 7,172,397	\$ 6,652,252

CITY OF OZARK, MISSOURI

Changes in Net Position

Last Ten Fiscal Years

Page 2 of 2

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Net (Expense)/Revenue										
Government Activities	\$ (4,666,573)	\$ (6,281,716)	\$ (5,038,755)	\$ (5,808,711)	\$ (5,429,318)	\$ (5,830,188)	\$ (5,677,858)	\$ (5,832,306)	\$ (5,658,376)	\$ (5,553,968)
Business-type Activities	2,472,558	1,649,642	1,115,730	451,285	776,936	1,313,353	664,305	(295,992)	(126,369)	(709,834)
Total Net Expense	(2,194,015)	(4,632,074)	(3,923,025)	(5,357,426)	(4,652,382)	(4,516,835)	(5,013,553)	(6,128,298)	(5,784,745)	(6,263,802)
General Revenues And Other Changes In Net Positon										
Government Activities										
Taxes	11,052,182	9,946,752	9,526,536	8,395,893	7,563,977	7,460,776	7,272,166	7,129,502	6,410,750	6,247,166
Interest	38,162	83,121	151,286	88,650	21,916	23,139	16,923	13,551	16,980	64,390
Other	19,129	63,594	46,216	37,092	37,223	(40,813)	101,145	62,877	28,937	12,636
Transfers In/(out)	110,000	110,000	100,000	100,000	83,000	121,898	78,000	65,000	282,641	(362,618)
Gain on Sale of Assets	-	6,576	8,168							
Total Government Activities	11,219,473	10,210,043	9,832,206	8,621,635	7,706,116	7,565,000	7,468,234	7,270,930	6,739,308	5,961,574
Business-type Activities										
Taxes	1,126,135	1,053,807	1,010,042	944,646	888,284	909,443	892,753	868,521	794,978	922,403
Interest	79,340	115,494	404,703	368,386	61,939	54,735	47,475	383,414	593,179	622,872
Other	-		13,314			-		149,093	(135,780)	2,378
Transfers In/(out)	(110,000)	(110,000)	(100,000)	(100,000)	(83,000)	(121,898)	(78,000)	(65,000)	(282,641)	529,037
Gain on Sale of Assets	56,052		8,328							
Total Business-type Activities	1,151,527	1,059,301	1,323,073	1,226,346	867,223	842,280	862,228	1,336,028	969,736	2,076,690
Total Primary Government	12,371,000	11,269,344	11,155,279	9,847,981	8,573,339	8,407,280	8,330,462	8,606,958	7,709,044	8,038,264
Changes in Net Position										
Government Activities	6,552,900	3,928,327	4,793,451	2,812,924	2,276,798	1,734,812	1,790,376	1,438,624	1,080,932	407,606
Business-type Activities	3,624,085	2,708,943	2,438,803	1,677,631	1,644,159	2,155,633	1,526,533	1,040,036	843,367	1,366,856
Total Change in Net Position	\$ 10,176,985	\$ 6,637,270	\$ 7,232,254	\$ 4,490,555	\$ 3,920,957	\$ 3,890,445	\$ 3,316,909	\$ 2,478,660	\$ 1,924,299	\$ 1,774,462

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

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund										
Nonspendable	\$ 98,322	\$ 500,559	\$ 529,712	\$ 457,087	\$ 472,799	\$ 449,606	\$ 478,973	\$ 57,978	\$ 37,796	\$ 13,034
Restricted	28,154	28,154	37,454	194,144	209,894	204,884	198,350	293,161	328,567	472,422
Assigned	847,457	742,210	748,467	625,412	77,147	101,927	91,606	119,432	492,004	201,135
Unassigned	7,842,787	4,868,524	3,572,496	2,247,686	1,615,972	2,153,872	2,005,477	1,816,601	1,274,005	1,326,853
Total General Fund	\$ 8,816,720	\$ 6,139,447	4,888,129	3,524,329	\$ 2,375,812	\$ 2,910,289	\$ 2,774,406	\$ 2,287,172	\$ 2,132,372	\$ 2,013,444
Park/Stormwater Funds										
Nonspendable	\$ 131,797	\$ 112,123	62,274	117,611	\$ 142,266	\$ 133,388	\$ 105,054	\$ 12,064	\$ 10,045	\$ 16,615
Restricted	675,653.00	672,620.00	667,628	4,389,498	3,907,167	3,826,765	3,665,524	3,405,473	2,472,033	2,928,394
Assigned	5,153,994.00	4,622,479.00	4,307,940						855,855	
Unassigned	-									789,029
Total Park/Stormwater Fund	\$ 5,961,444	\$ 5,407,222	5,037,842	4,507,109	\$ 4,049,433	\$ 3,960,153	\$ 3,770,578	\$ 3,417,537	\$ 3,337,933	\$ 3,734,038
All Other Governmental Funds										
Nonspendable	0	0		667	-	667				
Restricted	455,564	288,681	182,917	106,173	270,419	130,379	228,000	247,538	137,288	142,435
Assigned	0	0				232,170	188,730			
Unassigned	0	0	(9,827)					(17,684)	(16,189)	
Total All Other Governmental Funds	455,564	288,681	173,090	106,840	\$ 270,419	\$ 363,216	\$ 416,730	\$ 229,854	\$ 121,099	\$ 142,435
Total Governmental Fund Balances	\$ 15,233,728	\$ 11,835,350	\$ 10,099,061	\$ 8,138,278	\$ 6,695,664	\$ 7,233,658	\$ 6,961,714	\$ 5,934,563	\$ 5,591,404	\$ 5,889,917

CITY OF OZARK, MISSOURI
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
Page 1 of 2

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
REVENUES										
Taxes	\$ 10,414,974	\$ 9,369,518	\$ 8,877,552	\$ 7,757,022	\$ 7,012,037	\$ 6,915,236	\$ 6,743,832	\$ 6,495,888	\$ 5,873,628	\$ 5,749,856
Franchise Fees	610,239	550,265	628,955	635,272	553,334	543,546	564,066	596,678	545,249	483,334
Licenses and permits	356,025	248,344	275,254	256,903	197,903	270,224	176,018	146,519	161,862	130,762
Fines and forfeitures	48,688	40,439	91,946	118,860	122,656	195,666	407,433	482,172	467,503	359,914
Investment earnings	38,162	83,121	151,286	88,650	21,916	23,139	16,923	13,551	16,980	64,390
Other Fees	383,817	61,250	59,560	44,899	84,447	78,023			15,750	3,250
Donations and grants	3,400,409	2,898,344	2,345,854	295,306	515,693	937,514	787,630	176,622	221,711	609,950
Miscellaneous revenues	19,129	233,470	324,479	279,135	287,154	157,045	163,550	148,425	119,916	121,252
Charge for Services	2,021,767	1,464,381	1,832,567	1,687,161	1,608,690	1,585,249	1,549,487	1,487,520	1,452,929	1,455,257
Total Revenues	17,293,210	14,949,132	14,587,453	11,163,208	10,403,830	10,705,642	10,408,939	9,547,375	8,875,528	8,977,965
EXPENDITURES										
Current:										
Administrative fees	1,418,190	1,698,448	1,254,101	1,220,641	1,269,810	1,219,136	1,121,368	1,152,485	1,019,583	1,070,383
Public Safety	3,298,498	2,963,847	2,904,806	2,750,377	2,742,996	2,625,386	2,435,041	2,471,331	2,426,985	2,360,466
Streets	3,422,350	1,867,307	772,093	703,411	892,549	709,681	765,585	756,113	454,316	583,011
Recreation	715,277	2,402,085	2,597,303	2,455,382	2,280,012	2,210,641	2,121,315	2,284,614	2,175,295	2,203,969
Capital Outlay	4,067,760	3,342,689	3,562,916	2,761,174	4,011,156	2,651,472	1,762,335	1,526,257	1,344,582	866,364
Debt service:										
Principal retirement	986,057	319,028	782,350	734,092	668,573	583,298	266,321	357,207	1,342,500	441,208
Interest and fiscal agent fees	798,921	769,537	861,269	879,920	883,546	902,587	1,057,328	1,007,361	994,150	907,636
Total Expenditures	\$ 14,707,053	\$ 13,362,941	\$ 12,734,838	\$ 11,504,997	\$ 12,748,642	\$ 10,902,201	\$ 9,529,293	\$ 9,555,368	\$ 9,757,411	\$ 8,433,037

CITY OF OZARK, MISSOURI
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
Page 2 of 2

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Excess (Deficiency) Of Revenues Over Expenditures	\$ 2,586,157	\$ 1,586,191	\$ 1,852,615	\$ (341,789)	\$ (2,344,812)	\$ (196,559)	\$ 879,646	\$ (7,993)	\$ (881,883)	\$ 544,928
OTHER FINANCING SOURCES (USES)										
Transfer from other funds	1,570,075	1,475,100	1,802,434	1,558,826	1,721,497	1,952,334	1,287,842	531,693	1,074,321	991,584
Transfer to other funds	(1,460,075)	(1,365,100)	(1,702,434)	(1,458,826)	(1,638,497)	(1,830,436)	(1,209,842)	(466,693)	(999,321)	(1,354,202)
Lease Pymt to PFC & LCRA	244,599								207,641	
Insurance Claims					30,388	10,678	52,811	22,804	7,577	17,656
Debt insurance cost								112,385		
Loan proceeds					430,922	300,000	1,535,582	19,350,000	309,707	
Retirement of Notes Payable							(1,532,102)	(19,695,333)		
Sale of capital assets	434,575	30,271	8,168	3,851	2,342	3,927	1,501	15,270		6,191
Developers Contribution				1,657,348	1,272,047			481,026		(16,234)
Shared Cost of Riverside Bridge					(200,000)					
Impact Fees				23,204	14,945	32,000	11,713			
Total Other Financing Sources (Uses)	789,174	140,271	108,168	1,784,403	1,633,644	468,503	147,505	351,152	599,925	(355,005)
Net Change in Fund Balances	\$ 3,375,331	\$ 1,726,462	\$ 1,960,783	\$ 1,442,614	\$ (711,168)	\$ 271,944	\$ 1,027,151	\$ 343,159	\$ (281,958)	\$ 189,923
Debt service as a percentage of noncapital expenditures	16.78%	10.86%	17.92%	18.46%	17.76%	18.01%	17.04%	17.00%	27.77%	17.83%

CITY OF OZARK, MISSOURI
Tax Revenues By Source, Governmental Funds
Last Ten Fiscal Years

Fiscal Year	Property Taxes	Sales Tax - City & County	Franchise Tax - Cable & Gas	Missouri Motor Fuel Tax	Other Taxes	Total Revenues
2021	\$ 998,107	\$ 8,646,311	\$ 610,239	\$ 770,556	\$ -	\$ 11,025,213
2020	\$ 934,252	\$ 7,735,997	\$ 550,265	\$ 699,269	\$ -	\$ 9,919,783
2019	\$ 931,474	\$ 7,237,522	\$ 628,955	\$ 727,251	\$ 1,334	\$ 9,526,535
2018	\$ 864,401	\$ 6,174,486	\$ 635,272	\$ 717,511	\$ 624	\$ 8,392,294
2017	\$ 857,905	\$ 5,432,563	\$ 553,334	\$ 720,627	\$ 942	\$ 7,564,429
2016	\$ 792,159	\$ 5,414,821	\$ 543,546	\$ 707,187	\$ 1,069	\$ 7,457,713
2015	\$ 782,078	\$ 5,263,539	\$ 564,066	\$ 697,088	\$ 1,130	\$ 7,306,771
2014	\$ 854,731	\$ 4,965,800	\$ 596,678	\$ 674,993	\$ 364	\$ 7,092,202
2013	\$ 765,404	\$ 4,461,502	\$ 545,249	\$ 646,477	\$ 245	\$ 6,418,632
2012	\$ 729,647	\$ 4,378,554	\$ 483,334	\$ 641,461	\$ 194	\$ 6,232,996

Note:

As set out in Section 32.057 of the Missouri Revised State Statutes, it is a violation to make known in any manner the tax returns of departmental records derived from the Missouri Department of Revenue, including sales taxes, franchise fees, and other tax sources. Due to the confidentiality of earnings information, the above alternative information is provided to assist the users in understanding these revenue sources, including sales taxes, the City's largest own-source revenue.

CITY OF OZARK, MISSOURI
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
City of Ozark (Real Only)	0.2742	0.2922	0.2922	0.2922	0.2922	0.2922	0.2922	0.2944	0.2944	0.2944
Ozark Schools	4.1400	4.1400	4.1400	4.1400	4.1400	4.1400	4.1400	4.1400	4.1400	4.1400
Ozark Fire District	0.7591	0.6343	0.6343	0.6366	0.6380	0.6380	0.6380	0.6398	0.6398	0.3888
Ozark Special Road District	0.1401	0.1477	0.1477	0.1482	0.1482	0.1482	0.1482	0.1488	0.1488	0.1488
County Revenue	0.0576	0.0664	0.0540	0.0620	0.0557	0.0715	0.0715	0.0000	0.0000	0.0000
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Library	0.1875	0.2009	0.2009	0.2009	0.2009	0.0887	0.0887	0.0887	0.0887	0.0887
Junior College	0.1875	0.1996	0.1990	0.2023	0.1498	0.1500	0.1494	0.1494	0.1479	0.1408
Ambulance	0.1242	0.1311	0.1311	0.1324	0.1324	0.1324	0.1324	0.1324	0.1324	0.1324
Senate Bill 40 Board	0.0749	0.0790	0.0790	0.0799	0.0799	0.0799	0.0799	0.0799	0.0799	0.0799
Health	0.0416	0.0439	0.0439	0.0444	0.0444	0.0444	0.0444	0.0444	0.0444	0.0444
Senior Citizens	0.0469	0.0495	0.0495	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Total District Overlapping	6.0636	6.0146	6.0016	6.0189	5.9615	5.8653	5.8647	5.7978	5.7963	5.5382

Source: Christian County Collector

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

Fiscal Year Ended December 31	Residential	Agricultural	Commercial	Local Railroad and Utilities	Commercial/ State RRU	Total Taxable Assessed Value	Estimated Actual Value	Assessed Value as a Percentage of Actual Value	Total Direct Levy
2021	202,762,470	130,870	81,880,780	1,086,540	3,016,053	288,876,713	1,336,959,519	21.61%	0.2742
2020	175,205,620	122,800	80,139,020	739,730	3,235,291	259,442,461	1,186,014,554	21.88%	0.2922
2019	167,761,530	127,960	75,313,250	640,050	3,375,228	247,218,018	1,131,923,404	21.84%	0.2922
2018	158,650,630	124,650	76,405,210	465,380	2,434,322	238,080,192	1,083,869,916	21.97%	0.2922
2017	152,584,930	126,780	72,759,990	505,390	2,715,626	228,692,716	1,041,575,723	21.96%	0.2922
2016	144,852,320	119,420	68,051,060	458,400	2,674,642	216,155,842	985,826,117	21.93%	0.2922
2015	142,104,790	120,500	67,914,600	410,720	2,797,515	213,348,125	971,182,973	21.97%	0.2922
2014	137,967,770	113,490	64,646,100	381,800	2,542,682	205,651,842	938,249,977	21.92%	0.2944
2013	135,606,830	136,800	64,809,070	381,810	2,276,269	203,210,779	925,694,999	21.95%	0.2944
2012	134,644,730	123,720	59,040,120	193,810	1,956,834	195,959,214	900,908,611	21.75%	0.2944

Source: Christian County Clerk

NOTES: Residential property is assessed at 19% of appraised value, agriculture at 12% and commercial and industrial at 32%.
City of Ozark assesses property tax levy on real property only.

CITY OF OZARK, MISSOURI
Principal Property Taxpayers
Current Year and 2012

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation
Wal-Mart	\$ 2,875,420	1	1.00%	\$ 2,901,890	1	1.48%
Lowes	2,162,210	2	0.75%	2,048,480	2	1.05%
Ozark Riverview Manor	2,160,280	3	0.75%			
Spire Missouri (Missouri Gas Energy)	1,932,900	4	0.49%	845,380	10	0.43%
Lester Cox Medical Centers	1,636,290	5	0.67%			
D & L Realty	1,510,240	6	0.52%			
B & B Movie Theaters	1,427,390	7	0.49%	1,952,450	3	1.00%
Can't Drive 55 Plus	1,403,320	8	0.47%			
Ozark MO Medical LLC	1,345,700	9	0.44%			
RCR Ozark LLC	1,283,170	10	0.43%			
Old South Plantation, LLC	1,239,880			1,013,440	8	0.52%
HMR Properties LLP	1,228,290			1,233,760	6	0.63%
Skyscapes of Ozark, LLC				1,455,250	4	0.74%
FRS, LLC				1,257,180	5	0.64%
OPV-PC LLC	1,132,160			1,189,380	7	0.61%
Ozark Towne Center				858,430	9	0.44%
Total	\$ 12,277,340		6.00%	\$ 14,755,640		7.53%

Source: Christian County Assessor

Total Assessed Valuation for 2021	288,876,713
Total Assessed Valuation for 2012	195,959,214

CITY OF OZARK, MISSOURI
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections as of 12/31/21	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2021	768,605	661,310	86.0%	0	661,310	86.0%
2020	730,825	697,235	95.4%	30,774	728,009	99.6%
2019	705,902	681,270	96.5%	20,183	701,453	99.4%
2018	695,672	667,670	96.0%	27,702	695,372	100.0%
2017	668,548	645,865	96.6%	22,683	668,548	100.0%
2016	632,492	592,249	93.6%	40,243	632,492	100.0%
2015	622,610	596,532	95.8%	26,078	622,610	100.0%
2014	605,010	577,525	95.5%	27,458	604,983	100.0%
2013	597,675	559,419	93.6%	38,256	597,675	100.0%
2012	576,080	545,009	94.6%	31,070	576,079	100.0%

Notes: The City of Ozark, Missouri levies property tax on real property only.
Christian County bills and collects property taxes on behalf of the City and retains a percentage of
the taxes collected for costs of assessment and collection.
Collections may exceed the levy due to adjustments made by the county subsequent to the initial levy.

Source: Christian County Collector's Office

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

Fiscal Year	Direct Sales Tax Rate		1% General	0.50% Parks & Stormwater	0.25% Wastewater	0.25% Capital Improvement	0.375% Transportation	Total
2021	2.375%	\$	4,071,489	\$ 2,033,585	\$ 1,012,099	\$ 1,012,099	\$ 1,524,174	\$ 9,653,446
2020	2.375%		3,643,057	1,821,506	910,765	910,764	1,360,671	8,646,762
2019	2.375%		3,328,784	1,664,380	831,529	831,529	1,246,401	7,902,623
2018	2.375%		3,156,059	1,578,041	789,014	789,014	530,277	6,842,405
2017	2.375%		2,964,891	1,482,397	741,013	741,221	154,869	6,084,391
2016	2.000%		3,001,815	1,500,908	750,438	750,437	-	6,003,598
2015	2.000%		2,938,129	1,468,905	734,762	734,760	-	5,876,556
2014	2.000%		2,791,105	1,382,428	691,748	691,747	-	5,557,028
2013	2.000%		2,485,434	1,242,576	621,358	621,359	-	4,970,727
2012	2.000%		2,413,654	1,204,648	603,413	603,413	-	4,825,128

Source: Missouri Department of Revenue

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

Fiscal Year	City Direct Rate	Christian County 911	Christian County Rate	State Rate	Total Rate
2021	2.375%	0.250%	1.500%	4.225%	8.350%
2020	2.375%	0.250%	1.500%	4.225%	8.350%
2019	2.375%	0.250%	1.500%	4.225%	8.350%
2018	2.375%	0.250%	1.500%	4.225%	8.350%
2017	2.375%	0.250%	1.500%	4.225%	8.350%
2016	2.000%	0.250%	1.500%	4.225%	7.975%
2015	2.000%	0.250%	1.500%	4.225%	7.975%
2014	2.000%	0.250%	1.500%	4.225%	7.975%
2013	2.000%	0.250%	1.500%	4.225%	7.975%
2012	2.000%	0.250%	1.500%	4.225%	7.975%

Source: Missouri Department of Revenue

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

Fiscal Year	GOVERNMENTAL					BUSINESS-TYPE				Total Outstanding Debt			
	Special Obligation Bond	Lease Obligations	Special Assessment Bonds	Certificates of Participation	PFC & LCRA Notes Payable	Lease Obligations	Special Assessment Bonds	Certificates of Participation	Revenue Bonds	Total Outstanding Debt	Percentage of Personal Income	Population	Debt Per Capita
2021	-	-	61,476	18,132,000	80,902	-	541,717	11,944,625	9,285,000	40,045,720	7.02%	21,866	1,831
2020	-	-	70,235	18,151,112	713,586	-	711,018	12,383,184	10,610,000	42,639,135	7.98%	20,768	2,053
2019	-	-	78,952	18,711,112	1,235,473	-	823,807	12,808,184	11,820,000	45,477,528	8.97%	20,482	2,220
2018	-	-	86,628	18,736,816	1,730,760	-	936,000	13,213,184	13,135,000	47,838,388	9.69%	20,291	2,358
2017	-	-	94,304	18,989,200	2,204,792	-	1,047,608	13,579,504	14,515,000	50,430,408	10.42%	19,905	2,534
2016	-	-	101,649	19,233,456	2,190,842	-	1,158,653	13,926,544	15,875,000	52,486,144	11.53%	19,308	2,718
2015	-	-	108,665	19,454,792	2,245,787	-	1,269,137	7,380,670	17,185,000	47,644,051	11.21%	19,032	2,503
2014	-	-	115,392	19,657,727	2,298,966	-	1,379,127	7,457,273	18,445,000	49,353,485	10.78%	18,779	2,628
2013	800,000	10,056	121,829	18,774,707	2,637,700	23,051	1,488,624	7,505,293	19,675,000	50,236,260	11.73%	18,499	2,716
2012	800,000	20,381	127,989	18,970,000	3,458,715	42,448	1,597,646	-	20,875,000	45,092,179	10.61%	18,300	2,464

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

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

Fiscal Year	General Obligation Bonds	Fund Balance Debt Service Fund	Net General Bonded Debt	Percentage of Actual Taxable Value of Property (1)	Net Bonded Debt per Capita
2021	-	-	-	0.00%	-
2020	-	-	-	0.00%	-
2019	-	-	-	0.00%	-
2018	-	-	-	0.00%	-
2017	-	-	-	0.00%	-
2016	-	-	-	0.00%	-
2015	-	-	-	0.00%	-
2014	-	-	-	0.00%	-
2013	-	-	-	0.00%	-
2012	-	-	-	0.00%	-

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

CITY OF OZARK, MISSOURI
Direct and Overlapping Governmental Activities Debt
December 31, 2021

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated share of direct and overlapping debt
Ozark School District	\$ 64,610,000	63.34%	\$ 40,923,974
Ozark Fire District	8,520,000	59.00%	5,026,800
City of Ozark direct debt	<u>18,193,476</u>	100.00%	<u>18,193,476</u>
Subtotal, overlapping debt	73,130,000		45,950,774
Subtotal, direct debt	18,193,476		18,193,476
Total direct and overlapping debt	<u>\$ 91,323,476</u>		<u>\$ 64,144,250</u>

Source: Ozark School District, Ozark Fire Department

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

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

CITY OF OZARK, MISSOURI
Legal Debt Margin Information
December 31, 2021

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed Value	<u>\$ 288,821,853</u>
Debt limit (10% of assessed value)	<u>\$ 28,882,185</u>
City Debt applicable to debt Limit:	
General obligation bonds	<u>-</u>
Total net debt applicable to limit	<u>\$ -</u>
Legal debt margin	<u>\$ 28,882,185</u>

	Last Ten Fiscal Years									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Assessed valuation, January 1	<u>\$ 288,821,853</u>	<u>\$ 255,467,440</u>	<u>\$ 247,218,018</u>	<u>\$ 238,080,192</u>	<u>\$ 230,724,002</u>	<u>\$ 217,865,409</u>	<u>\$ 214,834,872</u>	<u>\$ 206,894,219</u>	<u>\$ 204,211,841</u>	<u>\$ 195,679,551</u>
Debt limit	\$ 28,882,185	\$ 25,546,744	24,721,802	23,808,019	23,072,400	21,786,541	21,483,487	20,689,422	20,421,184	19,567,955
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 28,882,185</u>	<u>\$ 25,546,744</u>	<u>\$ 24,721,802</u>	<u>\$ 23,808,019</u>	<u>\$ 23,072,400</u>	<u>\$ 21,786,541</u>	<u>\$ 21,483,487</u>	<u>\$ 20,689,422</u>	<u>\$ 20,421,184</u>	<u>\$ 19,567,955</u>
Total net debt applicable to the limit as a percentage	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Section 95.115 of the 1978 Missouri Revised Statutes permits any county or city, by vote of two-thirds of qualified electors voting thereon, to incur additional indebtedness for city purposes not to exceed five (5) percent of the taxable tangible property therein, as shown by the last assessment.

Section 95.120 of the 1978 Missouri Revised Statutes permits any county or city, by vote of two-thirds of qualified electors voting thereon, to incur additional indebtedness for city purposes not to exceed five (5) percent of the taxable tangible property therein, as shown by the last assessment.

Sections 95.125 and 95.130 of the 1978 Missouri Revised Statutes provide that any city may become indebted, not exceeding in the aggregate, an additional ten (10) percent for the purposes of acquiring right-of-ways, constructing, extending and improving streets and avenues and/or sanitary or storm sewer system, and an additional ten (10) percent for purchasing or construction of waterworks, electric or other light plants, provided the total general obligation indebtedness of the city does not exceed twenty (20) percent of the assessed valuation.

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

Water system revenue bond coverage (1)

Fiscal Year	Operating Revenues (2)	Less: Operating Expenses (3)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2021	9,046,224	7,669,494	1,376,730	541,918	447,309	989,227	1.39
2020	4,130,181	2,780,165	1,350,016	489,583	416,654	906,237	1.49
2019	3,737,980	3,326,332	411,648	465,000	462,237	927,237	0.44
2018	3,722,018	2,243,516	1,478,502	451,320	625,158	1,076,478	1.37
2017	3,659,305	2,027,147	1,632,158	393,760	488,494	882,254	1.85
2016	3,574,036	1,715,021	1,859,015	175,000	272,936	447,936	4.15
2015	3,584,374	1,729,924	1,854,450	95,000	300,452	395,452	4.69
2014	3,304,906	1,716,591	1,588,315	87,050	311,383	398,433	3.99
2013	2,799,912	1,499,333	1,300,579	50,000	147,360	197,360	6.59
2012	2,718,141	1,696,872	1,021,269	50,000	20,839	70,839	14.42

Sanitary sewer system revenue bond coverage (1)

Fiscal Year	Operating Revenues (2)	Less: Operating Expenses (3)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2021	1,163,790	1,071,237	92,553	1,390,943	158,726	1,549,669	0.06
2020	4,643,650	3,317,667	1,325,983	1,342,978	185,455	1,528,433	0.87
2019	3,463,306	4,181,467	(718,161)	1,219,999	163,422	1,383,421	-0.52
2018	3,464,910	3,031,464	433,446	1,406,607	180,378	1,586,985	0.27
2017	3,288,199	2,523,579	764,620	931,351	341,777	1,273,128	0.60
2016	3,409,720	2,333,203	1,076,517	560,000	776,816	1,336,816	0.81
2015	3,131,203	2,293,451	837,752	545,000	319,381	864,381	0.97
2014	3,203,026	2,304,372	898,654	1,145,000	999,954	2,144,954	0.42
2013	3,047,171	2,065,715	981,456	1,120,000	1,032,951	2,152,951	0.46
2012	3,149,609	1,984,878	1,164,731	1,695,000	1,139,401	2,834,401	0.41

(1) Revenue bonds and their related interest are payable solely from the revenues derived from the operation of the enterprise owned by the City. The taxing power of the City is not pledged to secure payment of the bonds and interest.

(2) Operating revenue includes service charges, related utility-based fees and penalties.

(3) Operating expenses excludes depreciation and non-operating expenses.

(4) In 2015, 2016, 2017 Sanitary Sewer Payments for a bond issue Principal Payments were covered by remaining bond funds and not counted as principal payments.

Principal payments resumed in July, 2017.

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

Fiscal Year	Population (1)	Median Age (1)	Per Capita Income (1)	Median Household Income (1)	Public School Enrollment (2)	Unemployment Rate (3)
2021	21,866	34.1	26,071	58,995	5,933	4.1%
2020	20,768	32.9	25,738	54,602	5,892	4.6%
2019	20,482	34	24,740	54,031	5,787	2.8%
2018	20,291	33.6	24,319	52,696	5,727	2.0%
2017	19,905	33.6	24,319	52,696	5,579	3.1%
2016	19,308	33.8	23,568	49,116	5,466	3.9%
2015	19,032	33.1	22,334	45,695	5,390	4.2%
2014	18,779	33.9	24,384	47,046	5,361	6.9%
2013	18,499	32.8	23,149	46,668	5,325	5.5%
2012	18,300	31.7	23,215	48,992	5,435	5.1%

Sources:

- (1) U.S. Census Bureau (actual and estimated)
- (2) Missouri Department of Elementary and Secondary Education
- (3) U.S. Department of Labor

CITY OF OZARK, MISSOURI
Principal Employers
Current Year and 2012

2021			2012		
Employer	Total Employees	Rank	Total Employees	Rank	
Ozark School District	915	1	743	1	
Wal-Mart	332	2	372	2	
Christian County	234	3	135	4	
Lamberts	198	4	222	3	
White River Marine Group (Tracker)	166	5	101	8	
Lowe's	150	6	117	5	
City of Ozark	102	7	107	6	
Price Cutter	86	8	104	7	
Ozark Bank	59	9	65	9	
OTC Richwood Valley	36	10	35	10	
Prestressed Casting	18		23		
Total	<u>2,296</u>		<u>2,024</u>		

Source: City Clerk's Office, Springfield Area Chamber of Commerce, US Census Bureau

CITY OF OZARK, MISSOURI
Property Value and Construction
Last Ten Fiscal Years

		New Construction						Building Demolitions (2)
		Residential (2)		Commercial (2)		Alterations and Additions (2)		
Fiscal Year	Total Estimated Actual Value (1)	Number of Permits	Estimated Cost of Construction	Number of Permits	Estimated Cost of Construction	Number of Permits	Estimated Cost of Construction	Number of Permits
2021	1,336,959,519	216	50,428,550	36	23,178,141	11	432,000	1
2020	1,186,014,554	126	29,829,200	18	8,807,000	13	3,682,075	6
2019	1,131,923,404	157	29,180,669	9	6,248,000	22	1,783,428	17
2018	1,083,869,916	143	27,179,900	16	11,989,462	26	4,900,495	11
2017	1,041,575,723	104	18,332,000	9	5,241,665	29	500,430	10
2016	985,826,117	169	33,118,400	10	14,324,862	40	14,569,915	29
2015	971,182,973	116	13,137,699	24	7,327,900	46	7,288,205	5
2014	938,249,977	78	9,347,300	20	7,614,233	38	959,093	8
2013	925,694,999	85	10,477,258	20	4,317,000	33	938,719	16
2012	900,908,611	53	7,795,500	22	3,968,600	32	2,629,400	8

(1) Source: Christian County Assessor

(2) Source: City of Ozark Planning Department

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

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Function/Programs										
General government										
Administrative Services	3	3	3	3	3	3	3	4	4	6
Municipal Court	3	3	4	3	3	3	3	3	3	3
Human Resources	1	1	1	1	1	1	1	1	1	1
Planning & Development	4	4	4	3	3	3	3	3	3	3
Building Inspections	2	2	2	2	2	2	1	1	1	2
Finance	3	3	3	3	3	3	3	4	3	3
Police										
Officers	31	33	33	32	33	32	28	31	31	31
Civilians*	4	4	3	5	5	5	5	5	5	5
Parks and recreation	16	17	16	16	16	15	17	16	16	15
Utility Billing	4	4	7	7	7	7	7	7	6	6
Public Works										
Administration	4	3	4	4	5	5	5	5	5	5
Vehicle maintenance	2	2	2	2	2	2	2	2	2	2
Street Maintenance	8	6	7	9	9	10	10	10	10	7
Water	7	12	12	7	7	7	7	7	7	7
Wastewater	9	7	9	8	8	8	9	8	8	9
Animal Control	1	1	1	2	2	2	2	2	2	2
Total	102	105	111	107	109	108	106	109	107	107

Source: City of Ozark Human Resource Department

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

Function/Programs	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General government										
Business Registrations issued	406	276*	618	600	538	471	467	576	572	577
New Residential building permits issued	216	126	157	143	104	169	116	78	85	53
New Commercial building permits issued	36	18	9	16	9	10	24	20	20	22
Building inspections completed (3)	3015	1518	3,870	2,560	2,313	2,237	1,667	1,463	1,824	1,344
Police-Patrol (4)										
Calls for Services	19,037	18,913	18,057	18,192	16,486	16,278	20,312	20,871	19,093	16,457
Arrests	919	977	934	1,259	1,030	951	1,113	1,377	1,208	863
Tickets issued	1,538	1,199	1,510	1,345	1,024	1,763	3,523	4,851	5,131	3,575
Accidents	648	533	666	649	613	634	674	634	663	608
Public Works										
Streets resurfaced (miles)*	1.03	3.1	1.6	1.4	2.1	2.1	1.1	0.8	0.7	0.48
Number of water towers	6	9	9	9	8	8		7	7	7
Number of wells	12	13	13	13	12	12	11	11	11	11
Number of water meters	9547	9314	9,048	8,894	8,724	8,534	8,350	8,256	8,152	8,041
Average daily well production (MGD)	4.3	3.3	3.2	3.0	2.8	2.7	2.6	2.7	2.6	2.7
WWTP average daily flow (MGD)	1.7	1.6	1.6	1.5	1.5	1.4	1.5	1.3	1.4	1.4
Recreation										
Number of recreational programs	43	36	50	49	45	43	43	41	39	31
Number of special events offered	11	13	14	14	12	11	11	11	9	9
Number of Fitness Center memberships	4244	3784	4,952	4,338	4,227	3,967	3,956	3,589	3,893	3,429

Source: City department records.

(3) Estimated inspections based on TOTAL # of permits

(4) Fluctuations in police statistics are a result of evolving policing strategies and practices over the reporting period.

* This number is lower than previous years due to a new system being adopted that is not being utilized by business owners. Also there were some business closures due to Pandemic in 2020.

CITY OF OZARK, MISSOURI
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General government										
Area (square miles)	11.32	11.32	11.32	11.32	11.32	11.32	11.36	11.33	11.33	11.29
Number of general governmental buildings	2	2	2	2	2	2	2	2	2	2
Public Safety										
Number of police stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Miles of water mains	172	170.33	162.8	160.9	159.4	154.6	146.9	142.5	141.0	138.9
Miles of sanitary sewers	150	148.2	145.1	140.7	136.4	129.6	125.7	124.5	124.5	124.5
Miles of sanitary force mains	10.6	10.6	10.60	10.60	10.40	10.40	10.40	10.40	10.40	10.40
Wastewater treatment capacity (MGD)	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1	3.1
Recreation										
Number of parks	8	7	7	7	7	7	7	7	7	7
Park acreage	72.5	62.63	62.63	62.63	62.63	62.63	62.63	62.63	62.63	62.63
Number of recreational facilities	3	3	3	3	3	3	3	3	3	3
Number of baseball/softball fields	6	6	6	6	6	6	6	6	6	6
Number of soccer fields	4	4	4	4	4	4	4	4	4	4

Source: City departmental records.



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