

**CITY OF HANNIBAL**  
**AUDITED FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

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**TABLE OF CONTENTS**

	<u>PAGE</u>
Independent Auditor's Report	1 – 3
Management's Discussion and Analysis	4 – 12
Government-Wide Financial Statements:	
Statement of Net Position	13
Statement of Activities	14
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	15
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	16
Statement of Revenues, Expenditures, and Changes in Fund Balances	17
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Proprietary Funds:	
Statement of Net Position	19
Statement of Revenues, Expenses, and Changes in Net Position	20
Statement of Cash Flows	21
Fiduciary Funds:	
Statement of Fiduciary Net Position	22
Statement of Changes in Fiduciary Net Position	23
Notes to Financial Statements	24 – 59
Required Supplementary Information:	
Budgetary Comparison Schedule – General Fund	60
Pension Plan Schedules of Changes in Net Pension Liability and Related Ratios and Schedules of Contributions	61 – 66
OPEB Plan Schedules of Changes in OPEB Liability and Schedules of Contributions	67 – 70
Supplementary Information:	
Non-Major Governmental Funds:	
Combining Balance Sheet	71 – 72
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	73 – 74
Internal Service Funds:	
Combining Statement of Net Position	75
Combining Statement of Revenues, Expenses, and Changes in Net Position	76
Combining Statement of Cash Flows	77

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council  
of the City of Hannibal

### Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Hannibal (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, 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 (GAAP).

### 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, 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 GAAP, 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'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's internal control. Accordingly, no such an opinion is expressed.
- Evaluate the appropriateness of accounting policies used and reasonableness of significant account 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'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**

GAAP requires that the management's discussion and analysis, the budgetary comparison schedule, and the pension and OPEB plan schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management, and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Supplementary Information

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

*William F. Keepers UC*

Columbia, Missouri  
December 11, 2024

## **CITY OF HANNIBAL**

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

The discussion and analysis of the City of Hannibal, Missouri (the "City") is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity, (3) identify changes in the City's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget) and, (5) identify individual fund issues and concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the City's financial statements.

#### **Financial Highlights**

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the year ended June 30, 2024, by \$131.0 million (net position).
- The City's total net position increased by \$3.9 million for the year ended June 30, 2024. The increase in net position can be attributed to the governmental activities' increase of \$4.2 million and the business-type activities' (Hannibal Board of Public Works (HBPW)) decrease of \$300,000.
- As of June 30, 2024, the City's governmental funds reported combined ending fund balances of \$22.4 million, an increase of \$4.5 million in comparison with the prior year with most of this increase due to an increase in revenue, specifically taxes and miscellaneous revenues.
- The City's General Fund balance increased from a balance of \$10.7 million last year to a balance of \$12.0 million as of June 30, 2024. This resulted in an increase of \$1.4 million from the prior year.
- Sewer rates were unchanged from the prior year. Electric and water rates were increased in October 2023.

#### **Overview of the Financial Statements**

The MD&A serves as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements.

#### **Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances.

The statement of net position represents information on all of the City's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other nonfinancial factors should also be taken into consideration, such as changes in the City's property tax base and the condition of the City's infrastructure to assess the overall health or financial condition of the City.

The statement of activities presents information showing how the City's net position changed during the most recent year.

In the statement of net position and the statement of activities, the City is divided into two types of activities:

- Governmental activities – Most of the City's basic services are reported here, including the police and fire departments, parks, public works, and administration. Property taxes, sales taxes and franchise fees finance most of these activities.
- Business-type activities – The City's electric, water, and sewer systems are reported here. The City charges a fee to customers to help it cover all or most of the cost of operation, including depreciation.

### **Fund Financial Statements**

The governmental major fund presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the fund financial statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

The fund financial statements also allow the government to address its fiduciary funds (the Municipal Court Fund and the Pension Trust Fund). While these funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide financial statements.

While the total column on the business-type fund financial statements is essentially the same as the business-type column in the government-wide financial statements, the governmental fund financial statements require reconciliation because of different measurement focuses (current financial resources versus total economic resources). The flow of current financial resources will reflect debt proceeds and interfund transfers as other financing sources as well as capital expenditures and debt principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the governmental activities column in the government-wide financial statements.

### **Notes to the Financial Statements**

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

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information. A budgetary comparison for the major governmental fund is presented immediately following the notes to financial statements along with various schedules providing more information on the pension and other post-retirement benefit plans of the City.

## The City as a Whole – Government-Wide Financial Analysis

### Statement of Net Position

The City's combined net position was \$131.0 million as of June 30, 2024. Analyzing the net position and net income of governmental and business-type activities separately, the governmental activities' net position is \$52.0 million and the business type activities' net position is \$79.0 million.

By far the largest portion of the City's net position (\$90.8 million) reflects its investment in capital assets (e.g., property, plant and equipment, net of depreciation), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table reflects the condensed statement of net position as of June 30:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 27,150,811	\$ 24,941,282	\$ 34,226,112	\$ 36,590,275	\$ 61,376,923	\$ 61,531,557
Capital assets	51,469,851	52,286,183	80,195,736	80,826,893	131,665,587	133,113,076
Total assets	78,620,662	77,227,465	114,421,848	117,417,168	193,042,510	194,644,633
Deferred outflows of resources	2,677,296	2,557,130	2,221,845	1,041,218	4,899,141	3,598,348
Total deferred outflows	2,677,296	2,557,130	2,221,845	1,041,218	4,899,141	3,598,348
Long-term obligations	23,465,189	26,443,364	31,367,101	32,818,780	54,832,290	59,262,144
Other liabilities	3,782,812	4,013,838	5,521,192	5,529,899	9,304,004	9,543,737
Total liabilities	27,248,001	30,457,202	36,888,293	38,348,679	64,136,294	68,805,881
Deferred inflows of resources	2,092,246	1,559,990	752,710	822,828	2,844,956	2,382,818
Total deferred inflows	2,092,246	1,559,990	752,710	822,828	2,844,956	2,382,818
Net position						
Net investment in capital assets	41,614,344	41,456,301	49,216,655	48,293,506	90,830,999	89,749,807
Restricted	10,760,298	8,107,509	3,186,741	6,080,075	13,947,039	14,187,584
Unrestricted	(416,931)	(1,796,407)	26,599,294	24,913,298	26,182,363	23,116,891
Total net position	\$ 51,957,711	\$ 47,767,403	\$ 79,002,690	\$ 79,286,879	\$ 130,960,401	\$ 127,054,282

### Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the statement of net position summary presentation:

- Net Results of Activities – which will impact (increase/decrease) current assets and unrestricted net position.
- Borrowing for Capital – which will increase current assets and long-term debt.
- Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt which will not change the net investment in capital assets.
- Spending of Non-borrowed Current Assets on New Capital – which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net position and increase invested in capital assets, net of debt.



- Principal Payment on Debt – which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase invested in capital assets, net of debt.
- Reduction of Capital Assets through Depreciation – which will reduce capital assets and invested in capital assets, net of debt.

## Statement of Activities

The City's combined change in net position in FY2024 was an increase of \$3.9 million compared to the increase of \$8.1 million in FY2023. The City's total revenues decreased in FY2024 by \$1.5 million to \$65.4 million. Of this amount, the governmental revenues decreased by \$3.9 million while the business-type revenues increased by \$2.4 million.

The cost of all City programs remained steady with the governmental costs increasing by \$1.5 million and the business-type costs increasing by \$1.2 million. In the governmental activities' expenses, general government expenses increased by \$2.5 million, airport expenses decreased by \$778,000, and community development expenses decreased by \$378,000.

The business-type net position decrease of \$313,000 is due to the \$1.8 million decrease in the Electric Fund, the \$1 million increase in the Water Fund, the \$526,000 increase in the Sewer Fund, and the \$5,000 decrease in the Stormwater Fund.

The following table reflects the revenues and expenses for the City's activities for the years ended June 30:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 4,839,772	\$ 5,438,422	\$ 36,503,684	\$ 35,128,995	\$ 41,343,456	\$ 40,567,417
Grants and contributions:						
Operating	282,466	4,680,115	-	-	282,466	4,680,115
Capital	139,307	1,697,058	84,560	-	223,867	1,697,058
General revenues:						
Taxes	19,926,489	18,421,802	-	-	19,926,489	18,421,802
Investment income	1,093,827	695,938	1,238,247	178,908	2,332,074	874,846
Other	1,162,786	447,329	146,005	187,019	1,308,791	634,348
Gain on sale of capital assets	19,000	-	-	-	19,000	-
Total revenues	27,463,647	31,380,664	37,972,496	35,494,922	65,436,143	66,875,586
Expenses:						
General government	8,897,553	6,359,162	-	-	8,897,553	6,359,162
Public safety	6,355,354	6,130,480	-	-	6,355,354	6,130,480
Airport	328,546	1,106,479	-	-	328,546	1,106,479
Community development	2,880,405	3,258,035	-	-	2,880,405	3,258,035
Economic development	2,035,903	2,161,277	-	-	2,035,903	2,161,277
Parks and recreation	2,444,709	2,362,141	-	-	2,444,709	2,362,141
Interest expense	285,260	323,653	-	-	285,260	323,653
Electric	-	-	26,635,121	25,874,475	26,635,121	25,874,475
Water	-	-	6,394,637	6,200,805	6,394,637	6,200,805
Sewer	-	-	5,165,387	4,901,794	5,165,387	4,901,794
Stormwater	-	-	89,940	118,103	89,940	118,103
Total expenses	23,227,730	21,701,227	38,285,085	37,095,177	61,512,815	58,796,404
Change in net position	4,235,917	9,679,437	(312,589)	(1,600,255)	3,923,328	8,079,182
Net position, beginning, as previously reported	47,767,403	37,977,915	79,286,879	80,604,779	127,054,282	118,582,694
Restatement for correction of an error	(45,609)	110,051	28,400	282,355	(17,209)	392,406
Net position, beginning, as restated	47,721,794	38,087,966	79,315,279	80,887,134	127,037,073	118,975,100
Net position, ending	\$ 51,957,711	\$ 47,767,403	\$ 79,002,690	\$ 79,286,879	\$ 130,960,401	\$ 127,054,282

## **Normal Impacts**

### Revenues:

- Economic Condition – which can reflect a declining, stable or growing economic environment and has a substantial impact on state income and sales tax revenue as well as public spending habits for building permits, elective user fees, and volumes of consumption.
- Increase/Decrease in City Approved Rates – while certain tax rates are set by statute, the City Council has significant authority to impose and periodically increase/decrease rates (electric, water, wastewater, building fees, local sales tax, etc.).
- Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and are often distorting in their impact on year-to-year comparisons.
- Market Impacts on Investment income – the City’s investment portfolio is managed using rotating short-term maturities resulting in less fluctuation in investment income.

### Expenses:

- Introduction of New Programs – within the functional expense categories (public safety, public works, general government, etc.) individual programs may be added or deleted to meet changing community needs.
- Increase in Authorized Personnel – changes in service demand may cause the City Council to increase/decrease authorized staffing.
- Salary Increases (annual adjustments) – the City evaluates salaries each year and adjustments are made as needed.
- Inflation – while overall inflation appears to be reasonably modest, the City is a major consumer of certain commodities such as supplies, fuel, and parts. Some functions may experience unusual commodity-specific increases.

## **Business-type Activities**

Electric, water, and sewer revenue is comprised of retail sales to the HBPW’s customers.

Retail electric revenues were \$23,896,747 for the current year compared to \$22,877,844 for the prior year, an increase of 4.45%.

Retail water revenues were \$7,154,105 for the current year compared to \$6,755,216 for the prior year, an increase of 5.90%.

Retail sewer revenues were \$5,452,832 for the current year compared to \$5,495,935 for the prior year, a decrease of 0.78%.

There were no retail stormwater revenues for the current or prior year. The City’s stormwater system consists of both above- and under-ground infrastructure. Since the 1960s, the City’s Public Works Department had been maintaining the above-ground stormwater system and the HBPW had been maintaining the under-ground stormwater system. In June 2017, the City Council passed a resolution authorizing the HBPW to implement a stormwater utility and a comprehensive stormwater repair program. A funding source was not established at that time, and one currently does not exist.

As required by the City Charter, the HBPW pays a percentage of its revenues into the City's General Fund. In addition to this transfer, the HBPW provides other benefits to the City and the community. These supplemental benefits include free street lighting, free utility service to City government, free utility relocation work for City projects, support of economic development, maintenance of traffic signals, responsibility for operation of the Bear Creek Dam and maintenance of the floodwall pumps. Transfer fees totaling \$1,943,209 were paid to the City in 2024. The HBPW remains financially sound at the conclusion of fiscal year 2024. For more than 100 years, customers have trusted the HBPW to deliver reliable, affordable, and responsible utility services. The HBPW will continue to safeguard the future of essential services for its customers.

To learn more about the operation of the Board of Public Works, visit the HBPW website at [www.hannibalbpw.org](http://www.hannibalbpw.org).

### **The City's Funds**

For FY2024, the governmental funds of the City reported a combined fund balance of \$22.4 million. This is an increase of 25%, or \$4.5 million from last year's combined fund balance of \$17.9 million. Of this fund balance, \$11.4 million is unassigned and available for spending at the City's discretion. The remainder of the fund balance is legally restricted, committed, or assigned, which limits the availability of these resources.

The ending balance includes an increase in fund balance of \$1.4 million in the City's General Fund, the chief operating fund of the City. The General Fund balance as of June 30, 2024, is \$12.0 million with \$11.4 million as unassigned. The Police and the Fire Departments make up the majority of the expenditures in the General Fund, totaling approximately 44%. The General Fund is primarily funded by sales tax, property tax, and franchise fees.

For FY2024, the enterprise funds showed unrestricted net position of \$26.6 million compared to \$24.9 million from the prior year, an increase of 7%. The components of this change were discussed earlier.

### **General Fund Budgeting Highlights**

For FY2024, actual expenditures on a budgetary basis were \$13.3 million compared to the final budget amount of \$14.8 million, resulting in a favorable variance of \$1.5 million. The biggest variances were related to general government, public safety, and capital outlay expenditures.

The City's actual revenues on a budgetary basis were \$14.8 million as compared to the budget amount of \$12.8 million. This resulted in a favorable variance of \$2.0 million, with the biggest variances in taxes and miscellaneous revenues.

## Capital Assets

At the end of FY2024, the City had \$131.7 million invested in its funds for capital assets. This amount represents a decrease of \$1.6 million or 1%.

The following schedule provides a breakdown of capital assets as of June 30:

	2024	2023
Capital assets, not being depreciated:		
Land	\$ 5,058,292	\$ 5,078,476
Construction in progress	4,792,652	5,204,299
Total capital assets, not being depreciated	9,850,944	10,282,775
Capital assets, being depreciated/amortized:		
Buildings	21,799,468	21,610,312
Improvements	12,058,819	10,980,530
Vehicles and equipment	33,131,829	31,376,828
Infrastructure	166,423,229	164,120,758
Right-of-use asset - SBITAs	453,728	188,560
Total capital assets, being depreciated/amortized	233,867,073	228,276,988
Less accumulated depreciation/amortization	(112,052,430)	(105,339,316)
Total capital assets being depreciated/amortized, net	121,814,643	122,937,672
Capital assets, net	\$ 131,665,587	\$ 133,220,447

Additional information on the City's capital assets can be found in the notes to the financial statements.

## Debt Outstanding

At year-end, the City had \$40.4 million in long-term debt obligations comprised of the following issues:

	Business-type Activities	
	2024	2023
Financed purchases	\$ 10,465,030	\$ 10,759,392
Bonds and COPS	20,241,255	21,535,452
Premium on bonds and COPS	219,604	238,543
Total Business-type Activities	\$ 30,925,889	\$ 32,533,387

	Governmental Activities	
	2024	2023
Financed purchases	\$ 241,071	\$ 316,589
HMAC 2016 Bonds	3,550,000	4,355,000
HMAC 2018 Bonds	5,655,000	5,900,000
Premium on bonds	137,788	168,225
Discount on bonds	(64,274)	(68,559)
Total Governmental Activities	<u>\$ 9,519,585</u>	<u>\$ 10,671,255</u>
Total for the City	<u>\$ 40,445,474</u>	<u>\$ 43,204,642</u>

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

### **Economic Experience and Outlook**

The City's largest revenue source, sales tax, has increased for five (5) straight years. As a proxy, sales tax receipts provide a fairly accurate gauge of local retail consumption spending. Although internet sales increasingly obscure true retail consumption patterns, sales tax revenues are growing - due in part to the on-going supply chain issues. This has reshaped consumer purchasing habits and decreased sales tax leakage while also encouraging out of state shoppers. This is contrasted with the previous economic downturn, where annual sales taxes declined, and hurt the City's financial position greatly.

In April 2015, City's voters adopted a Use Tax. The majority of Missouri cities and counties do not have a Use Tax, but the number of cities with Use Taxes is increasing. Legal complications in Missouri involving motor vehicle sales taxes necessitated the adoption of a Use Tax by the City, and now a growing number of Missouri cities. Use tax proceeds are up at the end of FY2024.

The City's growth in assessed valuation has been relatively static. Since property taxes represent the City's second-largest revenue source, static assessed values hinder the City's financial prosperity.

The City has taken a number of measures to improve property values. An active Building Commission strongly enforces building codes. Demolishing unsafe structures and repaving/rebuilding the City's streets and other infrastructure improvements are making neighborhoods more desirable.

During the audit year, the City did not experience significant job gains, though recent and current expansions of both General Mills and Hannibal Regional Hospital (the City's two largest employers) should favorably impact job growth locally.

Much like private industry, cities/communities must also compete. Competition factors involve community desirability, quality-of-life, beauty, public services, entertainment and social venues, transportation, medical services, availability of jobs and job opportunity, educational quality and opportunity, housing quality and choice, taxes and utility costs, and the like. The City is working hard to constantly improve our community and place ourselves in an increasingly competitive position. By doing so, we improve the quality-of-life for our own residents and businesses.

The City maintains a fiscally conservative approach in all aspects. In 2012, following several years of deep and cumulative sales tax reductions, the City experienced its then-largest sales tax year in history. However, in the year immediately following (2013), the City recorded its largest sales tax reduction in recorded history, which was considerably more severe than reductions experienced even during the recession. Since then, numbers have rebounded, but concerns surrounding the COVID-19 pandemic and subsequent supply chain issues cloud future economic estimates. Given this historic volatility, and the prospect for future volatility, the consistent exercise of fiscal discipline works to offset/defray those impacts, should they reoccur.

### **New Community Investment and Development**

During FY2024, the City completed Airport Lighting Project and the Sodalis Shelter Project has been completed. Projects under design with engineering costs in last budget include the Central Park Renovation Project, Police Department Roof Replacement Project, Market Street Sidewalk Project, City Hall Roof Replacement Project and the Riverview Park Master Plan will be accepted and approved. These projects will continue in FY2025

### **Budgetary/Accountability**

Again in FY2024, the City produced a programmatic full-disclosure budget. The entire staff worked hard to fully disclose and explain all revenues, expenditure items, and programs. From the budget, any member of the public can easily understand (i) how the City receives its funding, (ii) how and why the City spends its money, and (iii) the proposed public goods, services, and outputs to be achieved in each program. The City budget is designed to serve as a financial plan, a policy document, an operating guide, and a communications device, and will continue to do so.

This MD&A, as presented here, highlights both macroeconomic and microeconomic factors, challenges, and opportunities impacting the City. The City's primary objective is to constantly strive to become a stronger community; a better place for residents to live, work, and play, as well as a business-friendly environment that encourages new growth, investment, and jobs.

### **Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional information, contact City Hall, 320 Broadway, Hannibal, Missouri 63401.

**CITY OF HANNIBAL**

**STATEMENT OF NET POSITION**

**June 30, 2024**

	Primary Government			Component
	Governmental Activities	Business-type Activities	Total	Unit Free Public Library
<b>ASSETS</b>				
Cash and cash equivalents	\$ 9,698,879	\$ 11,920,227	\$ 21,619,106	\$ 1,151,639
Restricted cash	905,181	3,186,741	4,091,922	-
Investments	11,933,055	9,768,507	21,701,562	2,184,856
Accounts receivable (net of allowance of \$85,000)	-	2,388,525	2,388,525	-
Taxes receivable	1,645,035	-	1,645,035	29,085
Intergovernmental receivable	115,888	-	115,888	-
Lease receivable	802,171	-	802,171	112,338
Other receivables	2,455	479,614	482,069	-
Inventory	-	3,452,445	3,452,445	-
Prepaid expenses	750,413	964,628	1,715,041	44,598
Capital assets:				
Non-depreciable	4,335,706	5,515,238	9,850,944	36,128
Depreciable and amortizable, net	47,134,145	74,680,498	121,814,643	672,168
Investment in land/water rights	-	2,005,055	2,005,055	-
Investment in Prairie State, net	-	60,370	60,370	-
Net pension asset	1,297,734	-	1,297,734	-
Total assets	<u>78,620,662</u>	<u>114,421,848</u>	<u>193,042,510</u>	<u>4,230,812</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension plan	1,935,510	1,971,522	3,907,032	-
OPEB plan	741,786	250,323	992,109	-
Total deferred outflows of resources	<u>2,677,296</u>	<u>2,221,845</u>	<u>4,899,141</u>	<u>-</u>
<b>LIABILITIES</b>				
Accounts payable	615,292	1,891,589	2,506,881	2,159
Accrued interest	140,964	221,216	362,180	-
Compensated absences	1,016,003	1,276,398	2,292,401	64,307
Other accrued expenses	564,315	105,343	669,658	19,252
Customer deposits	-	687,232	687,232	-
Other payables	147,377	-	147,377	-
Long-term liabilities:				
Net pension liability	10,952,997	401,417	11,354,414	-
OPEB liability	4,096,510	1,326,017	5,422,527	-
Financed purchases				
Amounts due within one year	77,903	-	77,903	-
Amounts due beyond one year	163,168	-	163,168	-
Bonds payable and certificates of participation				
Amounts due within one year	1,156,152	1,313,402	2,469,554	-
Amounts due beyond one year	8,122,362	29,612,487	37,734,849	-
Right-of-use subscription liability				
Amounts due within one year	64,806	26,012	90,818	-
Amounts due beyond one year	130,152	27,180	157,332	-
Total liabilities	<u>27,248,001</u>	<u>36,888,293</u>	<u>64,136,294</u>	<u>85,718</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred revenue - lease	741,597	-	741,597	103,855
Pension plan	814,260	167,725	981,985	-
OPEB plan	536,389	584,985	1,121,374	-
Total deferred inflows of resources	<u>2,092,246</u>	<u>752,710</u>	<u>2,844,956</u>	<u>103,855</u>
<b>NET POSITION</b>				
Net investment in capital assets	41,614,344	49,216,655	90,830,999	708,296
Restricted for:				
Capital improvements	1,237,358	-	1,237,358	-
Debt service	905,180	3,186,741	4,091,921	-
Economic development	1,757,839	-	1,757,839	-
Community development	3,285,414	-	3,285,414	-
Public safety	2,066	-	2,066	-
Parks and recreation	2,274,707	-	2,274,707	-
Net pension asset	1,297,734	-	1,297,734	-
Unrestricted	<u>(416,931)</u>	<u>26,599,294</u>	<u>26,182,363</u>	<u>3,332,943</u>
Total net position	<u>\$ 51,957,711</u>	<u>\$ 79,002,690</u>	<u>\$ 130,960,401</u>	<u>\$ 4,041,239</u>

The notes to the financial statements are an integral part of these statements.

**CITY OF HANNIBAL**

**STATEMENT OF ACTIVITIES**  
**Year Ended June 30, 2024**

Program/function					Net (expense) revenue and changes in net position			Component
	Expenses	Program revenues			Primary Government		Total	Unit
		Charges for services	Capital grants and contributions	Operating grants and contributions	Governmental activities	Business-type activities		Free Public Library
Governmental activities:								
General government	\$ 8,897,553	\$ 3,918,340	\$ -	\$ 8,934	\$ (4,970,279)	\$ -	\$ (4,970,279)	\$ -
Public safety	6,355,354	422,452	-	36,641	(5,896,261)	-	(5,896,261)	-
Airport	328,546	225,210	139,307	165,999	201,970	-	201,970	-
Community development	2,880,405	-	-	-	(2,880,405)	-	(2,880,405)	-
Economic development	2,035,903	60,216	-	70,892	(1,904,795)	-	(1,904,795)	-
Parks and recreation	2,444,709	213,554	-	-	(2,231,155)	-	(2,231,155)	-
Interest expense	285,260	-	-	-	(285,260)	-	(285,260)	-
Total governmental activities	23,227,730	4,839,772	139,307	282,466	(17,966,185)	-	(17,966,185)	-
Business-type activities:								
Electric	26,635,121	23,896,747	-	-	-	(2,738,374)	(2,738,374)	-
Water	6,394,637	7,154,105	-	-	-	759,468	759,468	-
Sewer	5,165,387	5,452,832	-	-	-	287,445	287,445	-
Stormwater	89,940	-	84,560	-	-	(5,380)	(5,380)	-
Total business-type activities	38,285,085	36,503,684	84,560	-	-	(1,696,841)	(1,696,841)	-
Total	<u>\$ 61,512,815</u>	<u>\$ 41,343,456</u>	<u>\$ 223,867</u>	<u>\$ 282,466</u>	<u>(17,966,185)</u>	<u>(1,696,841)</u>	<u>(19,663,026)</u>	<u>-</u>
Component unit:								
Free Public Library	<u>\$ 822,432</u>	<u>\$ 15,524</u>	<u>\$ -</u>	<u>\$ 39,405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(767,503)</u>
General revenue:								
Taxes					19,926,489	-	19,926,489	839,857
Miscellaneous					1,162,786	146,005	1,308,791	122,350
Gain on the sale of capital assets					19,000	-	19,000	-
Investment income, net					1,093,827	1,238,247	2,332,074	131,007
Total general revenue					<u>22,202,102</u>	<u>1,384,252</u>	<u>23,586,354</u>	<u>1,093,214</u>
Change in net position					4,235,917	(312,589)	3,923,328	325,711
Net position - beginning, as previously reported					47,767,403	79,286,879	127,054,282	3,715,528
Restatement for correction of an error					(45,609)	28,400	(17,209)	-
Net position - beginning, as restated					<u>47,721,794</u>	<u>79,315,279</u>	<u>127,037,073</u>	<u>3,715,528</u>
Net position - ending					<u>\$ 51,957,711</u>	<u>\$ 79,002,690</u>	<u>\$ 130,960,401</u>	<u>\$ 4,041,239</u>

The notes to the financial statements are an integral part of these statements.



# CITY OF HANNIBAL

## BALANCE SHEET ALL GOVERNMENTAL FUND TYPES June 30, 2024

	Primary Government			
	General Fund	Non-Major Funds	Total	Component Unit
<b>ASSETS</b>				
Cash and cash equivalents	\$ 3,110,276	\$ 6,065,266	\$ 9,175,542	\$ 1,151,639
Restricted cash	-	905,181	905,181	-
Investments	8,110,569	2,961,901	11,072,470	2,184,856
Taxes receivable	933,388	711,647	1,645,035	29,085
Intergovernmental receivable	115,888	-	115,888	-
Lease receivable	628,810	173,361	802,171	112,338
Other receivables	1,096	618	1,714	-
Prepaid expenditures	649,317	101,096	750,413	44,598
Total assets	<u>\$ 13,549,344</u>	<u>\$ 10,919,070</u>	<u>\$ 24,468,414</u>	<u>\$ 3,522,516</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	153,036	\$ 301,385	\$ 454,421	\$ 2,159
Accrued liabilities	555,972	76,609	632,581	19,252
Other payables	147,377	-	147,377	-
Total liabilities	<u>856,385</u>	<u>377,994</u>	<u>1,234,379</u>	<u>21,411</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	47,732	-	47,732	17,948
Unavailable/unearned revenue - grants	22,001	-	22,001	10,284
Deferred revenue - lease	581,327	160,270	741,597	103,855
Total deferred inflows of resources	<u>651,060</u>	<u>160,270</u>	<u>811,330</u>	<u>132,087</u>
<b>FUND BALANCES</b>				
Nonspendable - prepaids	649,317	101,096	750,413	44,598
Restricted for:				
Capital improvements	-	1,237,358	1,237,358	-
Debt service	-	905,180	905,180	-
Economic development	-	1,757,839	1,757,839	-
Community development	-	3,285,414	3,285,414	-
Public safety	-	2,066	2,066	-
Parks and recreation	-	2,274,707	2,274,707	-
Committed for:				
Economic development	-	817,402	817,402	-
Unassigned	11,392,582	(256)	11,392,326	3,324,420
Total fund balances	<u>12,041,899</u>	<u>10,380,806</u>	<u>22,422,705</u>	<u>3,369,018</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 13,549,344</u>	<u>\$ 10,919,070</u>	<u>\$ 24,468,414</u>	<u>\$ 3,522,516</u>

The notes to the financial statements are an integral part of these statements.

# CITY OF HANNIBAL

## RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION June 30, 2024

	Primary Government	Component Unit
Fund balances - total governmental funds	\$ 22,422,705	\$ 3,369,018
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds:		
Governmental capital assets	91,842,985	1,486,415
Less accumulated depreciation	(40,373,134)	(778,119)
	51,469,851	708,296
Other long-term assets and deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the governmental funds:		
Net pension asset	1,297,734	-
Pension plan	1,935,510	-
OPEB plan	741,786	-
Other long-term liabilities and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Accrued interest	(140,964)	-
Compensated absences	(1,016,003)	(64,307)
Net pension liability	(10,952,997)	-
OPEB liability	(4,096,510)	-
Financed purchases	(241,071)	-
Bonds payable and certificates of participation	(9,278,514)	-
Right-of-use subscription liability	(194,958)	-
Pension plan	(814,260)	-
OPEB plan	(536,389)	-
Deferred inflows of resources in the governmental fund statements are considered earned revenues in the government-wide financial statements	69,733	28,232
Internal service funds are used by management to charge the costs of various items; the assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position	1,292,058	-
Net position of governmental activities	\$ 51,957,711	\$ 4,041,239

The notes to the financial statements are an integral part of these statements.

**CITY OF HANNIBAL**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
Year Ended June 30, 2024**

	Primary Government			Component Unit
	General Fund	Non-Major Funds	Total	
<b>REVENUES</b>				
Taxes	\$ 11,972,422	\$ 7,919,806	\$ 19,892,228	\$ 826,974
Licenses and permits	412,400	-	412,400	-
Charges for services	354,121	299,796	653,917	15,524
Intergovernmental revenues	284,357	169,329	453,686	29,121
Fines and forfeitures	327,466	16,733	344,199	-
Miscellaneous:				
Rent	227,459	98,037	325,496	-
Investment income, net	562,237	419,380	981,617	131,007
Contributions	125	42,803	42,928	-
Administrative reimbursement	34,287	-	34,287	-
Other	764,444	85,269	849,713	122,350
<b>TOTAL REVENUES</b>	<b>14,939,318</b>	<b>9,051,153</b>	<b>23,990,471</b>	<b>1,124,976</b>
<b>EXPENDITURES</b>				
Current:				
General government	4,783,482	-	4,783,482	-
Public safety	5,916,128	32,913	5,949,041	-
Culture and recreation	-	-	-	779,502
Airport	219,860	-	219,860	-
Community development	885,980	1,950,943	2,836,923	-
Economic development	-	617,715	617,715	-
Parks and recreation	-	1,740,579	1,740,579	-
Capital outlay	1,568,352	386,242	1,954,594	-
Debt service:				
Principal	-	1,050,000	1,050,000	-
Interest	-	360,778	360,778	-
<b>TOTAL EXPENDITURES</b>	<b>13,373,802</b>	<b>6,139,170</b>	<b>19,512,972</b>	<b>779,502</b>
Excess of revenues over expenditures	1,565,516	2,911,983	4,477,499	345,474
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	27,794	1,454,490	1,482,284	-
Transfers (out)	(203,475)	(1,278,809)	(1,482,284)	-
Total other financing sources (uses)	(175,681)	175,681	-	-
Net change in fund balances	1,389,835	3,087,664	4,477,499	345,474
Fund balances, July 1	10,652,064	7,293,142	17,945,206	3,023,544
<b>FUND BALANCES, JUNE 30</b>	<b>\$ 12,041,899</b>	<b>\$ 10,380,806</b>	<b>\$ 22,422,705</b>	<b>\$ 3,369,018</b>

The notes to the financial statements are an integral part of these statements.

# CITY OF HANNIBAL

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES Year Ended June 30, 2024

	Primary Government	Component Unit
Net change in fund balances - total governmental funds	\$ 4,477,499	\$ 345,474
Amounts reported for governmental activities in the statement of activities is 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. The following is the detail of the amount by which capital outlays were greater than the depreciation in the current period.		
Capital outlay capitalized as assets	1,954,594	-
Gain on disposal of capital assets	19,000	-
Depreciation and amortization	(3,035,264)	(53,077)
	(1,061,670)	(53,077)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.		
Unavailable revenue - property taxes	34,261	12,883
Unavailable revenue - grants	(174,797)	10,284
The issuance of long-term debt (i.e. bonds, loans, and financed purchases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, interest expenditures are reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items.		
Repayment of principal	1,125,518	-
Amortization of discounts or premiums	26,152	-
Change in accrued interest	17,663	-
Payments on the right-of-use subscription liability	87,754	-
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.		
Change in compensated absences	(15,222)	10,147
Pension plan expense	681,940	-
OPEB plan expense	138,349	-
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of the internal service funds is reported with the governmental activities.		
	(1,101,530)	-
Change in net position of governmental activities	\$ 4,235,917	\$ 325,711

The notes to the financial statements are an integral part of these statements.

**CITY OF HANNIBAL**

**STATEMENT OF NET POSITION  
ALL PROPRIETARY FUNDS  
June 30, 2024**

	Business-type Activities - Enterprise Funds						Governmental
	Electric Fund	Water Fund	Sewer Fund	Stormwater Fund	Recycling Fund	Total	Activities - Internal Service Funds
<b>ASSETS</b>							
Current assets:							
Cash and cash equivalents	\$ 1,191,018	\$ 4,315,917	\$ 6,407,656	\$ -	\$ 5,636	\$ 11,920,227	\$ 523,337
Restricted cash	2,391,155	659,197	136,389	-	-	3,186,741	-
Investments	9,646,451	-	122,056	-	-	9,768,507	860,585
Accounts receivable (net of allowance of \$85,000)	1,601,675	428,048	349,139	-	9,663	2,388,525	-
Other receivables	387,350	3,114	4,590	84,560	-	479,614	741
Inventory	2,418,348	947,565	86,532	-	-	3,452,445	-
Prepaid expenses	592,314	186,157	186,157	-	-	964,628	-
Interfund balances	2,328,371	-	-	(2,328,371)	-	-	-
Total current assets	20,556,682	6,539,998	7,292,519	(2,243,811)	15,299	32,160,687	1,384,663
Non-current assets:							
Capital assets:							
Non-depreciable	2,976,901	1,194,463	833,999	509,875	-	5,515,238	-
Depreciable and amortizable, net	23,455,765	37,753,941	12,784,733	686,059	-	74,680,498	-
Capital assets, net	26,432,666	38,948,404	13,618,732	1,195,934	-	80,195,736	-
Investment in land/water rights	505,055	1,500,000	-	-	-	2,005,055	-
Investment in Prairie State, net	60,370	-	-	-	-	60,370	-
Total non-current assets	26,998,091	40,448,404	13,618,732	1,195,934	-	82,261,161	-
Total assets	47,554,773	46,988,402	20,911,251	(1,047,877)	15,299	114,421,848	1,384,663
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Pension plan	985,762	492,880	492,880	-	-	1,971,522	-
OPEB plan	124,977	62,673	62,673	-	-	250,323	-
Total deferred outflows of resources	1,110,739	555,553	555,553	-	-	2,221,845	-
<b>LIABILITIES</b>							
Current liabilities:							
Accounts payable	1,174,725	494,959	203,542	6,406	11,957	1,891,589	92,605
Accrued interest	95,101	87,959	10,446	27,710	-	221,216	-
Other accrued expenses	56,022	24,006	25,315	-	-	105,343	-
Compensated absences	734,942	263,816	277,640	-	-	1,276,398	-
Customer deposits	496,589	92,640	98,003	-	-	687,232	-
Current portion of long-term debt	307,945	984,861	20,596	-	-	1,313,402	-
Current portion of right-of-use subscription liability	13,006	6,503	6,503	-	-	26,012	-
Total current liabilities	2,878,330	1,954,744	642,045	34,116	11,957	5,521,192	92,605
Non-current liabilities:							
Long-term debt, net	10,157,085	16,267,997	3,187,405	-	-	29,612,487	-
Net pension liability	200,711	100,353	100,353	-	-	401,417	-
OPEB liability	663,032	331,493	331,492	-	-	1,326,017	-
Right-of-use subscription liability, net	13,590	6,795	6,795	-	-	27,180	-
Total non-current liabilities	11,034,418	16,706,638	3,626,045	-	-	31,367,101	-
Total liabilities	13,912,748	18,661,382	4,268,090	34,116	11,957	36,888,293	92,605
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Pension plan	83,175	42,276	42,274	-	-	167,725	-
OPEB plan	292,493	146,246	146,246	-	-	584,985	-
Total deferred inflows of resources	375,668	188,522	188,520	-	-	752,710	-
<b>NET POSITION</b>							
Net investment in capital assets	15,941,040	21,682,248	10,397,433	1,195,934	-	49,216,655	-
Restricted for debt service	2,391,155	659,197	136,389	-	-	3,186,741	-
Unrestricted	16,044,901	6,352,606	6,476,372	(2,277,927)	3,342	26,599,294	1,292,058
<b>TOTAL NET POSITION</b>	<b>\$ 34,377,096</b>	<b>\$ 28,694,051</b>	<b>\$ 17,010,194</b>	<b>\$ (1,081,993)</b>	<b>\$ 3,342</b>	<b>\$ 79,002,690</b>	<b>\$ 1,292,058</b>

The notes to the financial statements are an integral part of these statements.

**CITY OF HANNIBAL**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
ALL PROPRIETARY FUND TYPES  
Year Ended June 30, 2024**

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Electric Fund	Water Fund	Sewer Fund	Stormwater Fund	Recycling Fund	Total	
OPERATING REVENUES							
Charges for services	\$ 23,896,747	\$ 7,154,105	\$ 5,452,832	\$ -	\$ -	\$ 36,503,684	\$ 3,402,263
Miscellaneous	-	-	-	84,560	-	84,560	80,239
Total operating revenues	23,896,747	7,154,105	5,452,832	84,560	-	36,588,244	3,482,502
OPERATING EXPENSES							
Purchased power	18,754,393	-	-	-	-	18,754,393	-
Purchased services	2,026,011	1,277,091	1,060,109	37,528	-	4,400,739	738,163
Salaries and wages	2,438,181	1,585,744	1,515,836	-	-	5,539,761	62,108
Employee benefits	1,126,826	563,119	563,134	-	-	2,253,079	2,482
Materials and supplies	413,071	1,264,547	645,352	1,053	-	2,324,023	-
Depreciation and amortization	1,469,353	1,268,524	1,193,776	18,011	-	3,949,664	-
Claims	-	-	-	-	-	-	3,859,946
Other operating expenses	27,048	13,354	117,126	-	-	157,528	33,543
Total operating expenses	26,254,883	5,972,379	5,095,333	56,592	-	37,379,187	4,696,242
OPERATING INCOME (LOSS)	(2,358,136)	1,181,726	357,499	27,968	-	(790,943)	(1,213,740)
NON-OPERATING REVENUES (EXPENSES)							
Investment income	800,327	202,963	234,957	-	-	1,238,247	112,210
Interest expense	(380,238)	(422,258)	(70,054)	(33,348)	-	(905,898)	-
Rental income	3,320	-	-	-	-	3,320	-
Other non-operating revenues	119,573	19,935	3,177	-	-	142,685	-
Total non-operating revenues (expenses)	542,982	(199,360)	168,080	(33,348)	-	478,354	112,210
Change in net position	(1,815,154)	982,366	525,579	(5,380)	-	(312,589)	(1,101,530)
Net position, July 1, as previously reported	36,178,050	27,704,585	16,477,515	(1,076,613)	3,342	79,286,879	2,393,588
Restatement for correction of an error	14,200	7,100	7,100	-	-	28,400	-
Net position, July 1, as restated	36,192,250	27,711,685	16,484,615	(1,076,613)	3,342	79,315,279	2,393,588
NET POSITION, JUNE 30	\$ 34,377,096	\$ 28,694,051	\$ 17,010,194	\$ (1,081,993)	\$ 3,342	\$ 79,002,690	\$ 1,292,058

The notes to the financial statements are an integral part of these statements.

**CITY OF HANNIBAL**  
**STATEMENT OF CASH FLOWS**  
**ALL PROPRIETARY FUND TYPES**  
**Year Ended June 30, 2024**

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Electric Fund	Water Fund	Sewer Fund	Stormwater Fund	Recycling Fund	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>							
Cash received from customers	\$ 23,636,984	\$ 7,096,292	\$ 5,428,090	\$ -	\$ -	\$ 36,161,366	\$ 3,402,263
Cash received from other sources	-	-	-	-	-	-	80,239
Cash paid to vendors	(20,630,764)	(2,323,696)	(1,822,232)	(36,985)	(2,652)	(24,816,329)	(4,707,050)
Cash paid to employees	(3,739,646)	(2,311,393)	(2,118,534)	-	-	(8,169,573)	(64,590)
Net cash provided (used) by operating activities	(733,426)	2,461,203	1,487,324	(36,985)	(2,652)	3,175,464	(1,289,138)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>							
Net change in interfund payables/receivables	(191,269)	-	-	191,269	-	-	-
Net cash provided (used) by noncapital financing activities	(191,269)	-	-	191,269	-	-	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>							
Purchases of capital assets	(1,482,097)	(1,363,326)	(347,004)	(120,930)	-	(3,313,357)	-
Payments on long-term debt	(650,854)	(1,375,479)	(407,920)	(33,354)	-	(2,467,607)	-
Net cash (used) by capital and related financing activities	(2,132,951)	(2,738,805)	(754,924)	(154,284)	-	(5,780,964)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>							
Investment income	800,327	202,963	234,957	-	-	1,238,247	112,210
Investment maturities/sales	414,126	-	(2,056)	-	-	412,070	1,116,427
Other revenues	122,893	19,935	3,177	-	-	146,005	-
Net cash provided by investing activities	1,337,346	222,898	236,078	-	-	1,796,322	1,228,637
Net change in cash and cash equivalents	(1,720,300)	(54,704)	968,478	-	(2,652)	(809,178)	(60,501)
Cash and cash equivalents, beginning of year	5,302,473	5,029,818	5,575,567	-	8,288	15,916,146	583,838
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 3,582,173</b>	<b>\$ 4,975,114</b>	<b>\$ 6,544,045</b>	<b>\$ -</b>	<b>\$ 5,636</b>	<b>\$ 15,106,968</b>	<b>\$ 523,337</b>
Cash and cash equivalents	\$ 1,191,018	\$ 4,315,917	\$ 6,407,656	\$ -	\$ 5,636	\$ 11,920,227	\$ 523,337
Restricted cash	2,391,155	659,197	136,389	-	-	3,186,741	-
Total cash and cash equivalents	\$ 3,582,173	\$ 4,975,114	\$ 6,544,045	\$ -	\$ 5,636	\$ 15,106,968	\$ 523,337
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>							
Operating income (loss)	\$ (2,358,136)	\$ 1,181,726	\$ 357,499	\$ 27,968	\$ -	\$ (790,943)	\$ (1,213,740)
Adjustments:							
Depreciation and amortization	1,469,353	1,268,524	1,193,776	18,011	-	3,949,664	-
(Increase) decrease in assets and deferred outflows of resources:							
Accounts receivable	(234,218)	(54,047)	(20,208)	-	(353)	(308,826)	-
Inventory	(93,940)	(75,951)	(5,797)	-	-	(175,688)	-
Prepaid expenses	1,171,034	(19,864)	(19,864)	-	-	1,131,306	-
Other receivables	(16,714)	(1,821)	(424)	(84,560)	-	(103,519)	-
Net pension asset	311,444	155,724	155,724	-	-	622,892	-
Pension plan	(608,503)	(304,251)	(304,251)	-	-	(1,217,005)	-
OPEB plan	18,146	9,116	9,116	-	-	36,378	-
Increase (decrease) in liabilities and deferred inflows of resources:							
Accounts payable	(485,491)	329,518	22,007	1,596	(2,299)	(134,669)	(75,398)
Customer deposits	(8,831)	(1,945)	(4,110)	-	-	(14,886)	-
Accrued expenses	(1,844)	(2,407)	4,009	-	-	(242)	-
Compensated absences	51,538	(49,358)	73,611	-	-	75,791	-
Net pension liability	200,711	100,353	100,353	-	-	401,417	-
OPEB liability	(112,779)	(56,654)	(56,655)	-	-	(226,088)	-
Pension plan	(93,593)	(46,658)	(46,660)	-	-	(186,911)	-
OPEB plan	58,397	29,198	29,198	-	-	116,793	-
Net cash provided (used) by operating activities	(733,426)	2,461,203	1,487,324	(36,985)	(2,652)	3,175,464	(1,289,138)

The notes to the financial statements are an integral part of these statements.

# CITY OF HANNIBAL

## STATEMENT OF FIDUCIARY NET POSITION

June 30, 2024

	Custodial Fund	
	Municipal Court Fund	Pension Trust Fund
<b>ASSETS</b>		
Cash and cash equivalents	\$ 26,542	\$ 216,072
Investments	-	26,634,674
Taxes receivable	-	13,595
Lease receivable	-	112,338
Total assets	<u>\$ 26,542</u>	<u>\$ 26,976,679</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>		
<b>LIABILITIES</b>		
Accounts payable	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred revenue - lease	<u>-</u>	<u>103,855</u>
Total deferred inflows of resources	<u>-</u>	<u>103,855</u>
<b>NET POSITION</b>		
Restricted for pension benefits	-	26,872,824
Amount held for others	<u>26,542</u>	<u>-</u>
Total net position	<u>26,542</u>	<u>26,872,824</u>
Total liabilities and net position	<u>\$ 26,542</u>	<u>\$ 26,976,679</u>

The notes to the financial statements are an integral part of these statements.



# CITY OF HANNIBAL

## STATEMENT OF CHANGES IN FIDUCIARY NET POSTION Year Ended June 30, 2024

	Custodial Fund	
	Municipal Court Fund	Pension Trust Fund
ADDITIONS		
Contributions:		
Property taxes	\$ -	\$ 395,505
Employee	-	638,872
Employer	-	1,189,868
Fines and forfeitures	448,097	-
Total contributions	448,097	2,224,245
Investment income:		
Investment income	131	574,228
Net appreciation in fair value of investments	-	2,590,922
Total investment income	131	3,165,150
Investment expenses	-	(153,627)
Net income from investing activities	131	3,011,523
Miscellaneous income	-	41,436
Total additions, net	448,228	5,277,204
DEDUCTIONS		
Benefits	-	2,309,762
Administrative expenses	-	33,564
Claims	445,882	-
Total deductions	445,882	2,343,326
Change in net position	2,346	2,933,878
Net position, July 1	24,196	23,938,946
NET POSITION, JUNE 30	\$ 26,542	\$ 26,872,824

The notes to the financial statements are an integral part of these statements.

# CITY OF HANNIBAL

## NOTES TO FINANCIAL STATEMENTS

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies employed in the preparation of the accompanying financial statements, as presented on the basis set forth in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments* (GASB 34).

#### *A. Reporting Entity*

The City of Hannibal (the City) operates under the Manager-Council form of government with the Council consisting of the Mayor and six Council members who are elected on a nonpartisan basis. The City provides a variety of general government services to residents including law enforcement, fire protection, community development, and recreation. The City also provides electric, water, and sewer utilities and stormwater services to its residents.

The City, for financial reporting purposes, includes all the funds relevant to the operations of the City. The financial statements presented herein do not include entities which have been formed under applicable state laws or separate and distinct units of government apart from those that have been determined not to be component units as defined by GASB Statement No. 61, *The Financial Reporting Entity* (GASB 61). Based on the criteria of GASB 61, there is one entity for which the City has been determined to be financially accountable and, therefore, is included in the financial statements of the City – the Hannibal Free Public Library (the Free Public Library). The Free Public Library is a separate legal entity controlled by a Board of Trustees which is appointed by the City Council in accordance with the City Charter. The City provides major services including, but not limited to, accounting and membership in the City's insurance and retirement plans. The Free Public Library does not issue separate financial statements.

#### *B. Fund Accounting*

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all the activities of the City. The effect of interfund activities has been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, although the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

The City uses funds to report its financial position and results of its operations in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary, and fiduciary.

The City reports the following major governmental fund:

General Fund – This fund is the main operating fund of the City. It is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to be accounted for in other funds are accounted for in this fund. General operating expenditures, fixed charges and capital improvements that are not paid through other funds are paid from the General Fund.

The City reports the following major proprietary funds:

Electric Fund – This fund is used to account for the provision of electrical services to residents and businesses of the City.

Water Fund – This fund is used to account for the provision of water services to residents and businesses of the City.

Sewer Fund – This fund is used to account for the disposal of wastewater and industrial waste for the residents and businesses of the City.

Stormwater Fund – This fund is used to account for the provision of stormwater services to the residents and businesses of the City.

Recycling Fund – This fund is used to account for the provision of contracted recycling services to residents and businesses of the City.

The City reports the following fiduciary funds:

Municipal Court Fund – This custodial fund is used to account for the collection and distribution of fines and forfeitures.

Pension Trust Fund – This fund is used to account for the assets of the City's Police & Fire Retirement Plan. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

### *C. Measurement Focus, Basis of Accounting and Financial Statement Presentation*

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 recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The 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 collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60-days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, interest and principal on general long-term debt is recognized when due.

Taxes, interest, and revenues from other governmental units 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.

Proprietary funds distinguish operating income and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's ongoing operations. Operating expenses include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City's general spending prioritization policy is to consider restricted resources to have been used first, followed by committed, assigned, and unassigned amounts when expenditures have been incurred for which resources in more than one classification could be used.

Interfund balances and transfers are not carried forward to the government-wide presentation. Such eliminations have taken place in the process of incorporating fund data into the government-wide financial statements.

#### *D. Budgets*

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Annual appropriated budgets are adopted for all governmental funds. All annual appropriations lapse at year-end.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is utilized in the governmental funds. There were no encumbrances outstanding as of June 30, 2024.

#### *E. Cash and Cash Equivalents*

For purposes of the statement of cash flows, the City considers all certificates of deposit and investments with original maturities of three months or less to be cash equivalents. Because a statement of cash flows is prepared only for proprietary funds under GAAP, cash and cash equivalents are distinguished only for those funds.

#### *F. Investments*

Investments consist of certificates of deposit, external investment pools, U.S. government and agency securities, corporate bonds and notes, real estate investment trusts, common and preferred stocks, and exchange traded funds and are stated at fair value.

### *G. Accounts Receivable*

Accounts receivable result primarily from the City providing electric, water, and sewer utilities to its residents. Accounts receivable are reported net of an estimated allowance for uncollectible accounts.

### *H. Lease Receivable*

The City recognizes a lease receivable at the present value of lease payments expected to be received during the lease term on a lease contract where the City is the lessor. The lease receivable is reduced by the principal portion of lease payments.

### *I. Inventory*

Inventory, which consists of materials and supplies, is stated at cost using the first-in, first-out method.

### *J. Interfund Balances*

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The resulting receivables and payables are classified as “interfund balances” on the governmental funds balance sheet and the proprietary funds statement of net position.

### *K. Capital Assets*

Capital assets are reported in the applicable governmental or business-type activities’ columns on the government-wide statement of net position and in the proprietary funds statement of net position.

Capital assets for governmental activities are defined as assets with an initial, individual cost of \$1,000 or more and an estimated useful life in excess of one year. Such assets are recorded at 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 enhance functionality or materially extend the life of an asset are not capitalized. Capital assets for governmental activities are depreciated using the straight-line method over the following estimated useful lives:

Buildings	25 – 50 years
Improvements	10 – 20 years
Equipment	3 – 30 years

Capital assets for business-type activities and proprietary funds are stated at cost. Contributions of capital assets received from federal, state or local sources are recorded as assets and are stated at fair value upon receipt. Additions, improvements and expenses that significantly extend the useful life of an asset are capitalized. Depreciation has been provided over the estimated useful lives using the straight-line method beginning when the asset is placed in service, with zero expected salvage value. The estimated useful lives are as follows:

Buildings	25 – 50 years
Improvements	10 – 100 years
Equipment	3 – 10 years

#### *L. Right-of-Use Subscription Asset and Liability*

The City recognizes a right-of-use subscription asset and liability at the present value of subscription payments expected to be paid during the subscription term. The right-of-use subscription asset is amortized using the straight-line method over the subscription term and the liability is reduced by the principal portion of the subscription payments.

#### *M. Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

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 represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

#### *N. Compensated Absences*

The City's personnel policy provides its employees with vacation and sick leave in varying amounts. In the event of termination, employees are paid for all accumulated vacation and varying amounts of accrued sick leave. Compensated absences are accrued in the applicable governmental or business-type activities' columns on the government-wide statement of net position and in the proprietary funds statement of net position when earned.

#### *O. Long-Term Obligations*

General long-term obligations consist of the non-current portion of bonds and other long-term liabilities. General long-term obligations are not reported as liabilities in governmental funds but are reported in the governmental activities' column on the government-wide statement of net position. In the government-wide and proprietary funds statements of net position, outstanding debt is reported as liabilities. The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures. Long-term obligations expected to be financed from proprietary fund operations are accounted for in those funds.

#### *P. Equity*

In the governmental fund financial statements, equity is displayed in five components as follows:

Nonspendable – This consists of amounts that are not in a spendable form or are legally or contractually required to be maintained intact.

Restricted – This consists of amounts that are constrained to specific purposes by their providers, through constitutional or contractual provisions or by enabling legislation.

Committed – This consists of amounts that can be used only for the specific purposes determined by a formal action (ordinance or resolution) of the government's highest level of decision-making authority (the City Council) by the end of the fiscal year. The City Council can, by adoption of a formal action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the formal action remains in place until a similar action is taken to remove or revise the limitation.

Assigned – This consists of amounts that are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. The City Council can assign fund balance; however, an additional formal action does not have to be taken for the removal of the assignment.

Unassigned – This consists of amounts that are available for any purpose and can only be reported in the General Fund.

In the government-wide and proprietary fund financial statements, equity is displayed in three components as follows:

Net investment in capital assets – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted – This consists of amounts that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted – This consists of amounts that do not meet the definition of “net investment in capital assets” or “restricted.”

#### *Q. Use of Estimates*

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### *R. Pensions*

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

#### *S. Subsequent Events*

Events that have occurred subsequent to June 30, 2024, have been evaluated through December 11, 2024, which is the date the financial statements were available to be issued.

## **2. LEGAL COMPLIANCE – BUDGET**

The City's policy is to prepare the operating budgets in accordance with GAAP. The City prepared budgets for all governmental fund types for the year ended June 30, 2024.

The City Council follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Section 67 of the Missouri Revised Statutes, the budget officer, as designated by the City Council, prepares and adopts an annual budget which represents the complete financial plan for the ensuing budget year. The budget includes at least the following information:
  - a. A budget message describing the important features of the budget and major changes from the preceding year;
  - b. Estimated revenues to be collected from all sources for the budget year, with a comparative statement of actual or estimated revenues for the two years next preceding, itemized by year, fund, and source;
  - c. Proposed expenditures to be disbursed for each department, office, commission, and other classification for the budget year, together with a comparative statement of actual or estimated expenditures for the two years next preceding, itemized by year, fund, activity and object;
  - d. The amount required for the payment of interest, amortization, and redemption charges on the debt of the City; and
  - e. A general budget summary.
2. In no event shall the total proposed expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year.
3. The City Council may revise, alter, increase or decrease the items in the proposed budget, subject to such limitations as may be provided by law provided, that in no event, shall the total authorized expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year.
4. The City Council shall, before the beginning of the fiscal year, approve the budget and approve or adopt such orders, motions, resolutions or ordinances as may be required to authorize the budgeted expenditures and produce the revenues in the budget.
5. After the City has approved the budget and approved or adopted the orders, motions, resolutions or ordinances required to authorize the expenditures proposed in the budget, the City shall not increase the total amount authorized for expenditure from any fund, unless the City Council adopts a resolution setting forth the facts and reasons making the increase necessary and approves or adopts an order, motion, resolution or ordinance to authorize the expenditures.

The reported budgetary data represents the final approved budget after amendments as adopted by the City Council. The budget was amended during the year.



### 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

#### Deposits

Missouri State Statutes authorize the City to deposit funds in obligations of the U.S. Treasury, federal agencies and instrumentalities, certificates of deposit, and repurchase agreements. Custodial credit risk for deposits is the risk that, in event of a bank failure, the government's deposits may not be returned to it. The City's deposit policy for custodial credit risk is set by statute. Statutes require that collateral pledged must have a fair value equal to 100% of the funds on deposit, less insured amounts. Collateral securities, which are of the same type as authorized for investment by the City, are limited to the following as prescribed by state statutes:

- Bonds of the State of Missouri, of the United States, or of any wholly owned corporation of the United States.
- Other short-term obligations of the United States.

The City maintains a cash and investment pool which is available for use by all funds for the purpose of increasing income through investment activities. Interest is allocated to the various funds based on average cash or investment balances. Each fund's portion of this pool is displayed on the statement of financial position as cash and cash equivalents or restricted cash in each fund's column.

The City's deposits are categorized to give an indication of the level of custodial risk assumed as of June 30, 2024. Deposits, categorized by level of custodial risk, were as follows as of June 30, 2024:

	Cash and Cash Equivalents	Certificates of Deposit	Petty Cash	Total
Bank balance				
Insured by the FDIC	\$ 750,000	\$ 8,477,817	\$ -	\$ 9,227,817
Collateralized with securities pledged by the financial institution	14,883,759	-	-	14,883,759
Collateralized with securities held by the pledging financial institutions' trust department or agent but not in the depositor government's name	3,548,335	-	-	3,548,335
	<u>\$ 19,182,094</u>	<u>\$ 8,477,817</u>	<u>\$ -</u>	<u>\$ 27,659,911</u>
Carrying value	<u>\$ 18,625,950</u>	<u>\$ 8,477,817</u>	<u>\$ 1,515</u>	<u>\$ 27,105,282</u>

A reconciliation of cash and cash equivalents as shown in the financial statements is as follows:

Government-wide statement of net position:

Cash and cash equivalents	\$ 22,770,746
Restricted cash	4,091,922

Fiduciary funds statement of fiduciary net position:

Cash and cash equivalents	<u>242,614</u>
	<u>\$ 27,105,282</u>

## Investments

Missouri State Statutes and City ordinances authorize the City's investments. The City is authorized to invest in U.S. government obligations and its agencies or instrumentalities (excluding collateralized mortgage obligations, real estate mortgage investment conduits, or other principal or interest only obligations), obligations of any state or political subdivision of any state (pension funds), money market funds registered under the Investment Company Act of 1940, repurchase agreements, insured or collateralized certificates of deposit and money market funds.

The fiduciary funds' investments are authorized by Missouri State Statutes and include, in addition to the previously mentioned investments, marketable equity securities.

The following summarizes the City's investments by type as of June 30, 2024:

	Governmental Activities	Business-type Activities	Fiduciary Activities	Component Unit - Free Public Library	Total
Certificates of deposit	\$ -	\$ 7,749,075	\$ -	\$ 1,981,844	\$ 9,730,919
External investment pool - MOSIP	11,933,055	-	-	203,012	12,136,067
U.S. government and agency securities	-	2,019,432	2,426,293	-	4,445,725
Corporate bonds and notes	-	-	2,694,693	-	2,694,693
Common and preferred stocks	-	-	20,494,861	-	20,494,861
Exchange traded funds	-	-	394,169	-	394,169
Cash equivalents	-	-	624,658	-	624,658
Total	<u>\$ 11,933,055</u>	<u>\$ 9,768,507</u>	<u>\$ 26,634,674</u>	<u>\$ 2,184,856</u>	<u>\$ 50,521,092</u>

*Interest rate risk:* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City does not have a formal investment policy addressing interest rate risk.

The following summarizes the debt securities' maturities by investment type as of June 30, 2024:

	Investment Maturities (in years)			Fair Value
	Less than 1	1-5	Over 5	
U.S. government and agency securities	\$ 1,563,772	\$ 2,018,735	\$ 863,218	\$ 4,445,725
Corporate bonds and notes	716,625	1,861,912	116,156	2,694,693
Total	<u>\$ 2,280,397</u>	<u>\$ 3,880,647</u>	<u>\$ 979,374</u>	<u>\$ 7,140,418</u>

*Credit risk:* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the City.

The following summarizes the debt securities' investments by credit rating category as of June 30, 2024:

Credit Rating Level	Total	U.S. Treasuries and Direct - Guaranteed Agencies	U.S. Corporate - Financial	U.S. Corporate - Healthcare	U.S. Corporate - Manufacturing	U.S. Corporate - IT Services	U.S. Corporate - Real Estate	U.S. Corporate - Utility	U.S. Corporate - Consumer Discretionary	U.S. Corporate - Energy
Guaranteed	\$ 4,445,725	\$ 4,445,725	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Aa3	199,873	-	-	-	199,873	-	-	-	-	-
A1	300,750	-	163,708	-	137,042	-	-	-	-	-
A3	424,523	-	251,523	173,000	-	-	-	-	-	-
Baa1	786,209	-	-	-	259,017	-	143,444	37,901	345,847	-
Baa2	471,534	-	-	195,185	-	276,349	-	-	-	-
Baa3	256,220	-	-	-	-	-	-	-	256,220	-
Ba1	195,717	-	-	-	195,717	-	-	-	-	-
WR	59,867	-	-	-	-	-	-	-	-	59,867
Total	\$ 7,140,418	\$ 4,445,725	\$ 415,231	\$ 368,185	\$ 791,649	\$ 276,349	\$ 143,444	\$ 37,901	\$ 602,067	\$ 59,867

*Fair value disclosures:* The categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The fair value hierarchy is as follows:

- Level 1 Valuation is based upon quoted prices (unadjusted) in active markets.
- Level 2 Valuation is based upon quoted prices for similar assets or liabilities in active markets, quoted market prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means. Observable inputs may include interest rates, foreign exchange rates, and yield curves that are observable at commonly quoted intervals.
- Level 3 Valuations derived from valuation techniques in which significant inputs are unobservable. Valuation is based on methodologies that are unobservable and significant to the fair value measure. These may be generated from model-based techniques that use at least one significant assumption based on unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The City's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of valuation methodologies used for assets recorded at fair value.

*External investment pool – MOSIP:* Valued at amortized cost which approximates fair value.

*U.S. government and agency securities:* Valued at the closing price reported in the market in which the individual security is traded.

*Corporate bonds and notes:* Certain corporate bonds are valued at the closing price reported in the inactive market in which the bond is traded. Other corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs such as current yields of similar instruments but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks.

*Common and preferred stocks and other:* Valued at quoted market prices available on an active market.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the City believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following summarizes the City's assets measured at fair value as of June 30, 2024, aggregated by the level in the fair value hierarchy within which those measurements fall:

Investment Type	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ -	\$ 9,730,919	\$ -	\$ 9,730,919
External investment pool - MOSIP	-	12,136,067	-	12,136,067
U.S. government and agency securities	-	4,445,725	-	4,445,725
Corporate bonds and notes	-	2,694,693	-	2,694,693
Common and preferred stocks:				
Computer and technology	6,215,589	-	-	6,215,589
Business services	2,443,248	-	-	2,443,248
Utilities	1,918,944	-	-	1,918,944
Consumer goods	1,646,279	-	-	1,646,279
Pharmaceutical	1,324,760	-	-	1,324,760
Electrical equipment	1,691,878	-	-	1,691,878
Insurance	899,066	-	-	899,066
Healthcare	286,050	-	-	286,050
Tobacco	96,347	-	-	96,347
Other	3,972,700	-	-	3,972,700
Exchange traded funds	394,169	-	-	394,169
Cash equivalents	624,658	-	-	624,658
Total	<u>\$ 21,513,688</u>	<u>\$ 29,007,404</u>	<u>\$ -</u>	<u>\$ 50,521,092</u>

#### 4. PROPERTY TAX

Property tax revenue is recognized independent of receivable recognition. A receivable is recognizable as of the lien date when the City has an enforceable legal claim while revenue is recognized in the period for which the taxes are levied. Delinquent taxes expected to be received later than 60-days after the close of the fiscal year are classified as deferred inflows of resources – unavailable revenue in the governmental funds balance sheet because they do not meet the criteria of being available as described in Note 1.

The City's property tax is levied by the City on September 1 on the value of all real and personal property located in the City as of the prior January 1, the lien date. Taxes are billed by September 1 and are considered delinquent after December 31.

The City's assessed valuation and tax levies per \$100 assessed valuation of those properties are as follows:

	For the 2023 Calendar Year
Assessed valuation:	
Real estate	\$ 189,403,930
Personal property	65,582,268
Railroad and utilities	4,700,517
	<u>\$ 259,686,715</u>
	For the 2023 Calendar Year
Tax levies per \$100 assessed valuation:	
General Fund	\$ 0.7590
Pension Trust Fund	0.1334
Component Unit - Free Public Library	0.2854
	<u>\$ 1.1778</u>

## 5. LEASE RECEIVABLE

In December 2002, the City entered into a lease agreement with General Mills Cereals Properties, LLC for the property located on Warren Barrett Drive. The initial term of the lease was for five years beginning April 30, 2003, and called for monthly rental payments. The lease is renewable for 3-year terms, with an increase in rent based on the market at the time of the renewals. During the fiscal year ended June 30, 2018, the lease was extended through December 31, 2027. In July 2020, the lease was amended to decrease base rent through December 31, 2027. The implied interest rate on the lease is 3%.

Future lease revenue for the years ending June 30, is as follows:

	Principal	Interest	Total
2025	\$ 278,407	\$ 27,011	\$ 305,418
2026	290,288	18,496	308,784
2027	302,566	9,620	312,186
2028	155,586	1,364	156,950
	<u>\$ 1,026,847</u>	<u>\$ 56,491</u>	<u>\$ 1,083,338</u>

For accounting purposes, the lease qualifies to be recognized as a lease receivable at the present value of lease payments expected to be received during the lease term.

## 6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024, was as follows:

	Balance July 1, 2023	Additions	Retirements	Transfers	Balance June 30, 2024
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 4,148,739	\$ -	\$ 20,210	\$ -	\$ 4,128,529
Construction in progress	1,660,014	530,139	-	(1,982,976)	207,177
Total capital assets, not being depreciated	5,808,753	530,139	20,210	(1,982,976)	4,335,706
Capital assets, being depreciated/amortized:					
Buildings	14,363,059	-	119,523	-	14,243,536
Improvements	10,969,993	-	-	1,078,315	12,048,308
Vehicles and equipment	12,053,879	1,443,455	70,281	-	13,427,053
Infrastructure	46,511,585	-	-	904,661	47,416,246
Right-of-use asset - SBITAs	188,560	183,576	-	-	372,136
Total capital assets, being depreciated/amortized	84,087,076	1,627,031	189,804	1,982,976	87,507,279
Less accumulated depreciation/amortization for:					
Buildings	6,770,439	325,783	94,124	-	7,002,098
Improvements	1,853,745	488,663	-	-	2,342,408
Vehicles and equipment	7,362,894	748,599	70,281	-	8,041,212
Infrastructure	21,434,008	1,387,631	-	-	22,821,639
Right-of-use asset - SBITAs	81,189	84,588	-	-	165,777
Total accumulated depreciation/amortization	37,502,275	3,035,264	164,405	-	40,373,134
Total capital assets being depreciated/amortized, net	46,584,801	(1,408,233)	(25,399)	1,982,976	47,134,145
Total capital assets, net	\$ 52,393,554	\$ (878,094)	\$ (45,609)	\$ -	\$ 51,469,851

	Balance July 1, 2023	Additions	Retirements	Transfers	Balance June 30, 2024
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 929,763	\$ -	\$ -	\$ -	\$ 929,763
Construction in progress	3,544,280	3,185,632	-	(2,144,437)	4,585,475
Total capital assets, not being depreciated	4,474,043	3,185,632	-	(2,144,437)	5,515,238
Capital assets, being depreciated/amortized:					
Buildings	7,247,253	-	19,644	328,323	7,555,932
Improvements	10,511	-	-	-	10,511
Infrastructure	117,609,173	7,550	166,874	1,557,134	119,006,983
Vehicles and equipment	19,322,951	132,840	9,995	258,980	19,704,776
Right-of-use asset - SBITAs	-	81,592	-	-	81,592
Total capital assets, being depreciated/amortized	144,189,888	221,982	196,513	2,144,437	146,359,794
Less accumulated depreciation/amortization for:					
Buildings	2,575,610	136,678	19,644	-	2,692,644
Improvements	10,511	-	-	-	10,511
Infrastructure	50,190,375	2,660,228	72,617	-	52,777,986
Vehicles and equipment	15,060,542	1,120,411	9,995	-	16,170,958
Right-of-use asset - SBITAs	-	27,197	-	-	27,197
Total accumulated depreciation/amortization	67,837,038	3,944,514	102,256	-	71,679,296
Total capital assets being depreciated/amortized, net	76,352,850	(3,722,532)	94,257	2,144,437	74,680,498
Total capital assets, net	\$ 80,826,893	\$ (536,900)	\$ 94,257	\$ -	\$ 80,195,736

	Balance July 1, 2023	Additions	Retirements	Transfers	Balance June 30, 2024
Component unit - Free Public Library:					
Capital assets, not being depreciated:					
Land	\$ 7,000	\$ -	\$ -	\$ -	\$ 7,000
Construction in progress	29,128	-	-	-	29,128
Total capital assets, not being depreciated	36,128	-	-	-	36,128
Capital assets, being depreciated:					
Buildings	710,353	-	-	-	710,353
Improvements	170,321	-	-	-	170,321
Vehicles and equipment	569,614	-	-	-	569,614
Total capital assets, being depreciated	1,450,288	-	-	-	1,450,288
Less accumulated depreciation for:					
Buildings	537,765	13,807	-	-	551,572
Improvements	55,362	6,495	-	-	61,857
Vehicles and equipment	131,916	32,775	-	-	164,691
Total accumulated depreciation	725,043	53,077	-	-	778,120
Total capital assets being depreciated, net	725,245	(53,077)	-	-	672,168
Total capital assets, net	\$ 761,373	\$ (53,077)	\$ -	\$ -	\$ 708,296

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

Governmental activities:	
General government	\$ 354,465
Public safety	406,313
Airport	108,686
Community development	43,482
Economic development	1,418,188
Parks and recreation	704,130
Total depreciation expense - governmental activities	<u>\$ 3,035,264</u>
Business-type activities:	
Electric	1,464,203
Water	1,268,524
Sewer	1,193,776
Stormwater	18,011
Total depreciation expense - business-type activities	<u>\$ 3,944,514</u>



## 7. LONG-TERM DEBT

The following is a summary of the City's long-term debt transactions for the year ended June 30, 2024:

	Beginning Balance	Additions	Retirements	Ending Balance	Amount Due In One Year
Governmental activities:					
Revenue bonds	\$ 10,255,000	\$ -	\$ 1,050,000	\$ 9,205,000	\$ 1,130,000
Series 2016 - premium	168,225	-	30,437	137,788	30,437
Series 2018 - discount	(68,559)	-	(4,285)	(64,274)	(4,285)
Financed purchase	316,589	-	75,518	241,071	77,903
Business-type activities:					
Revenue bonds	21,535,455	-	1,294,200	20,241,255	982,000
Series 2019 - premium	79,379	-	2,776	76,603	2,861
Series 2020 - premium	159,161	-	16,160	143,001	20,596
Certificates of participation	10,710,000	-	285,000	10,425,000	295,000
Series 2022 - premium	49,392	-	9,362	40,030	12,945
	<u>\$ 43,204,642</u>	<u>\$ -</u>	<u>\$ 2,759,168</u>	<u>\$ 40,445,474</u>	<u>\$ 2,547,457</u>

### Governmental Activities

#### *Revenue Bonds*

During the year ended June 30, 2009, the City authorized the formation of the Hannibal Municipal Assistance Corporation (HMAC) for the sole purpose of issuing bonds to finance improvements and the construction of City projects. Due to this close relationship with the City, HMAC has been blended with the City's activities as if it was part of the City's funds.

In December 2016, HMAC issued leasehold revenue bonds in the amount of \$6,765,000 to finance street improvements and street equipment. The City issued these bonds at a premium of \$304,371, which will be amortized over the life of the bonds.

In November 2018, HMAC issued leasehold revenue bonds in the amount of \$6,580,000 to finance a new visitor center and riverfront projects. The City issued these bonds at a discount of \$85,699, which will be amortized over the life of the bonds.

The following summarizes the City's revenue bonds:

	Original Amount	Interest Rate	Maturity Date	Balance June 30, 2024
HMAC Series 2016	\$ 6,765,000	3%-4%	7/1/2027	\$ 3,550,000
HMAC Series 2018	6,580,000	3%-4%	9/1/2038	5,655,000
				<u>\$ 9,205,000</u>

Future principal and interest payments on the City's revenue bonds for the years ending June 30, are as follows:

	Principal	Interest	Total
2025	\$ 1,130,000	\$ 322,934	\$ 1,452,934
2026	1,175,000	280,878	1,455,878
2027	1,215,000	236,153	1,451,153
2028	1,265,000	189,524	1,454,524
2029	335,000	160,203	495,203
2030-2034	1,845,000	617,028	2,462,028
2035-2039	2,240,000	230,585	2,470,585
	<u>\$ 9,205,000</u>	<u>\$ 2,037,305</u>	<u>\$ 11,242,305</u>

#### *Financed Purchase*

In May 2017, the City entered into a lease/purchase agreement with Clayton Holdings, LLC. The lease/purchase agreement proceeds were used to acquire a fire truck to be used by the fire department. As of June 30, 2024, the lease/purchase agreement balance was \$241,071. The lease has an interest rate of 3% and is scheduled to mature in January 2027.

Future base payments on the City's lease/purchase agreement for the years ending June 30, are as follows:

2025	\$ 85,375
2026	85,375
2027	<u>85,417</u>
Total minimum lease payments	256,167
Less: amount representing interest	<u>(15,096)</u>
Present value of minimum lease payments	<u>\$ 241,071</u>

#### Business-type Activities

##### *Revenue Bonds*

In November 2013, the HBPW issued \$6,430,000 of Sewerage System Revenue Bonds. The bond proceeds are used to acquire, construct, extend, and improve the sewer system. Debt service payments on the bonds are financed through revenues derived from the operation of the sewer system. In April 2020, the Series 2013 bonds were called and defeased. In July 2020, proceeds of \$4,655,000 were received on the Series 2020 bonds. The HBPW issued these bonds at a premium of \$176,746, which will be amortized over the life of the bonds.

The HBPW was in compliance with the provisions of the Series 2020 bond covenants that require (1) the HBPW to collect net revenues of not less than 125% of the principal and interest amount to be paid during the fiscal year and (2) the HBPW to maintain assets in a restricted account for the payment of future debt service equal to the least of (a) 10% of the stated original principal of the Series 2020 bond, (b) 125% of the average annual debt service for the Series 2020 bond over its term, or (c) the maximum annual debt service becoming due on the Series 2020 bond during any fiscal year.

In October 2015, the HBPW issued \$12,960,000 of Waterworks Revenue Bonds. The bond proceeds are used to acquire, construct, improve, and equip drinking water facilities. Debt service payments on the bonds are financed through revenues derived from the operation of the water system.

In April 2019, the HBPW issued \$9,915,000 of Waterworks Revenue Bonds. The bond proceeds are used to acquire, construct, and improve drinking water facilities, including but not limited to, improvements required to remove ammonia from the drinking water treatment process. Debt service payments on the bonds are financed through revenues derived from the operation of the water system. The City issued these bonds at a premium of \$84,674, which will be amortized over the life of the bonds.

The HBPW was in compliance with the provisions of the Series 2019 bond covenant that requires the HBPW to collect net revenues of not less than 125% of the principal and interest amount to be paid during the fiscal year.

The following summarizes the HBPW's revenue bonds:

	Original Amount	Interest Rate	Maturity Date	Balance June 30, 2024
Sewerage System Series 2020	\$ 4,655,000	2.00%-3.00%	7/1/2032	\$ 3,065,000
Waterworks Series 2015	12,960,000	1.23%	7/1/2035	8,206,255
Waterworks Series 2019	9,915,000	3.00%-3.25%	1/1/2044	8,970,000
				<u>\$ 20,241,255</u>

Future principal and interest payments on the HBPW's revenue bonds for the years ending June 30, are as follows:

	Principal	Interest	Total
2025	\$ 982,000	\$ 274,257	\$ 1,256,257
2026	1,352,000	426,306	1,778,306
2027	1,384,000	397,188	1,781,188
2028	1,411,000	367,397	1,778,397
2029	1,448,000	336,859	1,784,859
2030-2034	7,314,000	1,252,848	8,566,848
2035-2039	3,580,255	686,653	4,266,908
2040-2044	2,770,000	271,694	3,041,694
	<u>\$ 20,241,255</u>	<u>\$ 4,013,202</u>	<u>\$ 24,254,457</u>

## *Certificates of Participation*

In April 2022, the HBPW issued \$11,000,000 of Certificates of Participation (COPS). The COPS proceeds were/will be used to acquire and construct a new substation, modify an existing substation, and construct two new power lines. The HBPW issued these COPS at a premium of \$54,975, which will be amortized over the life of the COPS. The COPS have a variable interest rate ranging from 3.25% to 4.00% and are scheduled to mature in April 2047. The HBPW was not in compliance with the provisions of the COPS covenant that requires the HBPW to collect net revenues of not less than 125% of the principal and interest amount to be paid during the fiscal year. The HBPW has implemented a rate increase, effective in fiscal year 2025, to generate additional revenue. The HBPW will implement additional rate increases as needed in fiscal year 2025 to correct the deficiency.

Future principal and interest payments on the HBPW's COPS for the years ending June 30, are as follows:

	Principal	Interest	Total
2025	\$ 295,000	\$ 380,400	\$ 675,400
2026	305,000	368,600	673,600
2027	320,000	356,400	676,400
2028	330,000	343,600	673,600
2029	345,000	330,400	675,400
2030-2034	1,930,000	1,437,200	3,367,200
2035-2039	2,300,000	1,079,525	3,379,525
2040-2044	2,720,000	653,425	3,373,425
2045-2047	1,880,000	142,688	2,022,688
	<u>\$ 10,425,000</u>	<u>\$ 5,092,238</u>	<u>\$ 15,517,238</u>

## **8. COMMITMENTS AND CONTINGENCIES**

### *A. MIRMA*

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 workman's compensation. The City participates in the Missouri Intergovernmental Risk Management Association (MIRMA) to cover these risks of losses. MIRMA is a group of local governments which provides a program of self-insurance to its members. The City pays annual premiums to MIRMA based on its payroll. There were no significant reductions in insurance coverage from the prior year. Settled claims have not exceeded insurance coverage in any of the past three years.

### *B. Landfill Closure and Post-closure Care Costs*

State and federal laws and regulations require that the City place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The City's landfill was closed in 1998. In accordance with GAAP, a liability has been recorded in the financial statements for the City's estimate of final landfill closure costs and for post-closure care costs. The liability is based on the amount that would be paid if all equipment, facilities and services required to close, monitor and maintain the landfill were acquired as of the end of the current fiscal year. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. As of June 30, 2024, the landfill closure and post-closure liability was \$219,769.

In connection with obtaining a permit for operation of a solid waste disposal area, the City has entered into a contract of obligation with the Missouri Department of Natural Resources. The contract is a financial assurance instrument that allows the Missouri Department of Natural Resources to collect the required amount from any state funds which could be dispersed to the City should the City fail to perform closure or post-closure care activities.

### *C. Prairie State Energy Contract*

In January 2007, the HBPW entered into an Amended and Restated Unit Power Purchase Agreement (the UPPA) with the Missouri Joint Municipal Electric Utility Commission (MJMEUC) for the purchase and sale of capacity and energy from the Prairie State Energy Campus. The UPPA is a life-of-unit, take-or-pay agreement pursuant to which MJMEUC supplies and the HBPW purchases capacity and energy to serve the electric utility system. The HBPW's payment obligations under the UPPA are limited to the requirements to make payments from revenues of the electric utility system. All payments made by the HBPW pursuant to the UPPA are considered operation and maintenance expenses of the electric utility system. The HBPW is required under the UPPA to at all times establish, maintain and collect rates, fees and charges for electric service sufficient to meet the HBPW's obligations under the UPPA.

The HBPW is a member of MJMEUC, which is a joint municipal utility commission formed under RSMo 393.700. MJMEUC's purpose is to procure electric energy and capacity for the benefit of, and pursuant to the governance and direction of, MJMEUC's members. MJMEUC operations are governed by its members consisting of one representative from each MJMEUC member. MJMEUC's audited financials are available on its website [www.mpu.org](http://www.mpu.org).

MJMEUC acquired a 12.33% ownership interest in the Prairie State Energy Campus (Prairie State). Prairie State is a two-unit, 1,582 MW coal-fired facility, including associated coal reserves and coal-mining facilities that commenced operations in 2012. MJMEUC's ownership interest in Prairie State equates to 195 megawatts (MW). Under the UPPA, MJMEUC provides approximately 10% (or approximately 20 MW) of MJMEUC's energy and capacity in Prairie State, to the HBPW. The UPPA does not create any ownership rights on the part of the HBPW in Prairie State.

Under the UPPA, MJMEUC sets rates to recover all of its costs incurred in connection with acquiring, providing, arranging or financing its interest in the Prairie State project. The HBPW is liable under the UPPA for its proportionate share of (a) the fixed and variable costs MJMEUC incurs in connection with Prairie State, and (b) MJMEUC's administrative and other reasonable costs associated with its role as power supplier to the HBPW.

The HBPW receives monthly power bills for its proportionate share of MJMEUC's costs to operate and maintain the facility, including debt service costs. Such costs are based upon an annual budget and include, but are not limited to, all payments MJMEUC is required to make under contracts and/or financial commitments and obligations entered into by MJMEUC necessary for its ownership interest in Prairie State, without regard to whether the resource is available to or used by the HBPW. Direct costs can include amounts required to fund capital and/or operating reserves and debt service coverages MJMEUC is required to maintain. MJMEUC capitalized its total costs incurred in the development and construction of Prairie State and is recovering those costs through monthly capacity charges.

The UPPA requires that rates charged to the HBPW be established at least annually and adjusted to recognize variances between budgeted and actual costs at least every six months. Charges based on such rates are assessed and billed monthly.

## 9. INTERGOVERNMENTAL REVENUE

The City receives significant financial assistance from numerous federal, state, and local governmental agencies in the form of grants. Federal grants and assistance awards made on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlement occurs. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements or the individual fund-types included herein or on the overall financial position of the City as of June 30, 2024.

## 10. PENSION PLANS

The following information is presented in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

### Missouri Local Government Employees Retirement System

#### *General Information about the Plan*

##### Plan Description

The City's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City 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](http://www.molagers.org).

##### Benefits Provided

LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 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 and receive a reduced allowance.

The benefit provisions adopted by the City are as follows:

	2024 Valuation
Benefit multiplier	1.75% for life, plus 0.25% to age 65
Final average salary	5 years
Member contributions	0%

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

#### Employees Covered by Benefit Terms

As of June 30, 2024, the following employees were covered by the benefit terms:

##### City:

Inactive employees or beneficiaries currently receiving benefits	84
Inactive employees entitled to but not yet receiving benefits	19
Active employees	54
Total	157

##### HBPW:

Inactive employees or beneficiaries currently receiving benefits	70
Inactive employees entitled to but not yet receiving benefits	17
Active employees	65
Total	152

#### Contributions

The City 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 City do not contribute to the pension plan. The City's contribution rates are 13.3% (City) and 19.9% (HBPW) of annual covered payroll.

#### ***Net Pension Liability/(Asset)***

The City's net pension liability/(asset) was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of February 29, 2024.

#### Actuarial Assumptions

The total pension liability in the February 29, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Mortality rates were based on the PubG-2010 Retiree, PubNS-2010 Disabled Retiree, PubG-2010 Employee, and PubS-2010 Employee mortality tables.

The actuarial assumptions used in the February 29, 2024 valuation were based on the results of an actuarial experience study for the period March 1, 2015 through February 29, 2020.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Alpha	5.00%	2.37%
Equity	39.00%	5.37%
Fixed income	23.00%	1.47%
Real assets	33.00%	3.45%
Strategic assets	7.00%	3.46%
Cash/leverage	-7.00%	-0.26%
	100.00%	

#### 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.



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

City:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (a) - (b)
Balances at June 30, 2023	\$ 15,482,958	\$ 17,097,395	\$ (1,614,437)
Changes for the year:			
Service cost	280,027	-	280,027
Interest	1,062,358	-	1,062,358
Difference between expected and actual experience	80,312	-	80,312
Contributions - employer	-	315,202	(315,202)
Net investment income	-	868,652	(868,652)
Benefit payments, including refunds	(903,410)	(903,410)	-
Administrative expense	-	(21,002)	21,002
Other changes	-	(56,858)	56,858
Net changes	519,287	202,584	316,703
Balances at June 30, 2024	\$ 16,002,245	\$ 17,299,979	\$ (1,297,734)

HBPW:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (a) - (b)
Balances at June 30, 2023	\$ 26,353,002	\$ 26,975,894	\$ (622,892)
Changes for the year:			
Service cost	510,794	-	510,794
Interest	1,803,019	-	1,803,019
Difference between expected and actual experience	1,248,559	-	1,248,559
Contributions - employer	-	1,002,057	(1,002,057)
Net investment income	-	1,416,681	(1,416,681)
Benefit payments, including refunds	(1,722,484)	(1,722,484)	-
Administrative expense	-	(19,932)	19,932
Other changes	-	139,257	(139,257)
Net changes	1,839,888	815,579	1,024,309
Balances at June 30, 2024	\$ 28,192,890	\$ 27,791,473	\$ 401,417

### Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate

The table on the following page presents the net pension liability/(asset) of the City, calculated using the discount rate of 7.00%, as well as what the City's net pension liability/(asset) would be using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate.

City:	Current Single Discount		
	1% Decrease (6.00%)	Rate Assumption (7.00%)	1% Increase (8.00%)
Total pension liability	\$ 17,991,145	\$ 16,002,245	\$ 14,344,816
Plan fiduciary net position	17,299,979	17,299,979	17,299,979
Net pension liability/(asset)	<u>\$ 691,166</u>	<u>\$ (1,297,734)</u>	<u>\$ (2,955,163)</u>

HBPW:	Current Single Discount		
	1% Decrease (6.00%)	Rate Assumption (7.00%)	1% Increase (8.00%)
Total pension liability	\$ 31,989,453	\$ 28,192,890	\$ 25,049,664
Plan fiduciary net position	27,791,473	27,791,473	27,791,473
Net pension liability/(asset)	<u>\$ 4,197,980</u>	<u>\$ 401,417</u>	<u>\$ (2,741,809)</u>

### Pension Plan Fiduciary Net Position

Detailed information about the pension plan's net position is available in the separately issued LAGERS financial report.

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

For the year ended June 30, 2024, the City recognized pension expense of \$372,154 for the governmental activities and \$633,616 for the business-type activities. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

City:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between:		
Expected and actual experience	\$ 219,118	\$ -
Projected and actual earnings on investments	515,793	-
Total	<u>\$ 734,911</u>	<u>\$ -</u>
HBPW:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between:		
Expected and actual experience	\$ 1,157,775	\$ (59,313)
Projected and actual earnings on investments	813,747	-
Changes in assumptions	-	(108,412)
Total	<u>\$ 1,971,522</u>	<u>\$ (167,725)</u>

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

City:

Year ending:

2025	\$	25,169
2026		463,952
2027		184,742
2028		61,048
Total	\$	734,911

HBPW:

Year ending:

2025	\$	15,013
2026		967,774
2027		562,281
2028		258,729
Total	\$	1,803,797

## Police & Fire Retirement Plan

### *General Information about the Plan*

#### Plan Description

The City contributes to the Police & Fire Retirement Plan, a single-employer public employee retirement system (PERS). The plan was created and is governed by local ordinance and various state laws regulating PERS. As such, it is the plan's responsibility to administer the law in accordance with the expressed intent of the City Council.

The most recent actuarial valuation for the plan was completed as of July 1, 2024.

#### Benefits Provided

All non-civilian employees of the police and fire departments are automatically eligible to participate in the plan. Employee contributions vest upon contribution. Members hired prior to July 1, 2007, attain normal retirement age upon completion of 25 years of credited service. Members hired on or after July 1, 2007, attain normal retirement age upon attainment of age 55 and completion of 25 years of credited service. At normal retirement, a member is eligible for a monthly benefit equal to one-twelfth of 65% of the member's highest annual gross compensation in the last five years of employment. The fund also provides early retirement, disability and survivor's benefits.

### Employees Covered by Benefit Terms

As of June 30, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	77
Inactive employees entitled to but not yet receiving benefits	0
Active employees	69
Total	146

### Contributions

The City currently contributes the actuarially determined rate which cannot be less than the prior year until the City reaches a funded status of at least 80%. 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 City were required to contribute 15% of compensation.

### ***Net Pension Liability***

The City's net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024.

### Actuarial Assumptions

The total pension liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary increase	3.5%
Investment rate of return	7.0%, net of administrative expenses

Mortality rates were based on the Public Safety 2010 (Bottom Quartile) tables for employees and annuitants, projected with generational improvements using the most recently available projection scale (in this valuation, MP-2024).

The actuarial assumptions used in the July 1, 2024, valuation were based on the results of an actuarial experience study. The last assumption review for this plan was performed in May 2020.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	75.00%	8.60%
Fixed income	25.00%	2.30%
	100.00%	

## Discount Rate

The discount rate used to measure the total pension liability is 7.0%. The projections 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 make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

## *Changes in the Net Pension Liability*

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2023	\$ 36,291,985	\$ 23,942,187	\$ 12,349,798
Changes for the year:			
Service cost	580,135	-	580,135
Interest	2,500,954	-	2,500,954
Difference between expected and actual experience	732,686	-	732,686
Contributions - employer	-	1,585,373	(1,585,373)
Contributions - employee	-	638,872	(638,872)
Net investment income	-	3,041,240	(3,041,240)
Benefit payments, including refunds	(2,288,422)	(2,288,422)	-
Administrative expense	-	(54,909)	54,909
Net changes	1,525,353	2,922,154	(1,396,801)
Balances at June 30, 2024	\$ 37,817,338	\$ 26,864,341	\$ 10,952,997

## Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 7.0%, as well as what the City's net pension liability would be using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate.

	Current Single Discount		
	1% Decrease (6.0%)	Rate Assumption (7.0%)	1% Increase (8.0%)
Total pension liability	\$ 42,420,315	\$ 37,817,338	\$ 34,026,723
Plan fiduciary net position	26,864,341	26,864,341	26,864,341
Net pension liability	\$ 15,555,974	\$ 10,952,997	\$ 7,162,382

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

For the year ended June 30, 2024, the City recognized pension expense of \$846,480. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between:		
Expected and actual experience	\$ 1,130,686	\$ (1,301)
Projected and actual earnings on investments	-	(812,959)
Changes in assumptions	69,913	-
Total	<u>\$ 1,200,599</u>	<u>\$ (814,260)</u>

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

Year ending:	
2025	\$ (122,446)
2026	911,556
2027	(241,957)
2028	(160,814)
Total	<u>\$ 386,339</u>

## **11. OTHER POST EMPLOYMENT BENEFITS (OPEB)**

### ***General Information about the Plan***

The following information is presented in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Post Employment Benefits Other Than Pensions*.

### **Plan Description and Benefits Provided**

The City provides health insurance coverage to qualifying former employees and their dependents. The City pays for continued health insurance coverage for a three-year period after retirement (five years for Fire employees hired before July 1, 2011) for employees and 50% of premiums for spouses (65% for Fire employees hired before July 1, 2011). After the three-year period the retirees can stay on the plan solely at their own expense unless they are Medicare eligible. Once they are Medicare-eligible they are not eligible to remain on the plan.

### **Participants Covered by Benefit Terms**

As of July 1, 2024, the City had 128 active employees and 22 current benefit recipients participating in the plan. As of July 1, 2024, the HBPW had 65 active employees and 7 current benefit recipients participating in the plan.

## Funding Policy

Covered employees are not required to contribute to the plan for up to three years (five years for Fire employees hired prior to July 1, 2011). The City is also not required to contribute to the plan. Employees who retire with a covered spouse pay 50% of the spouse rate (65% for Fire employees hired before July 1, 2011) for up to three years (five years for Fire employees hired prior to July 1, 2011) or until age 65. After three years, participants must pay 100% of the plan premium rates.

## Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2024, and was determined by an actuarial valuation as of July 1, 2024. The City does not have a trust dedicated exclusively for the payment of OPEB benefits.

## Actuarial Assumptions

The total OPEB liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

### City:

Discount rate	4.07% to 4.28%
Medical/Rx cost trend (and retiree contribution trend)	Average of 6.00% through fiscal year 2036
Dental cost trend	3.0% per year
Salary scale	3.0% per year

### HBPW:

Discount rate	4.0% to 4.1%
Medical/Rx cost trend (and retiree contribution trend)	Average of 6.00% through fiscal year 2036
Dental cost trend	3.0% per year
Salary scale	4.0% per year

Mortality rates were based on the Society of Actuaries Pub-2010 Public Retirement Plans General and Public Safety Headcount-Weighted Mortality Tables using Scale MP-2021 Full Generational Improvement.

In order to determine the municipal bond rate, the actuarial valuation uses the average of the published yields from the S&P Municipal Bond 20-year High Grade and the Fidelity GO AA-20 Years indexes. For the City, the selected average rates are 4.07% and 4.28% as of the beginning and end of the valuation year, respectively. For the HBPW, the selected average rates are 4.0% and 4.1% as of the beginning and end of the valuation year, respectively.

## Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, calculated using the discount rate of 4.28%, as well as what the City's total OPEB liability would be using a discount rate that is 1 percentage point lower (3.28%) or 1 percentage point higher (5.28%) than the current rate.

	Current Single Discount		
	1% Decrease (3.28%)	Rate Assumption (4.28%)	1% Increase (5.28%)
Total OPEB liability	\$ 4,407,354	\$ 4,096,510	\$ 3,813,212
Increase/(decrease) from baseline	310,844	-	(283,298)

The following presents the total OPEB liability of the HBPW, calculated using the discount rate of 4.1%, as well as what the HBPW's total OPEB liability would be using a discount rate that is 1 percentage point lower (3.1%) or 1 percentage point higher (5.1%) than the current rate.

	Current Single Discount		
	1% Decrease (3.1%)	Rate Assumption (4.1%)	1% Increase (5.1%)
Total OPEB liability	\$ 1,442,365	\$ 1,326,017	\$ 1,217,473
Increase/(decrease) from baseline	116,348	-	(108,544)

#### Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability, calculated using the healthcare cost trend assumption, as well as what the total OPEB liability would be using a healthcare cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

City:	Current Trend		
	1% Decrease	Assumption	1% Increase
Total OPEB liability	\$ 3,749,511	\$ 4,096,510	\$ 4,492,209
Increase/(decrease) from baseline	(346,999)	-	395,699
HBPW:	Current Trend		
	1% Decrease	Assumption	1% Increase
Total OPEB liability	\$ 1,173,666	\$ 1,326,017	\$ 1,504,238
Increase/(decrease) from baseline	(152,351)	-	178,221



### Changes in the Total OPEB Liability

#### City:

Total OPEB liability - beginning of year	<u>\$ 4,522,697</u>
Changes for the year:	
Service cost	252,426
Interest	188,446
Difference between expected and actual experience	(279,305)
Changes in assumptions	69,482
Contributions - employer	(290,000)
Other changes	<u>(367,236)</u>
Net changes	<u>(426,187)</u>
Total OPEB liability - end of year	<u><u>\$ 4,096,510</u></u>

#### HBPW:

Total OPEB liability - beginning of year	<u>\$ 1,552,105</u>
Changes for the year:	
Service cost	103,521
Interest	63,945
Difference between expected and actual experience	(148,623)
Changes in assumptions	(21,030)
Contributions - employer	(114,000)
Other changes	<u>(109,901)</u>
Net changes	<u>(226,088)</u>
Total OPEB liability - end of year	<u><u>\$ 1,326,017</u></u>

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

For the year ended June 30, 2024, the City recognized OPEB benefit of \$138,349 for the governmental activities and \$72,915 for the business-type activities. The City reported deferred outflows and inflows of resources related to OPEB from the following sources:

City:	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between:		
Expected and actual experience	\$ 162,807	\$ (271,948)
Changes in assumptions	554,979	(264,441)
Contributions subsequent to the measurement date*	24,000	-
Total	<u>\$ 741,786</u>	<u>\$ (536,389)</u>

  

HBPW:	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between:		
Expected and actual experience	\$ 41,933	\$ (151,608)
Changes in assumptions	208,390	(433,377)
Total	<u>\$ 250,323</u>	<u>\$ (584,985)</u>

\*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the total OPEB liability for the year ending June 30, 2025.

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense during the years ending June 30 as follows:

City:	
Year ending:	
2025	\$ 78,015
2026	78,015
2027	78,018
2028	56,788
2029	(21,748)
Thereafter	(87,691)
Total	<u>\$ 181,397</u>

HBPW:

Year ending:

2025	\$	(16,482)
2026		(16,482)
2027		(16,482)
2028		(16,482)
2029		(17,307)
Thereafter		<u>(251,427)</u>
Total	\$	<u><u>(334,662)</u></u>

## 12. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

The City has entered into various subscription-based information technology arrangements, which primarily involve the procurement of software and other IT-related services. These arrangements are generally structured as multi-year contracts, where the City pays periodic fees for access to software, platforms, or services, which are generally not owned by the City.

See Note 6 for additional information regarding the right-of-use assets related to these contracts.

The following are the schedules of the future minimum contract payments and the present value of minimum SBITA payments as of June 30:

City:

Year ending:

2025	\$	70,899
2026		60,044
2027		39,606
2028		<u>39,606</u>
Total minimum SBITA payments		210,155
Less: amounts representing interest		<u>(15,197)</u>
Present value of minimum SBITA payments	\$	<u><u>194,958</u></u>

HBPW:

Year ending:

2025	\$	28,400
2026		<u>28,400</u>
Total minimum SBITA payments		56,800
Less: amounts representing interest		<u>(3,608)</u>
Present value of minimum SBITA payments	\$	<u><u>53,192</u></u>

### 13. INTERFUND TRANSFERS

A summary of interfund transfers for the year ended June 30, 2024, is as follows:

TRANSFERRED TO	TRANSFERRED FROM				
	Governmental Funds				
	Major Fund	Non-Major Funds			
	General Fund	Sales Tax Capital Improvements Fund	Tourism Fund	Parks Department Fund	Total
Governmental Funds:					
Non-Major Funds:					
HMAC 2018 Debt Service Fund	\$ 171,590	\$ -	\$ 78,719	\$ 200,000	\$ 450,309
HMAC 2016 Debt Service Fund	-	972,645	-	-	972,645
Downtown TIF Fund	31,536	-	-	-	31,536
	<u>\$ 203,126</u>	<u>\$ 972,645</u>	<u>\$ 78,719</u>	<u>\$ 200,000</u>	<u>\$ 1,454,490</u>

The purpose of these transfers was to subsidize the operations and support the fund balance of the fund receiving the transfer.

### 14. MUNICIPAL COURT TRAFFIC VIOLATIONS AND COSTS

Missouri House Bill No. 103 amending RSMo 302.341.2 became effective on August 28, 2013. The amendments to the statute require municipalities to report an accounting of the percent of “annual general operating revenue” from fines and costs for traffic violations. “Annual general operating revenue of the City” is not defined in the amended statute and may or may not include various sources of the City’s revenues. The City is defining “annual general operating revenues of the City as “total General Fund revenues.”

A summary of this information for the year ended June 30, 2024, is as follows:

Total court fines and costs (all case types)	\$ 448,097
Total general operating revenue of the City	\$ 14,939,318
Court fines and costs as a percentage of total general operating revenues	3.00%

## 15. TAX ABATEMENTS

During the fiscal year ended June 30, 2015, the City entered into an agreement with SZC Development, LLC to provide a sales tax rebate to assist the developer in constructing the Hannibal Lakeside Technology Park. The rebate is 1.5% of the 2.25% sales tax generated from 105 Lakeside Drive for a period of up to eighteen (18) years, or the lesser of (1) the Lakeside Drive road cost or (2) \$351,000, whichever occurs sooner. The amount of tax abated for the year ended June 30, 2024, was \$26,953.

During the fiscal year ended June 30, 2019, the City entered into an agreement with General Mills Operations, LLC in conjunction with the issuance of taxable industrial revenue bonds issued for the acquisition and construction of new improvements and the expansion of existing improvements at its facility on Red Devil Road. In addition, the project calls for the purchase and installation of personal property and equipment as part of these improvements. This agreement allows for a 50% real estate tax abatement attributable to the project improvements for a ten-year period after the construction period, but no later than January 1, 2019, and a 50% personal property tax abatement for the project equipment for a ten-year period beginning no later than January 1, 2020. The amount of tax abated for the year ended June 30, 2024, was \$55,410.

## 16. RESTATEMENTS

During the year ended June 30, 2024, the City identified previously disposed assets that had not been recorded as disposals during the years of the transactions.

During the year ended June 30, 2023, the HBPW prepaid, and recorded as an expense, the first annual payment for its subscription-based information technology arrangement applicable for the year ended June 30, 2024.

As a result, fund balance/net position as of June 30, 2023, was restated as follows:

	Fund balance/ net position as previously reported	Effect of restatements	Fund balance/ net position as restated
Governmental Activities	\$ 47,767,403	\$ (45,609)	47,721,794
Business-type Activities	79,286,879	28,400	79,315,279
Electric Fund	36,178,050	14,200	36,192,250
Water Fund	27,704,585	7,100	27,711,685
Sewer Fund	16,477,515	7,100	16,484,615

## **REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF HANNIBAL**

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
Year Ended June 30, 2024**

	General Fund as Reported in Financial Statements	Less Other City Funds Included for Reporting Purposes	General Fund Activity on the City's Budgetary Basis	Original & Final General Fund Budget	Variance Favorable/ (Unfavorable)
<b>REVENUES</b>					
Taxes	\$ 11,972,422	\$ -	\$ 11,972,422	\$ 10,935,500	\$ 1,036,922
Licenses and permits	412,400	-	412,400	375,175	37,225
Charges for services	354,121	-	354,121	214,208	139,913
Intergovernmental revenues	284,357	(119,007)	165,350	61,000	104,350
Fines and forfeitures	327,466	-	327,466	683,320	(355,854)
Miscellaneous	1,588,552	(52,357)	1,536,195	503,230	1,032,965
Total revenues	14,939,318	(171,364)	14,767,954	12,772,433	1,995,521
<b>EXPENDITURES</b>					
General government	4,783,482	(45,962)	4,737,520	5,773,395	1,035,875
Public safety	5,916,128	(45,308)	5,870,820	6,629,306	758,486
Airport	219,860	-	219,860	211,550	(8,310)
Community development	885,980	(3,572)	882,408	1,077,229	194,821
Capital outlay	1,568,352	-	1,568,352	1,064,300	(504,052)
Total expenditures	13,373,802	(94,842)	13,278,960	14,755,780	1,476,820
Excess (deficiency) of revenues over (under) expenditures	1,565,516	(76,522)	1,488,994	(1,983,347)	3,472,341
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	27,794	-	27,794	7,500	20,294
Transfers (out)	(203,475)	-	(203,475)	-	(203,475)
Total other financing sources (uses)	(175,681)	-	(175,681)	7,500	(183,181)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	\$ 1,389,835	\$ (76,522)	\$ 1,313,313	\$ (1,975,847)	\$ 3,289,160

Note: The Recycling, Bicentennial, Investigation, Police Department, and Catastrophe Funds are recorded in separate funds for internal reporting and budgeting by the City, but are combined with the City's General Fund for financial reporting purposes as they do not meet the definition of a special revenue fund type. Because this schedule is presented on a budgetary basis, activity for these funds are removed so only General Fund activity remains.

# CITY OF HANNIBAL

## PENSION PLAN LAGERS – CITY SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS June 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Service cost	\$ 280,027	\$ 265,338	\$ 265,463	\$ 280,920	\$ 284,476	\$ 264,630	\$ 265,906	\$ 265,796	\$ 271,821	\$ 297,441
Interest on the total pension liability	1,062,358	1,011,525	958,393	1,042,865	1,005,219	957,236	917,495	884,264	831,733	803,381
Difference between expected and actual experience	80,312	322,560	380,265	(821,022)	(22,390)	161,271	101,170	34,190	(136,090)	(52,959)
Assumption changes	-	-	-	(426,583)	-	-	-	-	422,470	-
Benefit payments	(903,410)	(858,290)	(832,193)	(693,116)	(797,657)	(666,749)	(800,453)	(652,082)	(672,371)	(617,044)
Net change in total pension liability	519,287	741,133	771,928	(616,936)	469,648	716,388	482,118	532,168	717,563	430,819
Total pension liability beginning	15,482,958	14,741,825	13,969,897	14,586,833	14,117,185	13,400,797	12,918,679	12,386,511	11,668,948	11,238,129
Total pension liability ending	\$ 16,002,245	\$ 15,482,958	\$ 14,741,825	\$ 13,969,897	\$ 14,586,833	\$ 14,117,185	\$ 13,400,797	\$ 12,918,679	\$ 12,386,511	\$ 11,668,948
Plan fiduciary net position										
Contributions - employer	\$ 315,202	\$ 353,956	\$ 366,766	\$ 354,463	\$ 351,660	\$ 348,100	\$ 335,049	\$ 324,409	\$ 328,566	\$ 345,912
Pension plan net investment income	868,652	593,471	11,226	3,833,272	181,307	926,482	1,538,331	1,431,509	(34,911)	257,234
Benefit payments	(903,410)	(858,290)	(832,193)	(693,116)	(797,657)	(666,749)	(800,453)	(652,082)	(672,371)	(617,044)
Pension plan administrative expense	(21,002)	(24,046)	(17,012)	(15,606)	(20,832)	(18,586)	(12,888)	(12,387)	(12,614)	(13,887)
Other	(56,858)	(176,342)	129,896	(346,569)	31,315	47,256	69,265	62,557	(219,965)	(115)
Net change in plan fiduciary net position	202,584	(111,251)	(341,317)	3,132,444	(254,207)	636,503	1,129,304	1,154,006	(611,295)	(27,900)
Plan fiduciary net position beginning	17,097,395	17,208,646	17,549,963	14,417,519	14,671,726	14,035,223	12,905,919	11,751,913	12,363,208	12,391,108
Plan fiduciary net position ending	\$ 17,299,979	\$ 17,097,395	\$ 17,208,646	\$ 17,549,963	\$ 14,417,519	\$ 14,671,726	\$ 14,035,223	\$ 12,905,919	\$ 11,751,913	\$ 12,363,208
Net pension liability/(asset)	\$ (1,297,734)	\$ (1,614,437)	\$ (2,466,821)	\$ (3,580,066)	\$ 169,314	\$ (554,541)	\$ (634,426)	\$ 12,760	\$ 634,598	\$ (694,260)
Plan fiduciary net position as a percentage of the total pension liability	108.11%	110.43%	116.73%	125.63%	98.84%	103.93%	104.73%	99.90%	94.88%	105.95%
Covered payroll	\$ 2,500,137	\$ 2,503,651	\$ 2,321,607	\$ 2,481,507	\$ 2,481,507	\$ 2,528,897	\$ 2,249,946	\$ 2,428,154	\$ 2,336,117	\$ 2,400,328
Net pension liability/(asset) as a percentage of covered payroll	-51.91%	-64.48%	-106.25%	-144.27%	6.82%	-21.93%	-28.20%	0.53%	27.16%	-28.92%



**CITY OF HANNIBAL**

**PENSION PLAN  
LAGERS – CITY  
SCHEDULE OF CONTRIBUTIONS  
June 30, 2024**

	2024	2023	2022	2021	2020
Actuarially determined contribution	\$ 315,202	\$ 353,956	\$ 366,766	\$ 354,463	\$ 351,611
Contributions in relation to the actuarially determined contribution	315,202	353,956	366,766	354,463	351,611
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 2,583,627	\$ 2,546,446	\$ 2,428,912	\$ 2,444,569	\$ 2,458,815
Contributions as a percentage of covered payroll	12.20%	13.90%	15.10%	14.50%	14.30%
Actuarially determined contribution	2019	2018	2017	2016	2015
Contributions in relation to the actuarially determined contribution	\$ 348,124	\$ 331,452	\$ 324,415	\$ 329,209	\$ 381,370
	348,124	331,452	324,415	329,209	346,244
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ 35,126
Covered payroll	\$ 2,486,601	\$ 2,350,725	\$ 2,439,207	\$ 2,456,782	\$ 2,509,011
Contributions as a percentage of covered payroll	14.00%	14.10%	13.30%	13.40%	13.80%

# CITY OF HANNIBAL

## PENSION PLAN LAGERS – HBPW SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS June 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Service cost	\$ 510,794	\$ 489,351	\$ 481,024	\$ 472,517	\$ 435,687	\$ 446,800	\$ 412,987	\$ 384,213	\$ 396,111	\$ 412,341
Interest on the total pension liability	1,803,019	1,743,998	1,664,272	1,705,351	1,616,589	1,643,234	1,497,556	1,453,217	1,381,075	1,362,410
Difference between expected and actual experience	1,248,559	134,085	243,077	(280,937)	307,866	(1,242,409)	1,227,980	(142,897)	(313,060)	(382,273)
Assumption changes	-	-	-	(513,497)	-	-	-	-	685,338	-
Benefit payments	(1,722,484)	(1,353,450)	(1,156,880)	(1,112,260)	(1,194,172)	(1,224,684)	(1,069,584)	(1,123,670)	(1,172,585)	(1,083,083)
Net change in total pension liability	1,839,888	1,013,984	1,231,493	271,174	1,165,970	(377,059)	2,068,939	570,863	976,879	309,395
Total pension liability beginning	26,353,002	25,339,018	24,107,525	23,836,351	22,670,381	23,047,440	20,978,501	20,407,638	19,430,759	19,121,364
Total pension liability ending	\$ 28,192,890	\$ 26,353,002	\$ 25,339,018	\$ 24,107,525	\$ 23,836,351	\$ 22,670,381	\$ 23,047,440	\$ 20,978,501	\$ 20,407,638	\$ 19,430,759
Plan fiduciary net position										
Contributions - employer	\$ 1,002,057	\$ 1,014,056	\$ 961,645	\$ 928,519	\$ 849,831	\$ 810,846	\$ 824,620	\$ 659,410	\$ 653,218	\$ 731,733
Contributions - employee	-	-	-	-	-	-	-	-	25,792	-
Pension plan net investment income	1,416,681	943,847	18,280	5,569,115	263,414	1,330,378	2,235,327	2,005,620	(45,644)	360,839
Benefit payments	(1,722,484)	(1,353,450)	(1,156,880)	(1,112,260)	(1,194,172)	(1,224,684)	(1,069,584)	(1,123,670)	(1,172,585)	(1,083,083)
Pension plan administrative expense	(19,932)	(21,918)	(15,578)	(14,481)	(18,550)	(16,899)	(11,864)	(11,377)	(10,849)	(11,836)
Other	139,257	116,858	36,047	(21,129)	(55,987)	(509,845)	76,336	(21,909)	(343,369)	(427,100)
Net change in plan fiduciary net position	815,579	699,393	(156,486)	5,349,764	(155,464)	389,796	2,054,835	1,508,074	(893,437)	(429,447)
Plan fiduciary net position beginning	26,975,894	26,276,501	26,432,987	21,083,223	21,238,687	20,848,891	18,794,056	17,285,982	18,179,419	18,608,866
Plan fiduciary net position ending	\$ 27,791,473	\$ 26,975,894	\$ 26,276,501	\$ 26,432,987	\$ 21,083,223	\$ 21,238,687	\$ 20,848,891	\$ 18,794,056	\$ 17,285,982	\$ 18,179,419
Net pension liability/(asset)	\$ 401,417	\$ (622,892)	\$ (937,483)	\$ (2,325,462)	\$ 2,753,128	\$ 1,431,694	\$ 2,198,549	\$ 2,184,445	\$ 3,121,656	\$ 1,251,340
Plan fiduciary net position as a percentage of the total pension liability	98.58%	102.36%	103.70%	109.65%	88.45%	93.68%	90.46%	89.59%	84.70%	93.56%
Covered payroll	\$ 5,092,956	\$ 4,694,726	\$ 4,618,310	\$ 4,527,020	\$ 4,393,904	\$ 3,937,038	\$ 4,389,789	\$ 3,635,860	\$ 3,587,196	\$ 3,722,920
Net pension liability/(asset) as a percentage of covered payroll	7.88%	-13.27%	-20.30%	-51.37%	62.66%	36.36%	50.08%	60.08%	87.02%	33.61%

**CITY OF HANNIBAL**

**PENSION PLAN  
LAGERS – HBPW  
SCHEDULE OF CONTRIBUTIONS  
June 30, 2024**

	2024	2023	2022	2021	2020
Actuarially determined contribution	\$ 1,002,057	\$ 1,014,056	\$ 961,645	\$ 928,519	\$ 849,831
Contributions in relation to the actuarially determined contribution	1,002,057	1,014,056	961,645	928,519	849,831
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 5,219,047	\$ 5,147,491	\$ 4,713,946	\$ 4,551,563	\$ 4,186,358
Contributions as a percentage of covered payroll	19.20%	19.70%	20.40%	20.40%	20.30%
Actuarially determined contribution	\$ 817,296	\$ 857,688	\$ 659,410	\$ 653,218	\$ 731,733
Contributions in relation to the actuarially determined contribution	813,147	822,319	659,410	653,218	731,733
Contribution deficiency (excess)	\$ 4,149	\$ 35,369	\$ -	\$ -	\$ -
Covered payroll	\$ 4,148,709	\$ 4,421,073	\$ 3,746,646	\$ 3,711,467	\$ 3,771,818
Contributions as a percentage of covered payroll	19.60%	18.60%	17.60%	17.60%	19.40%

# CITY OF HANNIBAL

## PENSION PLAN POLICE & FIRE RETIREMENT PLAN SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS June 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability										
Service cost	\$ 580,135	\$ 564,254	\$ 599,144	\$ 590,169	\$ 586,643	\$ 573,575	\$ 570,203	\$ 548,434	\$ 510,783	\$ 517,235
Interest on the total pension liability	2,500,954	2,427,996	2,356,964	2,324,319	2,317,802	2,318,175	2,160,438	2,097,660	2,048,522	1,951,906
Benefit changes	-	-	-	-	-	-	-	(69,318)	-	-
Difference between expected and actual experience	732,686	436,640	705,786	137,016	(15,166)	(916,664)	(134,270)	704,667	(216,078)	422,882
Change of plan provisions	-	-	-	-	(1,466,508)	-	-	-	-	-
Assumption changes	-	-	35,943	(86,505)	813,628	(426,583)	1,602,240	(324,647)	2,165,439	-
Benefit payments	(2,288,422)	(2,516,607)	(2,779,824)	(2,235,403)	(2,058,232)	(1,928,745)	(1,968,442)	(2,195,021)	(1,591,733)	(1,602,991)
Net change in total pension liability	1,525,353	912,283	918,013	729,596	178,167	(380,242)	2,230,169	761,775	2,916,933	1,289,032
Total pension liability beginning	36,291,985	35,379,702	34,461,689	33,732,093	33,553,926	33,934,168	31,703,999	30,942,224	28,025,291	26,736,259
Total pension liability ending	\$ 37,817,338	\$ 36,291,985	\$ 35,379,702	\$ 34,461,689	\$ 33,732,093	\$ 33,553,926	\$ 33,934,168	\$ 31,703,999	\$ 30,942,224	\$ 28,025,291
Plan fiduciary net position										
Contributions - employer	\$ 1,585,373	\$ 1,482,564	\$ 1,520,789	\$ 1,492,927	\$ 1,424,566	\$ 1,364,514	\$ 1,298,013	\$ 1,276,452	\$ 1,264,977	\$ 1,183,568
Contributions - employee	638,872	581,645	605,290	587,950	544,132	536,720	491,567	472,096	457,380	424,182
Pension plan net investment income	3,041,240	2,468,831	(3,191,190)	7,026,978	656,966	985,509	1,290,497	1,484,308	256,567	213,189
Benefit payments	(2,288,422)	(2,516,607)	(2,779,824)	(2,235,403)	(2,058,232)	(1,928,745)	(1,968,442)	(2,195,021)	(1,591,733)	(1,602,991)
Pension plan administrative expense	(54,909)	(56,647)	(55,661)	(56,305)	(67,078)	(57,538)	(59,173)	(52,340)	(44,200)	(32,034)
Net change in plan fiduciary net position	2,922,154	1,959,786	(3,900,596)	6,816,147	500,354	900,460	1,052,462	985,495	342,991	185,914
Plan fiduciary net position beginning	23,942,187	21,982,401	25,882,997	19,066,850	18,566,496	17,666,036	16,613,574	15,628,079	15,285,088	15,099,174
Plan fiduciary net position ending	\$ 26,864,341	\$ 23,942,187	\$ 21,982,401	\$ 25,882,997	\$ 19,066,850	\$ 18,566,496	\$ 17,666,036	\$ 16,613,574	\$ 15,628,079	\$ 15,285,088
Net pension liability	\$ 10,952,997	\$ 12,349,798	\$ 13,397,301	\$ 8,578,692	\$ 14,665,243	\$ 14,987,430	\$ 16,268,132	\$ 15,090,425	\$ 15,314,145	\$ 12,740,203
Plan fiduciary net position as a percentage of the total pension liability	71.04%	65.97%	62.13%	75.11%	56.52%	55.33%	52.06%	52.40%	50.51%	54.54%
Covered payroll	\$ 3,549,769	\$ 3,478,954	\$ 3,622,338	\$ 3,611,556	\$ 3,733,069	\$ 3,548,574	\$ 3,598,561	\$ 3,425,821	\$ 3,629,583	\$ 3,389,458
Net pension liability as a percentage of covered payroll	308.56%	354.99%	369.85%	237.53%	392.85%	422.35%	452.07%	440.49%	421.93%	375.88%

**CITY OF HANNIBAL**

**PENSION PLAN  
POLICE & FIRE RETIREMENT PLAN  
SCHEDULE OF CONTRIBUTIONS  
June 30, 2024**

	2024	2023	2022	2021	2020
Actuarially determined contribution	\$ 1,238,383	\$ 1,242,941	\$ 1,141,792	\$ 1,214,588	\$ 1,283,839
Contributions in relation to the actuarially determined contribution	1,585,373	1,482,564	1,520,789	1,492,927	1,424,566
Contribution deficiency (excess)	<u>\$ (346,990)</u>	<u>\$ (239,623)</u>	<u>\$ (378,997)</u>	<u>\$ (278,339)</u>	<u>\$ (140,727)</u>
Covered payroll	\$ 3,549,769	\$ 3,478,954	\$ 3,622,338	\$ 3,611,556	\$ 3,733,069
Contributions as a percentage of covered payroll	44.66%	42.62%	41.98%	41.34%	38.16%
Actuarially determined contribution	2019	2018	2017	2016	2015
Contributions in relation to the actuarially determined contribution	\$ 1,321,254	\$ 1,201,580	\$ 1,193,766	\$ 1,066,446	\$ 984,663
Contribution deficiency (excess)	<u>1,364,514</u>	<u>1,298,013</u>	<u>1,276,452</u>	<u>1,264,977</u>	<u>1,183,568</u>
	<u>\$ (43,260)</u>	<u>\$ (96,433)</u>	<u>\$ (82,686)</u>	<u>\$ (198,531)</u>	<u>\$ (198,905)</u>
Covered payroll	\$ 3,548,574	\$ 3,598,561	\$ 3,425,851	\$ 3,629,583	\$ 3,389,458
Contributions as a percentage of covered payroll	38.45%	36.07%	37.26%	34.85%	34.92%

# CITY OF HANNIBAL

## OPEB PLAN – CITY SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS June 30, 2024

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability							
Service cost	\$ 252,426	\$ 267,698	\$ 306,370	\$ 250,868	\$ 195,322	\$ 197,936	\$ 191,372
Interest	188,446	164,862	83,474	106,563	104,226	123,142	120,003
Benefit changes	(367,236)	-	-	-	-	(478,159)	-
Difference between expected and actual experience	(279,305)	8,370	95,716	116,861	(53,272)	67,105	-
Assumption changes	69,482	(182,337)	(183,938)	190,133	760,080	123,959	-
Contributions - employer	(290,000)	(277,000)	(235,000)	(236,000)	(276,000)	(221,000)	(215,000)
Net change in total OPEB liability	(426,187)	(18,407)	66,622	428,425	730,356	(187,017)	96,375
Total OPEB liability beginning	4,522,697	4,541,104	4,474,482	4,046,057	3,315,701	3,502,718	3,406,343
Total OPEB liability ending	<u>\$ 4,096,510</u>	<u>\$ 4,522,697</u>	<u>\$ 4,541,104</u>	<u>\$ 4,474,482</u>	<u>\$ 4,046,057</u>	<u>\$ 3,315,701</u>	<u>\$ 3,502,718</u>
Covered payroll	\$ 6,814,508	\$ 6,200,678	\$ 6,200,678	\$ 5,897,037	\$ 5,897,037	\$ 6,116,629	\$ 6,116,629
Total OPEB liability as a percentage of covered payroll	60.11%	72.94%	73.24%	75.88%	68.61%	54.21%	57.27%

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

# CITY OF HANNIBAL

## OPEB PLAN – CITY SCHEDULE OF OPEB CONTRIBUTIONS June 30, 2024

	2024	2023	2022	2021	2020	2019	2018
Expected retiree claims and administrative costs	\$ 350,000	\$ 309,000	\$ 281,000	\$ 263,000	\$ 305,000	\$ 260,000	\$ 256,000
Expected retiree premium contributions	60,000	32,000	46,000	27,000	29,000	39,000	41,000
Employer contributions	<u>\$ 290,000</u>	<u>\$ 277,000</u>	<u>\$ 235,000</u>	<u>\$ 236,000</u>	<u>\$ 276,000</u>	<u>\$ 221,000</u>	<u>\$ 215,000</u>
Covered payroll	\$ 6,814,508	\$ 6,200,678	\$ 6,200,678	\$ 5,897,037	\$ 5,897,037	\$ 6,116,629	\$ 6,116,629
Contributions as a percentage of covered payroll	0.88%	0.52%	0.74%	0.46%	0.49%	0.64%	0.67%

*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.*

# CITY OF HANNIBAL

## OPEB PLAN – HBPW SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS June 30, 2024

	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability							
Service cost	\$ 103,521	\$ 101,145	\$ 142,531	\$ 122,025	\$ 95,592	\$ 97,054	\$ 92,381
Interest	63,945	59,637	38,911	43,576	42,440	48,118	50,139
Benefit changes	(109,901)	-	-	-	-	(191,644)	-
Difference between expected and actual experience	(148,623)	574	(3,825)	46,987	(20,922)	17,082	-
Assumption changes	(21,030)	(12,763)	(513,122)	94,949	188,800	72,903	10,635
Contributions - employer	(114,000)	(49,000)	(30,000)	(87,000)	(55,000)	(116,000)	(207,000)
Net change in total OPEB liability	(226,088)	99,593	(365,505)	220,537	250,910	(72,487)	(53,845)
Total OPEB liability beginning	1,552,105	1,452,512	1,818,017	1,597,480	1,346,570	1,419,057	1,472,902
Total OPEB liability ending	<u>\$ 1,326,017</u>	<u>\$ 1,552,105</u>	<u>\$ 1,452,512</u>	<u>\$ 1,818,017</u>	<u>\$ 1,597,480</u>	<u>\$ 1,346,570</u>	<u>\$ 1,419,057</u>
Covered payroll	\$ 5,032,102	\$ 4,538,500	\$ 4,538,500	\$ 3,887,352	\$ 3,887,352	\$ 3,788,616	\$ 3,788,616
Total OPEB liability as a percentage of covered payroll	26.35%	34.20%	32.00%	46.77%	41.09%	35.54%	37.46%

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.



**CITY OF HANNIBAL**

**OPEB PLAN – HBPW  
SCHEDULE OF OPEB CONTRIBUTIONS  
June 30, 2024**

	2024	2023	2022	2021	2020	2019	2018
Expected retiree claims and administrative costs	\$ 120,000	\$ 54,000	\$ 46,000	\$ 91,000	\$ 57,000	\$ 138,000	\$ 231,000
Expected retiree premium contributions	6,000	5,000	16,000	4,000	2,000	22,000	24,000
Employer contributions	<u>\$ 114,000</u>	<u>\$ 49,000</u>	<u>\$ 30,000</u>	<u>\$ 87,000</u>	<u>\$ 55,000</u>	<u>\$ 116,000</u>	<u>\$ 207,000</u>
Covered payroll	\$ 5,032,102	\$ 4,538,500	\$ 4,538,500	\$ 3,887,352	\$ 3,887,352	\$ 3,788,616	\$ 3,788,616
Contributions as a percentage of covered payroll	0.12%	0.11%	0.35%	0.10%	0.05%	0.58%	0.63%

*Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.*

## **SUPPLEMENTARY INFORMATION**

**CITY OF HANNIBAL**

**COMBINING BALANCE SHEET  
NON-MAJOR FUNDS  
June 30, 2024**

		Capital Projects Funds		Debt Service Funds			
		Sales Tax Capital Improvements Fund	HMAC 2016 Capital Projects Fund	HMAC 2018 Debt Service Fund	HMAC 2016 Debt Service Fund	HMAC 2013 Debt Service Fund	Subtotal
<b>ASSETS</b>	Cash and cash equivalents	\$ 442,989	\$ -	\$ -	\$ -	\$ -	\$ 442,989
	Restricted cash	-	1	204	904,957	19	905,181
	Investments	877,606	-	-	-	-	877,606
	Taxes receivable	201,075	-	-	-	-	201,075
	<b>TOTAL ASSETS</b>	<b>\$ 1,521,670</b>	<b>\$ 1</b>	<b>\$ 204</b>	<b>\$ 904,957</b>	<b>\$ 19</b>	<b>\$ 2,426,851</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>	Accounts payable	\$ 284,313	\$ -	\$ -	\$ -	\$ -	\$ 284,313
	Total liabilities	284,313	-	-	-	-	284,313
<b>FUND BALANCES</b>							
Restricted for:							
Capital improvements		1,237,357	1	-	-	-	1,237,358
Debt service		-	-	204	904,957	19	905,180
Total fund balances		1,237,357	1	204	904,957	19	2,142,538
<b>TOTAL LIABILITIES AND FUND BALANCES</b>		<b>\$ 1,521,670</b>	<b>\$ 1</b>	<b>\$ 204</b>	<b>\$ 904,957</b>	<b>\$ 19</b>	<b>\$ 2,426,851</b>

**CITY OF HANNIBAL**

**COMBINING BALANCE SHEET  
NON-MAJOR FUNDS (CONTINUED)**

**June 30, 2024**

Special Revenue Funds										
	Downtown TIF Fund	Riverfront Fund	DARE Fund	FEMA/ SEMA Fund	Tourism Fund	Law Enforcement Training Fund	Parks Department Fund	Infrastructure Tax Fund	Revolving Loan Fund	Total
ASSETS										
Cash and cash equivalents	\$ -	\$ 106,456	\$ 421	\$ -	\$ 1,001,733	\$ 2,066	\$ 1,167,422	\$ 2,978,813	\$ 365,366	\$ 6,065,266
Restricted cash	-	-	-	-	-	-	-	-	-	905,181
Investments	-	-	-	-	657,551	-	987,799	-	438,945	2,961,901
Taxes receivable	-	-	-	-	109,352	-	201,075	200,145	-	711,647
Lease receivable	-	-	-	-	-	-	-	-	173,361	173,361
Other receivables	-	-	-	-	-	-	618	-	-	618
Prepaid expenditures	-	-	-	-	17,870	-	83,226	-	-	101,096
TOTAL ASSETS	\$ -	\$ 106,456	\$ 421	\$ -	\$ 1,786,506	\$ 2,066	\$ 2,440,140	\$ 3,178,958	\$ 977,672	\$ 10,919,070
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Accounts payable	\$ -	\$ -	\$ 677	\$ -	\$ 2,454	\$ -	\$ 13,941	\$ -	\$ -	\$ 301,385
Accrued liabilities	-	-	-	-	8,343	-	68,266	-	-	76,609
Total liabilities	-	-	677	-	10,797	-	82,207	-	-	377,994
DEFERRED INFLOWS OF RESOURCES										
Deferred revenue - lease	-	-	-	-	-	-	-	-	160,270	160,270
Total deferred inflows of resources	-	-	-	-	-	-	-	-	160,270	160,270
FUND BALANCES										
Nonspendable - prepaids	-	-	-	-	17,870	-	83,226	-	-	101,096
Restricted for:										
Capital improvements	-	-	-	-	-	-	-	-	-	1,237,358
Debt service	-	-	-	-	-	-	-	-	-	905,180
Economic development	-	-	-	-	1,757,839	-	-	-	-	1,757,839
Community development	-	106,456	-	-	-	-	-	3,178,958	-	3,285,414
Public safety	-	-	-	-	-	2,066	-	-	-	2,066
Parks and recreation	-	-	-	-	-	-	2,274,707	-	-	2,274,707
Committed for:										
Economic development	-	-	-	-	-	-	-	-	817,402	817,402
Unassigned	-	-	(256)	-	-	-	-	-	-	(256)
Total fund balances	-	106,456	(256)	-	1,775,709	2,066	2,357,933	3,178,958	817,402	10,380,806
TOTAL LIABILITIES AND FUND BALANCES										
	\$ -	\$ 106,456	\$ 421	\$ -	\$ 1,786,506	\$ 2,066	\$ 2,440,140	\$ 3,178,958	\$ 977,672	\$ 10,919,070

**CITY OF HANNIBAL**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NON-MAJOR FUNDS**  
**Year Ended June 30, 2024**

	Capital Projects Funds		Debt Service Funds				
	Sales Tax Capital Improvements Fund	HMAC 2016 Capital Projects Fund	HMAC 2018 Debt Service Fund	HMAC 2016 Debt Service Fund	HMAC 2013 Debt Service Fund	Subtotal	
REVENUES:							
Taxes	\$ 2,352,044	\$ -	\$ -	\$ -	\$ -	\$ 2,352,044	
Intergovernmental revenues	18,222	-	-	-	-	18,222	
Miscellaneous:							
Investment income	71,809	-	1,272	2,267	-	75,348	
Other	73,751	-	-	-	-	73,751	
<b>TOTAL REVENUES</b>	<b>2,515,826</b>	<b>-</b>	<b>1,272</b>	<b>2,267</b>	<b>-</b>	<b>2,519,365</b>	
EXPENDITURES:							
Current:							
Community development	1,769,299	-	-	-	-	1,769,299	
Debt service:							
Principal	-	-	245,000	805,000	-	1,050,000	
Interest	-	-	206,778	154,000	-	360,778	
<b>Total expenditures</b>	<b>1,769,299</b>	<b>-</b>	<b>451,778</b>	<b>959,000</b>	<b>-</b>	<b>3,180,077</b>	
Excess (deficiency) of revenues over (under) expenditures	746,527	-	(450,506)	(956,733)	-	(660,712)	
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	450,309	972,645	-	1,422,954	
Transfers (out)	(972,645)	-	-	-	-	(972,645)	
<b>Total other financing sources (uses)</b>	<b>(972,645)</b>	<b>-</b>	<b>450,309</b>	<b>972,645</b>	<b>-</b>	<b>450,309</b>	
Net change in fund balances	(226,118)	-	(197)	15,912	-	(210,403)	
Fund balances, July 1	1,463,475	1	401	889,045	19	2,352,941	
<b>FUND BALANCES, JUNE 30</b>	<b>\$ 1,237,357</b>	<b>\$ 1</b>	<b>\$ 204</b>	<b>\$ 904,957</b>	<b>\$ 19</b>	<b>\$ 2,142,538</b>	

**CITY OF HANNIBAL**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NON-MAJOR FUNDS (CONTINUED)  
Year Ended June 30, 2024**

	Special Revenue Funds									
	Downtown TIF Fund	Riverfront Fund	DARE Fund	FEMA/ SEMA Fund	Tourism Fund	Law Enforcement Training Fund	Parks Department Fund	Infrastructure Tax Fund	Revolving Loan Fund	Total
REVENUES:										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 866,086	\$ -	\$ 2,352,060	\$ 2,349,616	\$ -	\$ 7,919,806
Charges for services	-	17,249	-	-	60,216	-	222,331	-	-	299,796
Intergovernmental revenues	-	-	-	-	51,107	-	100,000	-	-	169,329
Fines and forfeitures	-	-	-	-	-	16,733	-	-	-	16,733
Miscellaneous:										
Rent	-	19,000	-	-	-	-	14,991	-	64,046	98,037
Investment income	1,834	6,001	111	-	81,741	402	101,056	110,074	42,813	419,380
Contributions	-	-	10,311	-	137	-	32,355	-	-	42,803
Other	-	-	-	-	4,571	-	6,947	-	-	85,269
TOTAL REVENUES	1,834	42,250	10,422	-	1,063,858	17,135	2,829,740	2,459,690	106,859	9,051,153
EXPENDITURES:										
Current:										
Community development	-	16,059	-	-	-	-	-	165,585	-	1,950,943
Economic development	110,501	-	-	-	502,052	-	-	-	5,162	617,715
Public safety	-	-	12,345	-	-	20,568	-	-	-	32,913
Parks and recreation	-	-	-	-	-	-	1,740,579	-	-	1,740,579
Capital outlay	-	-	-	-	39,997	-	346,245	-	-	386,242
Debt service:										
Principal	-	-	-	-	-	-	-	-	-	1,050,000
Interest	-	-	-	-	-	-	-	-	-	360,778
Total expenditures	110,501	16,059	12,345	-	542,049	20,568	2,086,824	165,585	5,162	6,139,170
Excess (deficiency) of revenues over (under) expenditures	(108,667)	26,191	(1,923)	-	521,809	(3,433)	742,916	2,294,105	101,697	2,911,983
OTHER FINANCING SOURCES (USES)										
Transfers in	31,536	-	-	-	-	-	-	-	-	1,454,490
Transfers (out)	-	-	-	(27,445)	(78,719)	-	(200,000)	-	-	(1,278,809)
Total other financing sources (uses)	31,536	-	-	(27,445)	(78,719)	-	(200,000)	-	-	175,681
Net change in fund balances	(77,131)	26,191	(1,923)	(27,445)	443,090	(3,433)	542,916	2,294,105	101,697	3,087,664
Fund balances, July 1	77,131	80,265	1,667	27,445	1,332,619	5,499	1,815,017	884,853	715,705	7,293,142
FUND BALANCES, JUNE 30	\$ -	\$ 106,456	\$ (256)	\$ -	\$ 1,775,709	\$ 2,066	\$ 2,357,933	\$ 3,178,958	\$ 817,402	\$ 10,380,806

**CITY OF HANNIBAL**

**COMBINING STATEMENT OF NET POSITION**

**GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS**

**June 30, 2024**

	Self Insurance Fund	Unused Sick Leave Fund	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 186,001	\$ 337,336	\$ 523,337
Investments	860,585	-	860,585
Other receivables	224	517	741
Total assets	<u>1,046,810</u>	<u>337,853</u>	<u>1,384,663</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	<u>92,605</u>	<u>-</u>	<u>92,605</u>
Total liabilities	<u>92,605</u>	<u>-</u>	<u>92,605</u>
<b>NET POSITION</b>			
Unrestricted	<u>954,205</u>	<u>337,853</u>	<u>1,292,058</u>
Total net position	<u><u>\$ 954,205</u></u>	<u><u>\$ 337,853</u></u>	<u><u>\$ 1,292,058</u></u>

**CITY OF HANNIBAL**

**COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION**

**GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS**

**Year Ended June 30, 2024**

	Self Insurance Fund	Unused Sick Leave Fund	Total
OPERATING REVENUES			
Charges for services	\$ 3,303,080	\$ 99,183	\$ 3,402,263
Miscellaneous	80,239	-	80,239
Total operating revenues	3,383,319	99,183	3,482,502
OPERATING EXPENSES			
Salaries and wages	-	62,108	62,108
Employee benefits	-	2,482	2,482
Purchased services	738,163	-	738,163
Claims	3,859,946	-	3,859,946
Other operating expenses	33,543	-	33,543
Total operating expenses	4,631,652	64,590	4,696,242
OPERATING INCOME (LOSS)	(1,248,333)	34,593	(1,213,740)
NON-OPERATING REVENUES			
Investment income	96,573	15,637	112,210
Total non-operating revenues	96,573	15,637	112,210
Change in net position	(1,151,760)	50,230	(1,101,530)
Net position, July 1	2,105,965	287,623	2,393,588
NET POSITION, JUNE 30	\$ 954,205	\$ 337,853	\$ 1,292,058



**CITY OF HANNIBAL**

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
Year Ended June 30, 2024**

	Self Insurance Fund	Unused Sick Leave Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 3,303,080	\$ 99,183	\$ 3,402,263
Cash received from other sources	80,239	-	80,239
Cash paid to vendors	(4,707,050)	-	(4,707,050)
Cash paid to employees	-	(64,590)	(64,590)
Net cash provided (used) by operating activities	(1,323,731)	34,593	(1,289,138)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment income	96,573	15,637	112,210
Investment maturities/sales	1,116,427	-	1,116,427
Net cash provided by investing activities	1,213,000	15,637	1,228,637
Net change in cash and cash equivalents	(110,731)	50,230	(60,501)
Cash and cash equivalents, beginning of year	296,732	287,106	583,838
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 186,001</u>	<u>\$ 337,336</u>	<u>\$ 523,337</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (1,248,333)	\$ 34,593	\$ (1,213,740)
Adjustments:			
Increase (decrease) in liabilities:			
Accounts payable	(75,398)	-	(75,398)
Net cash provided (used) by operating activities	<u>\$ (1,323,731)</u>	<u>\$ 34,593</u>	<u>\$ (1,289,138)</u>