

# **CITY OF WILLARD, MISSOURI**

224 W. Jackson Street P.O. Box 187 Willard, MO 65781 417-742-3033 417-742-3080 Fax



## **MEETING AGENDA AND PACKET**

### **BOARD OF ALDERMEN**

**Regular Meeting**

**May 11, 2020**

**7:00 p.m.**

**Online via GoToMeeting**

#### **Mayor**

**Corey Hendrickson**

#### **Board Members**

**Clark McEntire**

**Donna Stewart**

**Sam Baird – Mayor Pro-Tem**

**Samuel Snider**

**Larry Whitman**

**Jon Jones**

**CITY OF WILLARD  
BOARD OF ALDERMEN  
REGULAR MEETING  
May 11, 2020  
7:00 P.M.**

Posted May 6, 2020.

Notice is hereby given that the City of Willard, Missouri, Board of Aldermen will conduct a meeting at **7:00 p.m.** May 11, 2020 online via GoToMeeting. A link will be posted online at [www.cityofwillard.org](http://www.cityofwillard.org) the day of the Meeting.

The tentative agenda of this meeting includes:  
PLEDGE OF ALLEGIANCE

Call the meeting to order

- 1. Roll Call.**
- 2. Agenda Amendments/Approval of Agenda.**
- 3. Consent Agenda:**

“A Consent Agenda allows the Board of Aldermen to consider and approve routine items of business without discussion. Any member of the Board of Aldermen, the City Staff or the Public may request removal of any item from the Consent Agenda and request that it be considered under the Regular Agenda if discussion or debate of the item is desired. Items not removed from the Consent Agenda will stand approved upon motion by any Board member, second and unanimous vote to “approve the Consent Agenda as published or modified.”

- a. Minutes from regular meeting April 27, 2020.
  - b. April/May 2020 Outstanding Invoices, Check and Draft Paid Invoices.
  - c. Department Head Reports.
- 4. Discussion/Vote on current Outstanding Invoices, draft and Check Paid Invoices for April/May 2020.**
  - 5. Citizen Input.**
  - 6. Presentation by KPM CPA’s for 2019 Audit.**
  - 7. Discussion/Vote on Credit Card Transaction Fees.**
  - 8. Discussion/Vote on Fireworks Contract.**
  - 9. Discussion/Vote on Freedom Fest.**
  - 10. Annexation Discussion.**

**11. Resolution adopting Amendments to Articles of Incorporation of a Non-Profit Corporation for Ozarks Transportation Organization. Discussion/Vote.**

**12. New Business.**

**13. Unfinished Business.**

**14. Recess Open Session.**

**15. Open Executive Session.**

**16. Close Executive Session.**

**17. Adjourn Meeting.**

THE TENTATIVE AGENDA SHOWS THIS MEETING CLOSED PURSUANT TO RSMO SECTIONS 610.021 # (1) LEGAL AND (2) REAL ESTATE.

IF YOU HAVE SPECIAL NEEDS, WHICH REQUIRE ACCOMMODATION, PLEASE NOTIFY CITY PERSONNEL AT CITY HALL. ACCOMMODATIONS WILL BE MADE FOR YOUR NEEDS. REPRESENTATIVES OF THE NEWS MEDIA MAY OBTAIN COPIES OF THIS NOTICE BY CONTACTING THE CITY CLERK AT 417-742-5302.

Jennifer Rowe  
City Clerk



## Agenda Item# 3

### Consent Agenda:

"A Consent Agenda allows the Board of Aldermen to consider and approve routine items of business without discussion. Any member of the Board of Aldermen, the City Staff or the Public may request removal of any item from the Consent Agenda and request that it be considered under the Regular Agenda if discussion or debate of the item is desired. Items not removed from the Consent Agenda will stand approved upon motion by any Board member, second and unanimous vote to "approve the Consent Agenda as published or modified."

- a. Minutes from regular meeting April 27, 2020.
- b. April/May 2020 Outstanding Invoices, Check and Draft Paid Invoices.
- c. Department Head Reports.

**CITY OF WILLARD  
BOARD OF ALDERMEN  
REGULAR MEETING  
April 27, 2020  
7:00 p.m.**

This Meeting was conducted through GoToMeeting due to the Covid-19 pandemic.

Staff present: City Administrator, Brad Gray; City Clerk, Jennifer Rowe; Parks Director, Jason Knight; Public Works Director, Ray Lynch; Police Chief, Tom McClain; Director of Development, Randy Brown; and Director of Finance, Carolyn Halverson.

The City Attorney Ken Reynolds was not present.

Citizens in attendance: Cammie Textor, James Textor and Amanda Long.

**Pledge of Allegiance.**

The Pledge of Allegiance was led by Mayor Hendrickson.

**Call to Order.**

Mayor Hendrickson called the meeting to order at 7:00 p.m.

**Roll Call.**

The City Clerk conducted the Roll Call. Alderman McEntire-present, Alderman Snider-present, Alderman Stewart-present, Alderman Whitman-present, Alderman Baird-present, Alderman Jones-present and Mayor Hendrickson-present.

**Agenda Amendments/Agenda Approval.**

Motion was made by Alderman Baird and seconded by Alderman McEntire to approve the Agenda. Motion carried with a vote of 6-0. Voting aye: Aldermen McEntire, Snider, Stewart, Whitman, Baird and Jones.

**Consent Agenda.**

Motion was made by Alderman Baird and seconded by Alderman Stewart to approve the Consent Agenda. Motion carried with a vote of 6-0. Voting aye: Aldermen McEntire, Snider, Stewart, Whitman, Baird and Jones.

**Citizen Input.**

James Textor, 202 Sparrow, wanted to voice his opinion regarding a greenhouse that has been built at the entrance to the neighborhood. He stated that this area was originally supposed to remain green space with the original HOA and he was curious if a permit was obtained and how. He feels it is obtrusive.

Amanda Long, 200 Sparrow, stated that she agrees with Mr. Textor. She would like the City to see who owns that property. She stated she spoke with a realtor who told her having that in that location would devalue the other properties. She encouraged the Board to reach out to her if they have any other questions as they look into this matter.

City Administrator Brad Gray discussed the matter. Discussion was made on the permit issued and what was presented to City Staff. Mr. Brown discussed the steps taken for the permit, and the research Staff had completed. He stated that he requested the owner building the greenhouse (Mr. Hill) bring back a Lot Combination for the property. He also stated Mr. Hill had informed him he spoke to the neighbors and there were not complaints. Staff did not realize there was a problem until complaints started coming in after the building began.

**Discussion/Vote to approve current March/April 2020 Outstanding Invoices, Check and Draft Paid Invoices.**

Motion was made by Alderman Jones and seconded by Alderman Stewart to approve the current March/April 2020 Outstanding Invoices, Check and Draft Paid Invoices. Motion carried with a vote of 6-0. Voting aye: Aldermen McEntire, Snider, Stewart, Whitman, Baird and Jones.

**Discussion/Vote on the bids for the Solar Project.**

City Administrator Brad Gray informed the Board that Parks Director Jason Knight had been working with the bids. Mr. Knight discussed the bids received to the Board. Discussion was made on the current economy and budget constraints. Mr. Knight recommended that the Board reject the bids so staff could research further to come up with a more financially sound option. Mr Gray stated that the City needed a higher return on investment, and the Department of Energy was working with the City and companies to give calculations. Motion was made by Alderman Baird and seconded by Alderman McEntire to reject the bids for the solar project. Motion carried with a vote of 6-0. Voting aye: Aldermen McEntire, Snider, Stewart, Whitman, Baird and Jones.

**Proclamation extending the Declaration of Local Emergency.**

Mayor Hendrickson discussed the reasons for the Proclamation. He then read the Proclamation.

**New Business.**

Discussion was made again on the Greenhouse on Z Highway. Discussion was then made on options for Freedom Fest and Summer programs.

**Unfinished Business.**

None.

**Adjourn.**

Motion was made by Alderman McEntire and seconded by Alderman Baird to Adjourn. Motion carried with a vote of 6-0. Voting aye: Aldermen McEntire, Snider, Stewart, Whitman, Baird and Jones.

**The meeting was adjourned at 8:40 p.m.**

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Jennifer Rowe, City Clerk

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Corey Hendrickson, Mayor of Willard

**CITY OF WILLARD  
BOARD OF ALDERMEN**



**AGENDA ITEM # 4  
FINANCE DEPARTMENT**

**ACTION REQUIRED: APPROVAL REQUESTED**

- **Outstanding Invoices – April & May 2020**



City of Willard, MO

# Pending Expense Approval Report - 1

By Vendor Name

Post Dates 04/29/2020 - 05/05/2020

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount	
<b>Vendor: APM100 - APPLE MARKET</b>						
<b>Vendor: APM100 - APPLE MARKET</b>						
APPLE MARKET	11	05/01/2020	RED DYE FOR TESTING SEWER LINES - SEWER	20-700-50130	13.56	
					<b>Vendor APM100 - APPLE MARKET Total:</b>	<b>13.56</b>
					<b>Vendor APM100 - APPLE MARKET Total:</b>	<b>13.56</b>
<b>Vendor: AT&amp;T - ATT100</b>						
<b>Vendor: AT&amp;T - ATT100</b>						
ATT100	SWBT-01-202003-04-0052-KL	05/05/2020	CABLE DAMAGE CLAIM - WATER	20-600-51000	376.97	
					<b>Vendor AT&amp;T - ATT100 Total:</b>	<b>376.97</b>
					<b>Vendor AT&amp;T - ATT100 Total:</b>	<b>376.97</b>
<b>Vendor: COMMGN - COMMERCE CREDIT CARD SERVICES</b>						
<b>Vendor: COMMGN - COMMERCE CREDIT CARD SERVICES</b>						
COMMERCE CREDIT CARD SE	810478-0	05/01/2020	ADMIRAL EXPRESS COPY PAPER - GEN/W/S	10-100-50700	46.38	
COMMERCE CREDIT CARD SE	810478-0	05/01/2020	ADMIRAL EXPRESS COPY PAPER - GEN/W/S	10-250-50700	11.60	
COMMERCE CREDIT CARD SE	810478-0	05/01/2020	ADMIRAL EXPRESS COPY PAPER - GEN/W/S	20-600-50700	28.99	
COMMERCE CREDIT CARD SE	810478-0	05/01/2020	ADMIRAL EXPRESS COPY PAPER - GEN/W/S	20-700-50700	28.99	
COMMERCE CREDIT CARD SE	4556202	05/01/2020	AMAZON NITRILE GLOVES - GEN/W/S	10-100-50130	3.50	
COMMERCE CREDIT CARD SE	4556202	05/01/2020	AMAZON NITRILE GLOVES - GEN/W/S	10-250-50130	1.31	
COMMERCE CREDIT CARD SE	4556202	05/01/2020	AMAZON NITRILE GLOVES - GEN/W/S	10-400-50130	1.31	
COMMERCE CREDIT CARD SE	4556202	05/01/2020	AMAZON NITRILE GLOVES - GEN/W/S	20-600-50130	3.49	
COMMERCE CREDIT CARD SE	4556202	05/01/2020	AMAZON NITRILE GLOVES - GEN/W/S	20-700-50130	3.49	
COMMERCE CREDIT CARD SE	5989835	05/01/2020	AMAZON TONER CARTRIDGES - CT	10-250-50700	33.98	
COMMERCE CREDIT CARD SE	9557824	05/01/2020	AMAZON NON CONTACT THERMOMETER - CT	10-250-50130	72.98	
COMMERCE CREDIT CARD SE	050120	05/05/2020	NEXTIVA TELEPHONE SERVICE - ALL DEPTS	10-100-61000	158.69	
COMMERCE CREDIT CARD SE	050120	05/05/2020	NEXTIVA TELEPHONE SERVICE - ALL DEPTS	10-200-61000	158.70	
COMMERCE CREDIT CARD SE	050120	05/05/2020	NEXTIVA TELEPHONE SERVICE - ALL DEPTS	10-250-61000	113.35	
COMMERCE CREDIT CARD SE	050120	05/05/2020	NEXTIVA TELEPHONE SERVICE - ALL DEPTS	10-300-61000	113.35	
COMMERCE CREDIT CARD SE	050120	05/05/2020	NEXTIVA TELEPHONE SERVICE - ALL DEPTS	10-400-61000	113.35	
COMMERCE CREDIT CARD SE	050120	05/05/2020	NEXTIVA TELEPHONE SERVICE - ALL DEPTS	20-600-61000	158.69	
COMMERCE CREDIT CARD SE	050120	05/05/2020	NEXTIVA TELEPHONE SERVICE - ALL DEPTS	20-700-61000	158.69	
COMMERCE CREDIT CARD SE	050120	05/05/2020	NEXTIVA TELEPHONE SERVICE - ALL DEPTS	30-800-61000	158.69	
COMMERCE CREDIT CARD SE	28878766	05/05/2020	LINGO COMM LIFT STATION PHONE SERVICE - SEWER	20-700-61000	47.96	

**Pending Expense Approval Report - 1**

Post Dates: 04/29/2020 - 05/05/2020

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
COMMERCE CREDIT CARD SE	218492718	05/05/2020	GOTOMEETING VIDEO CONFERENCING SOFTWARE - GEN	10-100-57400	19.80
COMMERCE CREDIT CARD SE	5881825	05/05/2020	AMAZON EXPANDING FILES - GEN/CT/W/S	10-100-50700	11.09
COMMERCE CREDIT CARD SE	5881825	05/05/2020	AMAZON EXPANDING FILES - GEN/CT/W/S	10-250-50700	2.77
COMMERCE CREDIT CARD SE	5881825	05/05/2020	AMAZON EXPANDING FILES - GEN/CT/W/S	20-600-50700	6.94
COMMERCE CREDIT CARD SE	5881825	05/05/2020	AMAZON EXPANDING FILES - GEN/CT/W/S	20-700-50700	6.94
<b>Vendor COMMGN - COMMERCE CREDIT CARD SERVICES Total:</b>					<b>1,465.03</b>
<b>Vendor COMMGN - COMMERCE CREDIT CARD SERVICES Total:</b>					<b>1,465.03</b>
<b>Vendor: BKM225 - DAVID BLAKEMORE</b>					
<b>Vendor: BKM225 - DAVID BLAKEMORE</b>					
DAVID BLAKEMORE	050120	05/01/2020	CELL PHONE REIMBURSEMENT - W/S	20-600-61000	25.00
DAVID BLAKEMORE	050120	05/01/2020	CELL PHONE REIMBURSEMENT - W/S	20-700-61000	25.00
<b>Vendor BKM225 - DAVID BLAKEMORE Total:</b>					<b>50.00</b>
<b>Vendor BKM225 - DAVID BLAKEMORE Total:</b>					<b>50.00</b>
<b>Vendor: ECO100 - ECONO SIGNS</b>					
<b>Vendor: ECO100 - ECONO SIGNS</b>					
ECONO SIGNS	10-959918	05/05/2020	STREET SIGNS - STS	10-300-50130	338.46
<b>Vendor ECO100 - ECONO SIGNS Total:</b>					<b>338.46</b>
<b>Vendor ECO100 - ECONO SIGNS Total:</b>					<b>338.46</b>
<b>Vendor: EJE100 - EJ EQUIPMENT</b>					
<b>Vendor: EJE100 - EJ EQUIPMENT</b>					
EJ EQUIPMENT	WO2714	05/05/2020	SEWER CAMERA REPAIRS - SEWER	20-700-51000	1,127.26
<b>Vendor EJE100 - EJ EQUIPMENT Total:</b>					<b>1,127.26</b>
<b>Vendor EJE100 - EJ EQUIPMENT Total:</b>					<b>1,127.26</b>
<b>Vendor: FRA555 - FRANK'S UNIFORMS</b>					
<b>Vendor: FRA555 - FRANK'S UNIFORMS</b>					
FRANK'S UNIFORMS	3019	05/05/2020	C STEEN UNIFORM ALLOWANCE - LAW	10-200-92500	26.00
<b>Vendor FRA555 - FRANK'S UNIFORMS Total:</b>					<b>26.00</b>
<b>Vendor FRA555 - FRANK'S UNIFORMS Total:</b>					<b>26.00</b>
<b>Vendor: HAR160 - HARRY COOPER SUPPLY COMPANY</b>					
<b>Vendor: HAR160 - HARRY COOPER SUPPLY COMPANY</b>					
HARRY COOPER SUPPLY COM	54462569.002	05/05/2020	WIDE RANGE COUPLING - WATER	20-600-50130	421.09
HARRY COOPER SUPPLY COM	54462569.001	05/05/2020	WIDE RANGE COUPLING - WATER	20-600-51000	421.09
<b>Vendor HAR160 - HARRY COOPER SUPPLY COMPANY Total:</b>					<b>842.18</b>
<b>Vendor HAR160 - HARRY COOPER SUPPLY COMPANY Total:</b>					<b>842.18</b>
<b>Vendor: MAR150 - MARMIC FIRE &amp; SAFETY</b>					
<b>Vendor: MAR150 - MARMIC FIRE &amp; SAFETY</b>					
MARMIC FIRE & SAFETY	5287127-IN	05/01/2020	PD ANNUAL FIRE SAFETY INSPECTION - LAW	10-200-56500	98.55
<b>Vendor MAR150 - MARMIC FIRE &amp; SAFETY Total:</b>					<b>98.55</b>
<b>Vendor MAR150 - MARMIC FIRE &amp; SAFETY Total:</b>					<b>98.55</b>
<b>Vendor: ORE145 - O'REILLY AUTOMOTIVE, INC</b>					
<b>Vendor: ORE145 - O'REILLY AUTOMOTIVE, INC</b>					
O'REILLY AUTOMOTIVE, INC	2367-287867	05/05/2020	MOTOR OIL - PKS	30-800-71100	19.99
O'REILLY AUTOMOTIVE, INC	2367-289904	05/05/2020	MOWER BELTS (x6) - PKS	30-800-71100	62.44
O'REILLY AUTOMOTIVE, INC	2367-289997	05/05/2020	TIRE SEALANT - PKS	30-800-71100	32.99

**Pending Expense Approval Report - 1**

Post Dates: 04/29/2020 - 05/05/2020

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
O'REILLY AUTOMOTIVE, INC	2367-290258	05/05/2020	MOWER FUEL FILTER - PKS	30-800-71100	13.34
O'REILLY AUTOMOTIVE, INC	2367-291848	05/05/2020	ANTIFREEZE, HYDRAULIC FLUID - PKS	30-800-71100	72.98
O'REILLY AUTOMOTIVE, INC	2367-292707	05/05/2020	MOWER FUEL HOSE - PKS	30-800-71100	5.88
<b>Vendor ORE145 - O'REILLY AUTOMOTIVE, INC Total:</b>					<b>207.62</b>
<b>Vendor ORE145 - O'REILLY AUTOMOTIVE, INC Total:</b>					<b>207.62</b>
<b>Vendor: RAC450 - RACE BROS FARM SUPPLY, INC</b>					
<b>Vendor: RAC450 - RACE BROS FARM SUPPLY, INC</b>					
RACE BROS FARM SUPPLY, INC	722098	05/05/2020	WEED KILLER - STS	10-300-50130	221.94
<b>Vendor RAC450 - RACE BROS FARM SUPPLY, INC Total:</b>					<b>221.94</b>
<b>Vendor RAC450 - RACE BROS FARM SUPPLY, INC Total:</b>					<b>221.94</b>
<b>Vendor: SCU425 - SCURLOCK INDUSTRIES</b>					
<b>Vendor: SCU425 - SCURLOCK INDUSTRIES</b>					
SCURLOCK INDUSTRIES	0027202-IN	05/05/2020	MANHOLE ADJUSTMENT RINGS, RAM NECK - SEWER	20-700-50130	198.80
<b>Vendor SCU425 - SCURLOCK INDUSTRIES Total:</b>					<b>198.80</b>
<b>Vendor SCU425 - SCURLOCK INDUSTRIES Total:</b>					<b>198.80</b>
<b>Vendor: SHP550 - SHANNON SHIPLEY</b>					
<b>Vendor: SHP550 - SHANNON SHIPLEY</b>					
SHANNON SHIPLEY	301366	05/01/2020	PPE CONTAINERS & SPRAY BOTTLES REIMBURSEMENT - LAW	10-200-50130	44.10
<b>Vendor SHP550 - SHANNON SHIPLEY Total:</b>					<b>44.10</b>
<b>Vendor SHP550 - SHANNON SHIPLEY Total:</b>					<b>44.10</b>
<b>Vendor: SPR275 - SPRINGFIELD WINWATER WORKS CO</b>					
<b>Vendor: SPR275 - SPRINGFIELD WINWATER WORKS CO</b>					
SPRINGFIELD WINWATER WO	318231 00	05/05/2020	BRASS SADDLE & INSERTS - SEWER	20-700-95100	245.75
SPRINGFIELD WINWATER WO	318266 00	05/05/2020	WALNUT LANE GASKET JOINTS & COUPLINGS - SEWE	20-700-95100	872.18
SPRINGFIELD WINWATER WO	318169 00	05/05/2020	WALNUT LANE GASKET PIPE, TEES & ADAPTERS - SEWER	20-700-95100	1,107.33
SPRINGFIELD WINWATER WO	318173 00	05/05/2020	ADAPTERS (x2) - SEWER	20-600-50130	250.00
<b>Vendor SPR275 - SPRINGFIELD WINWATER WORKS CO Total:</b>					<b>2,475.26</b>
<b>Vendor SPR275 - SPRINGFIELD WINWATER WORKS CO Total:</b>					<b>2,475.26</b>
<b>Vendor: SPR200 - SPRINGFIELD-GREENE COUNTY HEALTH DEPARTMENT</b>					
<b>Vendor: SPR200 - SPRINGFIELD-GREENE COUNTY HEALTH DEPARTMENT</b>					
SPRINGFIELD-GREENE COUNT	1687	05/05/2020	SPECIAL LAB TESTS - WATER	20-600-50200	26.00
<b>Vendor SPR200 - SPRINGFIELD-GREENE COUNTY HEALTH DEPARTMENT Total:</b>					<b>26.00</b>
<b>Vendor SPR200 - SPRINGFIELD-GREENE COUNTY HEALTH DEPARTMENT Total:</b>					<b>26.00</b>
<b>Vendor: TRH100 - TREVOR HOFFMAN</b>					
<b>Vendor: TRH100 - TREVOR HOFFMAN</b>					
TREVOR HOFFMAN	4033661756	05/01/2020	CELL PHONE REIMBURSEMENT - W/S	20-600-61000	25.00
TREVOR HOFFMAN	4033661756	05/01/2020	CELL PHONE REIMBURSEMENT - W/S	20-700-61000	25.00
<b>Vendor TRH100 - TREVOR HOFFMAN Total:</b>					<b>50.00</b>
<b>Vendor TRH100 - TREVOR HOFFMAN Total:</b>					<b>50.00</b>
<b>Vendor: UMB100 - UMB BANK</b>					
<b>Vendor: UMB100 - UMB BANK</b>					
UMB BANK	050120	05/05/2020	SERIES 2018 COP PRINCIPAL - SEWER	20-700-96000	4,108.86
<b>Vendor UMB100 - UMB BANK Total:</b>					<b>4,108.86</b>
<b>Vendor UMB100 - UMB BANK Total:</b>					<b>4,108.86</b>

Pending Expense Approval Report - 1

Post Dates: 04/29/2020 - 05/05/2020

Vendor Name	Payable Number	Post Date	Description (Item)	Account Number	Amount
Vendor: USA400 - USA BLUE BOOK					
Vendor: USA400 - USA BLUE BOOK					
USA BLUE BOOK	INV0016218	05/05/2020	RED TRACING DYE - SEWER	20-700-50130	132.76
			<b>Vendor USA400 - USA BLUE BOOK Total:</b>		<b>132.76</b>
			<b>Vendor USA400 - USA BLUE BOOK Total:</b>		<b>132.76</b>
			<b>Grand Total:</b>		<b>11,803.35</b>

## Report Summary

### Fund Summary

Fund	Expense Amount
10 - GENERAL FUND	1,591.21
20 - WATER AND SEWER FUND	9,845.83
30 - PARKS FUND	366.31
<b>Grand Total:</b>	<b>11,803.35</b>

### Account Summary

Account Number	Account Name	Expense Amount
10-100-50130	SUPPLIES-GCG	3.50
10-100-50700	OFFICE SUPPLIES-GCG	57.47
10-100-57400	EQUIPMENT/SOFTWARE	19.80
10-100-61000	TELEPHONE-GCG	158.69
10-200-50130	SUPPLIES-LAW	44.10
10-200-56500	SAFETY PROGRAM-LAW	98.55
10-200-61000	TELEPHONE-LAW	158.70
10-200-92500	UNIFORMS-LAW	26.00
10-250-50130	SUPPLIES-COURT	74.29
10-250-50700	OFFICE SUPPLIES-COURT	48.35
10-250-61000	TELEPHONE-COURT	113.35
10-300-50130	SUPPLIES-STREETS	560.40
10-300-61000	TELEPHONE-STREETS	113.35
10-400-50130	SUPPLIES-P&D	1.31
10-400-61000	TELEPHONE-P&D	113.35
20-600-50130	SUPPLIES-WATER	674.58
20-600-50200	LABORATORY FEES-WAT	26.00
20-600-50700	OFFICE SUPPLIES-WATER	35.93
20-600-51000	REPAIRS AND MAINTEN	798.06
20-600-61000	TELEPHONE WATER	208.69
20-700-50130	SUPPLIES-SEWER	348.61
20-700-50700	OFFICE SUPPLIES-SEWER	35.93
20-700-51000	REPAIRS AND MAINTEN	1,127.26
20-700-61000	TELEPHONE-SEWER	256.65
20-700-95100	CAPITAL ASSET EXP-SEW	2,225.26
20-700-96000	PRINCIPAL EXPENSE-SE	4,108.86
30-800-61000	TELEPHONE-PKS	158.69
30-800-71100	EQUIPMENT REPAIR &	207.62
<b>Grand Total:</b>		<b>11,803.35</b>

### Project Account Summary

Project Account Key	Expense Amount
**None**	9,578.09
9510018	2,225.26
<b>Grand Total:</b>	<b>11,803.35</b>

## Public Works Report

April 2020

### Water

- The water department spent the month on routine operations including collecting water samples, monthly meter reading, daily monitoring of our four wells and maintenance on our chlorine monitoring systems.
- We completed 224 utility locates.
- We repaired a major water leak on AB Highway.
- We completed 104 work orders this month.
- A flow controller on Meadows Water Well #1 malfunctioned and is due to be replaced.
- We installed a 2" water tap for Kim Haase at the Megan Lane apartments.

### Sewer

- Since manhole inspections have been completed in the Regional and B drainage areas, a significant amount of time is now being spent on I&I issues and repairing those defects.
- We finished up the minor smoke testing defect lists for Regional and B. We will still have to go back and evaluate some of the more complex repairs.
- We installed 24 of the custom drip pans throughout the B and Regional systems.
- We replaced a broken lateral connection at 198 Sparrow. At this location we also repaired the manhole riser ring to make it water tight and re-poured 30' of sidewalk.
- We have been working extensively on the sewer main along Walnut Lane. We have already repaired a broken lateral connection and two bulging pipe sections that were restricting adequate flow. We also replaced 30' of line so far and put in an access point for line cleaning. We still have about two weeks of work to rehab this sewer main and stop all I&I from entering into the system.
- We rehabbed 3 manholes in the Regional and B systems by adding riser rings and frames.
- We were still having issues with the sewer camera and had to send it back to EJ for repairs. They brought it back and gave us some additional training on the system. There were some physical issues with the laptop (USB port not allowing proper connection to the equipment). There may be a need in the future to replace the laptop for the sewer camera if problems persist.

## **Streets**

- We continue patching potholes at various places around town.
- We repaired another sinkhole on Knight Street. This one however, was much smaller. These will have to be monitored to ensure there is no additional sinking of the road before we resurface the street.

# Equipment Usage and Repairs

## April 2020

Equip #	Description	Prior Month Miles/Hours	Current Month Miles/Hours	Monthly Usage	Service and Repairs	YTD Repair Cost
1	2013 Ford F-150	78,432	79,593	1,161	\$0.00	\$0.00
2	2004 Chevy 1 Ton Dump	140,682	141,426	744		271.09
3	2003 Chevy 1 Ton Utility - Sewer	173,060	173,435	375		
4	1998 Dodge 1/2 Ton FB	127,695	127,743	48		
5	2001 Chevy 1500	108,427	109,088	661		
6	2000 Chevy 3/4 Ton FB	145,852	145,863	11		
7	1993 Ford 1 Ton Utility - Water	94,480	94,618	138		
8	2005 International 3200 Dump	21,085	21,196	111		
9	2017 Chevy Silverado	26,048	26,873	825		
10	Water Van	384	384	-		
11	1998 Chevy S-10	155,773	155,950	177		
12	Case Backhoe	3,061	3,114	53		
13	60XT Case Skid Steer	1,532	1,532	-		
14	Kubota RTV 1100	896	897	1		
					<b>\$0.00</b>	<b>\$0.00</b>

271.09

Description of Repair/Service	
PD#1 2013 Dodge Charger	4-2-20 Brake pads \$54.43
PD#2 2013 Dodge Charger	
PD#3 2013 Dodge Charger	
PD#4 2017 Ford Explorer	4-23-20 Oil Change Rotate Tires \$4.35
PD#5 2019 Dodge Charger	4-23-20 Oil Change Rotate Tires \$9.34
PD#6 2013 Dodge Charger	
PD#7 2017 Ford Explorer	
PD#8 2008 Harley Davidson	

**Monthly Water Loss 2020**

Current Month

4

Month	January	February	March	April	Annual Average	Annual
Amount of Gallons Pumped	23,515,800	22,019,099	21,587,400	23,705,100	22,706,850	90,827,399
Dollar Amount Sold	\$76,849.76	\$70,933.59	\$75,541.29	\$73,464.85	\$74,197.37	\$296,789.49
Gallons of Water Sold	15,381,000	12,980,000	14,867,000	14,098,000	14,331,500	57,326,000
Flushing	0	0	43,200	0	10,800	43,200
Leaks/Adjustments	10,000	5,000	50,000	100,000	41,250	165,000
City Usage (not billed)	25,000	19,000	55,000	234,000	83,250	333,000
Fire Department Usage	0	0	0	0	0	0
Tower Overflows	0	0	0	0	0	0
Residuals	45,000	45,000	45,000	45,000	45,000	180,000
<b>Total Gallons Accounted For</b>	<b>15,461,000</b>	<b>13,049,000</b>	<b>15,060,200</b>	<b>14,477,000</b>	<b>29,023,600</b>	<b>58,047,200</b>
% Water Loss	34.25%	40.74%	30.24%	38.93%	36.09%	
Amount of Water Lost	8,054,800	8,970,099	6,527,200	9,228,100	8,195,050	32,780,199
Willard North #1	2,126,800	2,178,000	2,207,700	2,189,000	2,175,375	8,701,500
Willard South #2	2,506,300	2,551,900	2,340,700	2,700,700	2,524,900	10,099,600
Meadows West #1	10,630,700	9,688,199	9,275,000	10,450,400	10,011,075	40,044,299
Meadows East #2	9,252,000	8,601,000	8,764,000	8,986,000	8,900,750	35,603,000
Correction per MRWA Willard Well 1&:	-1,000,000	-1,000,000	-1,000,000	-1,000,000	-1,000,000	-4,000,000
<b>Total Water Pumped</b>	<b>23,515,800</b>	<b>22,019,099</b>	<b>21,587,400</b>	<b>23,326,100</b>	<b>22,612,100</b>	<b>90,448,399</b>
City Commercial Irrigation	14	14	14	14	14	
City Commercial 1 SPF	128	126	125	126	126	
City Commercial 3 Water only	18	20	19	20	19	160
City Residential Irrigation	2	2	2	3	2	
City Residential 1 SPF	1984	1982	1995	1996	1,989	
City Residential 3 Water Only	71	73	74	73	73	2,064
Rural Irrigation	4	4	4	4	4	
Rural Residential 1 SPF	9	8	9	8	9	
Rural Residential 2 Lagoon	275	276	276	276	276	
Rural Residential 3 Water Only	861	863	866	867	864	1,153
Rural Commercial 2 Lagoon	3	3	3	3	3	
Rural Commercial 3 Water only	12	12	12	12	12	
Rural Commercial 1 SPF	0	0	0	0	0	
Zero-Non Billed	11	11	11	11	11	26
<b>Number of Total Customers</b>	<b>3392</b>	<b>3394</b>	<b>3410</b>	<b>3413</b>	<b>3402</b>	<b>3402</b>

# Parks and Recreation - Director's Report – May 2020

## Department Tasks

**Quote of the Month: “In preparing for battle, I have always found the plans are useless, but planning is indispensable.” Dwight D Eisenhower**

### Budget

I have attached a conservative set of projections. These are based on feedback from Carolyn that we could see a 35% reduction in tax revenue, and I have included a plan for reducing expenses to account for a scenario where we are unable to offer any summer camp, any summer sports or programs, and zero revenue from the pool. Using these numbers, it looks like there will be an \$81,000 shortfall. This gap will narrow, as I was unable to calculate reduction in associated salary costs for seasonal staff. This number includes the debt service at the pool.

### Event/Program Planning and Recap

I would like to open the pool if it is fiscally feasible, however, those numbers are a moving target based on regulatory guidance. Staff cost for operating the WAC averages about \$18,500/month; to offset this cost, we would need to average 125 patrons/day each day the pool is open. CDC guidance is currently recommending requiring masks for all patrons and guards and required social distance of 6 feet. There are many additional considerations under review including the removal of all deck furniture, the closure of the water slides, (inability to ensure social distancing), and monitoring of restroom facilities. My recommendation at this point is to refrain from opening the pool until at least June 22<sup>nd</sup>.

Summer Camp presents many of the same dilemmas. Staffing cost for camp would be \$3600 weekly, with camp registrations only providing for \$3000 at the current fee structure, with the campers and parents receiving less. Guidance from the CDC suggest requiring all children over 5 (for our camp this is all children) and all staff to wear masks. Child groups should consist of the same 10 children in the group all day each day, with the same adults. This presents a staffing challenge-how do we provide adequate supervision with stable staff for 57.5 hours a week? Another staffing challenge will be hiring and training staff in an environment that makes first aid and CPR training difficult to complete, as well as completing the additional training the staff will need surrounding social distancing and protecting the children and staff. Additionally, hygiene will be difficult, with the CDC recommending hand hygiene stations prior to entry, and segregated toys per group, and preferably per child. My recommendation for summer camp at this point would be to delay opening registration until June 1<sup>st</sup>, with a tentative start date of June 22<sup>nd</sup>. By June 1<sup>st</sup> we should have enough guidance to know what size groups/restrictions will be in place for the 22<sup>nd</sup>, and we will have had the additional time to complete the extra training. There is a need for childcare, especially as we begin to reopen our economy, but ensuring the safety of everyone in our community needs to be our top priority.

Sports present a bright side: we are researching offering a family vs family wiffleball series. The unique scoring and gameplay structure of wiffleball may enable us to have a league similar to baseball played under the lights, but without the cost of officials, and may offer a nearly contactless game between sides.

We are also considering horseshoe or Bag-O (cornhole) tournaments as a potential opportunity for adult programming. These would be low-cost investments that could facilitate a net revenue and remain within the guidelines of health standards.

### Maintenance

Building Maintenance needs have been low, with no one in the buildings.

# **Parks and Recreation - Director's Report – May 2020**

## **Freedom Fest**

All events in the park have been cancelled to protect our community members. The Parks Department is still planning to have a reduced firework show, and we are hoping to advertise to the community to make it a night of lighting up Willard, with a coordinated show across the entire city.

## **Sunflowers**

In the process of researching larger growing varieties to plant. The sunflowers would be an ideal outdoor event to serve as a pick-me-up to this and the surrounding communities. Tourists/visitors could also increase revenue in the local economy.

## **Pool Vandalism**

As I am sure you're aware, the pool was vandalized. I am working on an exact cost of the damages; I should have a full report by the meeting. I would like to recommend the professional installation of security cameras to discourage future acts.

## **Staff**

I would like to commend my staff for their incredible flexibility during this time. Each of them has taken on tasks far outside of what would be their normal job descriptions; from mowing and weed eating, to learning how to operate equipment that they normally wouldn't have, and by and working across departments to support other city needs. From researching potential revenue programs to communicating with their peers around the state and across the country on conference calls and group communications they continue striving to improve what Willard Parks has to offer. I am very proud each of them and the way they have stepped up during this unprecedented time.

**Fund: 30 - PARKS FUND**

Revenue	Original Total Budget	Current Total Budget	Covid Projections	Projected Deficit	Period Activity	Fiscal Activity	Percent Remaining
30-800-40000	25,000.00	25,000.00	4,250.00		0.00	4,000.00	84.00
30-800-40400	40,000.00	40,000.00	3,448.00		0.00	3,448.17	91.38
30-800-40600	28,000.00	28,000.00	9,552.50		0.00	9,552.50	65.88
30-800-40800	1,500.00	1,500.00	795.00		0.00	705.00	53.00
30-800-40900	2,500.00	2,500.00	2,250.00		0.00	2,250.00	10.00
30-800-40950	75,000.00	75,000.00	0.00		0.00	665.00	99.11
30-800-41300	13,567.50	13,567.50	10,035.99		0.00	3,531.51	73.97
30-800-43000	1,000.00	1,000.00	1,005.64		0.00	1,005.64	100.56
30-800-45300	60,300.00	60,300.00	55,342.17		0.00	55,342.17	8.22
30-800-45400	240,000.00	240,000.00	156,000.00	-35%	0.00	91,039.54	62.07
30-800-45500	240,000.00	240,000.00	156,000.00	-35%	0.00	67,880.92	71.72
30-800-46000	255,000.00	255,000.00	255,000.00		0.00	0.00	100.00
30-800-46500	10,000.00	10,000.00	10,000.00		0.00	0.00	100.00
30-800-47000	9,000.00	9,000.00	1,010.00		0.00	1,010.00	88.78
30-800-47100	2,500.00	2,500.00	650.00		0.00	650.00	74.00
30-800-47200	80,000.00	80,000.00	2,972.00		0.00	2,972.50	96.28
30-800-47300	60,000.00	60,000.00	12,051.00		0.00	12,051.42	79.91
30-800-48000	3,500.00	3,500.00	0.00		0.00	535.00	84.71
30-800-48100	10,000.00	10,000.00	212.00		0.00	2,120.00	78.80
30-800-48200	900.00	900.00	65.00		0.00	65.00	92.78
30-800-49000	0.00	0.00	440.00		0.00	440.00	0.00
<b>Revenue Total:</b>	<b>1,157,767.50</b>	<b>1,157,767.50</b>	<b>681,079.30</b>	<b>-476,688.20</b>	<b>0.00</b>	<b>259,264.37</b>	<b>-898,503.13</b>
<b>Expense</b>							
30-800-50000	12,000.00	12,000.00	0.00		0.00	0.00	100.00
30-800-50110	450.00	450.00	0.00		0.00	0.00	100.00
30-800-50130	1,500.00	1,500.00	1,000.00		0.00	263.36	82.44
30-800-50140	7,035.00	7,035.00	0.00		0.00	0.00	100.00
30-800-50150	12,060.00	12,060.00	700.00		0.00	680.48	94.36
30-800-50170	5,025.00	5,025.00	200.00		0.00	156.32	96.89
30-800-50175	1,000.00	1,000.00	100.00		0.00	18.51	98.15
30-800-50177	9,000.00	9,000.00	100.00		0.00	35.55	99.61
30-800-50180	9,000.00	9,000.00	1,000.00		0.00	695.51	92.27
30-800-50190	8,500.00	8,500.00	370.00		0.00	370.00	95.65
30-800-50200	20,000.00	20,000.00	2,000.00		0.00	1,876.70	90.62
30-800-50210	2,500.00	2,500.00	1,500.00		0.00	0.00	100.00
30-800-50450	15,000.00	15,000.00	0.00		0.00	0.00	100.00
30-800-50500	7,500.00	7,500.00	7,500.00		0.00	3,039.59	59.47
30-800-50550	5,000.00	5,000.00	4,000.00		0.00	1,508.98	69.82
30-800-50600	100.00	100.00	100.00		0.00	0.00	100.00
30-800-50700	1,000.00	1,000.00	200.00		0.00	140.01	86.00

30-800-50750	POSTAGE-PKS	150.00	150.00	150.00	0.00	27.85	122.15	81.43
30-800-51000	REPAIRS AND MAINTENANCE-PKS	2,010.00	2,010.00	1,500.00	0.00	166.91	1,843.09	91.70
30-800-52000	SUPPLIES SMALL EQUIPMENT-PKS	5,025.00	5,025.00	4,000.00	0.00	574.88	4,450.12	88.56
30-800-55200	ADVERTISING-PKS	2,713.50	2,713.50	500.00	0.00	205.22	2,508.28	92.44
30-800-55400	AUDIT EXPENSE-PKS	502.50	502.50	503.00	0.00	480.00	22.50	4.48
30-800-55500	BANK/CREDIT CARD FEES-PKS	3,015.00	3,015.00	1,500.00	0.00	518.17	2,496.83	82.81
30-800-55600	CONTRACT LABOR-PKS	350.00	350.00	1,500.00	0.00	877.24	-527.24	-150.64
30-800-55800	DUES AND SUBSCRIPTIONS-PKS	3,000.00	3,000.00	3,000.00	0.00	924.00	2,076.00	69.20
30-800-55850	EQUIPMENT RENTAL-PKS	1,650.00	1,650.00	500.00	0.00	273.12	1,376.88	83.45
30-800-56000	INSURANCE-PKS	34,650.00	34,650.00	34,650.00	0.00	8,662.50	25,987.50	75.00

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**Yearly Progress**

**For Fiscal: 2020 Period Ending: 06/30/2020**

		Original Total Budget	Current Total Budget		Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Remaining
30-800-56200	LEGAL-PKS	1,000.00	1,000.00	100.00	0.00	476.00	524.00	52.40
30-800-56400	PROFESSIONAL-PKS	5,000.00	5,000.00	3,000.00	0.00	1,078.65	3,921.35	78.43
30-800-56450	CONTRACT SERVICES/SECURITY-PKS	600.00	600.00	600.00	0.00	302.25	297.75	49.63
30-800-56500	SAFETY PROGRAM-PKS	1,450.00	1,450.00	1,450.00	0.00	1,000.76	449.24	30.98
30-800-56900	TRAVEL EXPENSE-PKS	2,000.00	2,000.00	1,000.00	0.00	974.77	1,025.23	51.26
30-800-56950	TRAINING & EDUCATION-PKS	3,200.00	3,200.00	1,000.00	0.00	780.00	2,420.00	75.63
30-800-57400	EQUIPMENT/SOFTWARE CONTRACTS	10,550.00	10,550.00	10,550.00	0.00	6,875.65	3,674.35	34.83
30-800-61000	TELEPHONE-PKS	3,750.00	3,750.00	3,750.00	0.00	1,041.21	2,708.79	72.23
30-800-61050	INTERNET-PARKS	4,200.00	4,200.00	4,200.00	0.00	1,516.10	2,683.90	63.90
30-800-62000	UTILITIES ELECTRIC-PKS	48,240.00	48,240.00	28,000.00	0.00	9,581.91	38,658.09	80.14
30-800-62100	UTILITIES GAS PKS	5,075.25	5,075.25	5,075.00	0.00	2,478.65	2,596.60	51.16
30-800-62300	UTILITIES OTHER-PKS	3,115.50	3,115.50	3,115.00	0.00	1,090.20	2,025.30	65.01
30-800-70000	VEHICLE EXPENSE FUEL-PKS	5,075.25	5,075.25	5,075.00	0.00	904.35	4,170.90	82.18
30-800-70100	EQUIPMENT FUEL-PKS	5,500.00	5,500.00	5,000.00	0.00	16.21	5,483.79	99.71
30-800-71000	VEHICLE REPAIR & MAINT-PKS	2,512.50	2,512.50	1,500.00	0.00	536.12	1,976.38	78.66
30-800-90000	EQUIPMENT REPAIR & MAINT-PKS	5,527.50	5,527.50	3,500.00	0.00	456.93	5,070.57	91.73
30-800-90500	SALARIES-PKS	185,451.93	185,451.93	185,452.00	0.00	51,223.88	134,228.05	72.38
30-800-91000	SALARIES OVERTIME-PKS	500.00	500.00	500.00	0.00	42.87	457.13	91.43
30-800-91500	SALARIES SEASONAL-PKS	260,000.00	260,000.00	24,000.00	0.00	18,759.22	241,240.78	92.78
30-800-92000	PAYROLL TAXES-PKS	35,676.15	35,676.15	28,000.00	0.00	5,286.85	30,389.30	85.18
30-800-92500	RETIREMENT-PKS	13,760.44	13,760.44	13,761.00	0.00	3,111.82	10,648.62	77.39
30-800-93000	UNIFORMS-PKS	1,500.00	1,500.00	1,500.00	0.00	403.94	1,096.06	73.07
30-800-95100	GROUP INSURANCE-PKS	50,288.75	50,288.75	50,288.00	0.00	14,254.54	36,034.21	71.65
30-800-95500	CAPITAL ASSET EXP-PKS	17,000.00	17,000.00	17,000.00	0.00	16,010.58	989.42	5.82
30-800-96000	CAPITAL ASSET EXP EQUIPMENT-PKS	195,000.00	195,000.00	0.00	0.00	0.00	19,000.00	100.00
30-800-96200	PRINCIPAL EXPENSE-PKS	101,000.00	101,000.00	195,000.00	0.00	0.00	195,000.00	100.00
30-800-96400	INTEREST EXPENSE-PKS	101,000.00	101,000.00	101,000.00	0.00	0.00	101,000.00	100.00
	FISCAL AGENT FEES	1,500.00	1,500.00	1,500.00	0.00	750.00	750.00	50.00
	<b>Expense Total:</b>	<b>1,157,209.27</b>	<b>1,157,209.27</b>	<b>761,489.00</b>	<b>0.00</b>	<b>160,448.36</b>	<b>996,760.91</b>	<b>0.86</b>





**Willard Police Department**  
**April 2020 - Monthly Statistical Report**



Administration	Officer – DSN	Case #'s
Tom McClain, Chief	1601-001	1
Shannon Shipley, Lt.	1602-003	19
	<b>Total</b>	<b>20</b>

Squad #1	Officer	Officer	Hours	Squad #2	Officer	Officer	Hours
1603-040	Joe Duran, Cpl	57		1604-027	Steve Purdy, Cpl. Investigator	30	
1605-044	Billie Deckard, Officer	44		1606-046			
1607-050	Caleb Steen, Officer	60		1608-049	Brandon Bond, Officer	41	
1610-047	Glenn Cozzens, Officer	29		1609-051	Wayne Hansen, Officer	29	
	<b>Total</b>	<b>190</b>		<b>Total</b>		<b>100</b>	

Reserves	Officer	Officer Names	Case #'s	Hours
	1630-024	Clint Heimbach, SRO		
	1631-045	Cindy Garton, SRO		
	1632-052	Mark Riffin, SRO		
	1641-014	Brian Gordon, Reserve		
	1642-015	JD Landon, Reserve		
	1645-035	Brian Hinkle, Reserve	1	3.25
	1646-031	Andrew Hunt, Reserve		
		Tim Wheeler, Reserve		
	<b>Total</b>		<b>1</b>	
<b>Total Incidents for the month...</b>			<b>311</b>	

**Incident Statistics**

Felony	10	HBO (Handled by Officers)	261
Misdemeanor	18	Use of Force	
Infraction	105	Dog at Large	5
Other (Services)	213	Neglect- 0 / Abuse-0 / Bites- 0	

**Vehicle Maintenance**

Vehicle	Odometer Reading	Monthly Mileage	Shifts Used	Miles per Shift	Monthly Maintenance	Year to Date Maintenance
WPD-01 2013	108308	443	15	30	0	93.99
WPD-03 2013	144000	834	12	70	0	2371.52
WPD-04 2018	51472	3389	31	109	0	881.21
WPD-05 2019	24791	2213	22	101	4.26	4.26
WPD-06 2020	5290	4892	46	106	0	0
WPD-07 2017	14740	108	15	7	0	0
WPD-08 M						

**Vehicle Maintenance Details**

WPD-01:	WPD-04:
WPD-05: head lamp	WPD-06:
WPD-03:	WPD-07:

Misc. Dept. Info:

**Planning and Development Report  
May 11, 2020**

**Ongoing Projects-**

HWY 160 Improvements- Progress continues on the project as the weather allows. Crews have been hauling fill from the 160 ROW to the Gauge Crossing Subdivision and behind McDonalds on Conco property. Equipment continues to balance fill/ cut areas between Jackson and Hunt Rd. Work continues on the undercrossing at Hunt Rd. New signal poles have been installed at Miller Rd. and grading has begun in front of Great Southern Bank for the roundabout.

ATM Commercial Subdivision Phase 2 Gauge Crossing Subdivision- The contractor is working on the sidewalks, there is still some off-site waterline to be completed on the Freedom Bank side of the drainage ditch. The water lines internal to the subdivision have been pressure tested and bacteriologically sampled. All samples passed. The contractor is still placing fill as weather allows. Staff is working with the developer's engineer and City Engineer (CJW) for the design of stormwater improvements to New Melville.

Meadows North Subdivision- The contractor has completed the pressure testing of the waterlines, the fire hydrants need to be adjusted for height. Curb and gutter have been placed. Staff has been notified by a local builder out of Springfield (Kevin Carleton) who is potentially interested in the lots upon completion of the subdivision.

Transportation Alternative Program Sidewalk Grant – All easements have been recorded and ROW clearance has been requested from MO DOT. Staff spoke to MO DOT LPA official and was told everything is in FHWA hands and that we were approximately two (2) weeks out for obligation of funds. As soon as we receive that word we will be authorized to go out for bid.

North Brook Apartments- Framing continues on the 24unit structure

West Ridge- Staff has received word from the developer -Terry McKee that the owner of adjacent property- Corlett's have agreed to sign a drainage easement agreement. Staff has provided the developer the continuing authority letters for DNR water and wastewater construction permits.

Miller Rd. Project- Staff has received PSE approval from MO DOT. The project will be advertised for bids May6, 2020 until May 28<sup>th</sup>, 2020 at which time we will have a bid opening and staff will be bringing information back to the BOA at the June 8th meeting.

After the last BOA meeting the Planning Dept. staff reviewed the legal documents provided by the owner of the property located at 6195 N ST. HWY Z and advised the owner to provide additional information regarding ownership before proceeding with construction of the structure (greenhouse). The owner apologized for the issue at hand and said that he would not proceed any further with construction until further notice from the City. He is in the process of acquiring the property in question.

New Development- Staff is working with Anderson Engineering and Burns Architects on a Domino's Pizza Franchise to be located next to the Taco Bell.

Staff has assisted other departments as needed.

Planning Assistant- Please find the attached monthly update from Abby.

If you have any questions, please contact me at City Hall or [develop@cityofwillard.org](mailto:develop@cityofwillard.org)  
Randy Brown, Director of Development

**Planning and Development:**

16 permits were issued in February totaling \$815 in permit fees collected, and \$1,065,308 estimated construction cost for the year.

Research for an updated sign code, cul-de-sac, and sidewalk design standard has concluded, and will be taken to Planning and Zoning Commission then Board of Aldermen in June. Researched was also done by the request of the Planning and Zoning Commission to look into Minimum subdivision standards, using the Deer Field Covenants and Restrictions as a guide.

I was requested to prepare an update for the design standard on a water main extensions, which also falls in Land Development Regulations and will need to go to Planning and Zoning prior to coming to a Board meeting.

Research is ongoing and discussion when time allows takes place for a 10,000 sq. ft. R-1 district to be added to the City code.

**Mapping:**

Sewer maps are still actively being updated with corrected sewer lines, lampholes and manholes.

Greene County requested the updated sewer data once completed.

I began scanning subdivision files for the few days I worked from home. I made a lot of head way and only have one and a half drawers left. This project has already proven to be helpful for the planning department and has cut down research time significantly. The Secretary of State approves and prefers the electronic copies for records retention. It is my intention to get all of the planning and development department documents as an electronic copy when time allows.

It was mentioned before, but as a reminder - new flood maps are expected to be issued by the end of the year (December 17<sup>th</sup>)

**Prosecuting Clerk:**

There have not been many changes to the court this month but there will be a catch up day planned for June 2nd, Jessica has done a great job staying in touch with defendants and Attorneys about rescheduling.

426 Open cases without dispositions (250 have active warrants)

222 Open cases with dispositions, still pending payments

118 Probation cases (25 have a class or community service hours to complete)

2 Deferred cases (2 have a class or community service hours to complete)

Scott Smith is filing upcoming court cases electronically and I'm forwarding the appropriate information to Jessica to add to the docket. Discoveries and request for plea agreements are all done through email between Prosecutor, defense Attorneys and myself.

**-Abigail Brixey**

**CITY CLERK: (Informational only) APRIL 2020**

- ~Issued 5 Business Licenses.
- ~Assisted other departments with grant paperwork and research.
- ~Completed all Agendas, packets, Proclamations, Resolutions, Ordinances and typed Minutes for BOA, BOADJ, P&Z, ECDTF, Traffic Committee and Tree Board.
- ~Updated website with new information.
- ~Maintained updated "streetlight outage" list and ensured Liberty was notified.
- ~Handled citizen complaints and directed to the appropriate department heads.
- ~Ensured public notices were completed and sent to the paper.
- ~Completed Sunshine requests as received.
- ~Coordinated setup for online meeting software for Meetings.
- ~Worked on updating Continuity Binder for position.

**EMERGENCY MANAGEMENT: (Informational only) APRIL 2020**

- ~ Worked Severe Weather.
- ~ Updated website and gathered information regarding Coronavirus outbreak.
- ~Weekly Phone Conferences with the Governor regarding the virus outbreak.
- ~Daily communication with Greene County during outbreak. Twice a week phone conferences.
- ~Submitted grant application for FEMA Grant funding for Covid-19 and was approved. Threshold for projects is set at \$3300. Once that amount is reached in spending strictly for Covid-19, the City can request funding to help offset the cost. This grant is a 75/25 match. While we have not had a large amount of spending so far, this will provide for the opportunity to offset some of the expense if larger purchases are required in the future.
- ~Was not awarded the vehicle funding from the Mini Grant. Researching alternative options for obtaining a grant for a vehicle for use with Emergency Management.

## MUNICIPAL DIVISION SUMMARY REPORTING FORM

*Refer to instructions for directions and term definitions. Complete a report each month even if there has not been any court activity.*

<b><u>I. COURT INFORMATION</u></b>		Municipality: Willard Municipal Court		Reporting Period: Apr 1, 2020 - Apr 30, 2020	
Mailing Address: 224 W JACKSON ST, WILLARD, MO 65781					
Physical Address: 224 W JACKSON ST, WILLARD, MO 65781			County: Greene County		Circuit: 31
Telephone Number:			Fax Number:		
Prepared by: JESSICA TRUITT			E-mail Address:		
Municipal Judge: Kristoffer Barefield					
<b><u>II. MONTHLY CASELOAD INFORMATION</u></b>					
		Alcohol & Drug Related Traffic	Other Traffic	Non-Traffic Ordinance	
A. Cases (citations/informations) pending at start of month		25	305	126	
B. Cases (citations/informations) filed		2	24	6	
C. Cases (citations/informations) disposed					
1. jury trial (Springfield, Jefferson County, and St. Louis County only)		0	0	0	
2. court/bench trial - GUILTY		0	0	0	
3. court/bench trial - NOT GUILTY		0	0	0	
4. plea of GUILTY in court		0	5	0	
5. Violations Bureau Citations (i.e. written plea of guilty) and bond forfeiture by court order (as payment of fines/costs)		0	1	0	
6. dismissed by court		0	0	0	
7. <i>nolle prosequi</i>		0	0	0	
8. certified for jury trial (not heard in Municipal Division)		0	0	0	
<b>9. TOTAL CASE DISPOSITIONS</b>		0	6	0	
D. Cases (citations/informations) pending at end of month [pending caseload = (A+B)-C9]		27	323	132	
E. Trial de Novo and/or appeal applications filed		0	0	0	
<b><u>III. WARRANT INFORMATION (pre- &amp; post-disposition)</u></b>			<b><u>IV. PARKING TICKETS</u></b>		
1. # Issued during reporting period	0	1. # Issued during period		0	
2. # Served/withdrawn during reporting period	6	<input checked="" type="checkbox"/> Court staff does not process parking tickets			
3. # Outstanding at end of reporting period	410				

Copy to Jennifer 4.30.2020

## MUNICIPAL DIVISION SUMMARY REPORTING FORM

<b>COURT INFORMATION</b>	Municipality: Willard Municipal Court	Reporting Period: Apr 1, 2020 - Apr 30, 2020
--------------------------	---------------------------------------	--

<b><u>V. DISBURSEMENTS</u></b>			
<b>Excess Revenue (minor traffic and municipal ordinance violations, subject to the excess revenue percentage limitation)</b>		<b>Other Disbursements:</b> Enter below additional surcharges and/or fees not listed above. Designate if subject to the excess revenue percentage limitation. Examples include, but are not limited to, arrest costs, witness fees, and board bill/jail costs.	
Fines - Excess Revenue	\$710.00	Court Automation	\$63.00
Clerk Fee - Excess Revenue	\$77.00	Judicial Facility Srchg CT31	\$90.00
Crime Victims Compensation (CVC) Fund surcharge - Paid to City/Excess Revenue	\$2.59	Law Enf Arrest-Local	\$89.32
Bond forfeitures (paid to city) - Excess Revenue	\$0.00	<b>Total Other Disbursements</b>	<b>\$242.32</b>
<b>Total Excess Revenue</b>	<b>\$789.59</b>	<b>Total Disbursements of Costs, Fees, Surcharges and Bonds Forfeited</b>	<b>\$1,181.82</b>
<b>Other Revenue (non-minor traffic and ordinance violations, not subject to the excess revenue percentage limitation)</b>		<b>Bond Refunds</b>	<b>\$0.00</b>
Fines - Other	\$0.00	<b>Total Disbursements</b>	<b>\$1,181.82</b>
Clerk Fee - Other	\$22.00		
Judicial Education Fund (JEF) <input type="checkbox"/> Court does not retain funds for JEF	\$9.00		
Peace Officer Standards and Training (POST) Commission surcharge	\$9.00		
Crime Victims Compensation (CVC) Fund surcharge - Paid to State	\$64.17		
Crime Victims Compensation (CVC) Fund surcharge - Paid to City/Other	\$0.74		
Law Enforcement Training (LET) Fund surcharge	\$18.00		
Domestic Violence Shelter surcharge	\$0.00		
Inmate Prisoner Detainee Security Fund surcharge	\$0.00		
Sheriffs' Retirement Fund (SRF) surcharge	\$27.00		
Restitution	\$0.00		
Parking ticket revenue (including penalties)	\$0.00		
Bond forfeitures (paid to city) - Other	\$0.00		
<b>Total Other Revenue</b>	<b>\$149.91</b>		

# CITY OF WILLARD, MISSOURI

224 W. Jackson Street P.O. Box 187 Willard, MO 65781 417-742-3033 417-742-3080 Fax



Agenda Item# 6

**Presentation by KPM CPA's for 2019 Audit.**

# City of Willard, Missouri

BASIC FINANCIAL STATEMENTS  
Year Ended December 31, 2019

**KPM**  
CPAS & ADVISORS

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**CPAS & ADVISORS**

**Independent Auditors' Report**

Honorable Mayor and Board of Aldermen  
City of Willard  
Willard, Missouri

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Willard, Missouri, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error.

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

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

[www.kpmcpa.com](http://www.kpmcpa.com)

1445 E. Republic Road Springfield, MO 65804 | 417-882-4300 | fax 417-882-4343

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund of the City of Willard, Missouri, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2020, on our consideration of the City of Willard, Missouri's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Willard, Missouri's internal control over financial reporting and compliance.

*KPM CPAs, PC*

KPM CPAs, PC  
Springfield, Missouri  
April 30, 2020

## **Management's Discussion and Analysis**

# City of Willard

## Management's Discussion and Analysis

December 31, 2019

---

The Management's Discussion and Analysis of the City of Willard's financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2019. Please read it in conjunction with the City's financial statements.

### Financial Highlights

The net position of the City's governmental activities increased by \$665,649 as a result of current year activities. The net position of the City's business-type activities increased by \$147,579 for the year.

The assets and deferred outflows of the City exceeded its liabilities and deferred inflows as of December 31, 2019, by \$12,136,024 (net position). Of this amount \$5,550,533 was unrestricted and may be used to meet future obligations of the City.

Total long-term liabilities of the City decreased by \$446,498.

### Using this Report

This report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

### Government-Wide Financial Statements

One of the most important questions asked about the City's finances is, *Is the City as a whole better off or worse off as a result of the year's activities?* The Statement of Net Position and Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current period's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the City's net position and changes in them. The City's net position – the difference between assets and deferred outflows and liabilities and deferred inflows – is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating.

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

*Governmental Activities:* Most of the City's basic services are reported here. Taxes are the primary sources of financing for these activities.

*Business-Type Activities:* The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and sewer services are provided here.

### Fund Financial Statements

The fund financial statements provide detailed information about the City's most significant funds and not the City as a whole. However, the Board of Aldermen establishes funds to help it control and manage money for a particular purpose or to show that it is meeting legal responsibilities for using certain taxes and grants.

# City of Willard

## Management's Discussion and Analysis

December 31, 2019

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*Governmental Funds:* Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at period-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and the governmental funds are shown in a reconciliation following the fund financial statements.

*Enterprise Funds:* When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in enterprise funds. Enterprise funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

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

The Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

# City of Willard

## Management's Discussion and Analysis

December 31, 2019

### Government-Wide Financial Analysis

#### Net Position

The following table presents the condensed Statement of Net Position for the City as of December 31, 2019 and 2018:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total December 31, 2019</b>	<b>Total December 31, 2018</b>
<b>Assets</b>				
Current and other assets	\$ 2,497,387	\$ 3,695,103	\$ 6,192,490	\$ 6,489,260
Capital assets	5,768,308	9,093,750	14,862,058	14,269,785
Net pension asset	68,076	36,451	104,527	70,751
	<u>8,333,771</u>	<u>12,825,304</u>	<u>21,159,075</u>	<u>20,829,796</u>
<b>Deferred Outflow of Resources</b>				
Deferred pension outflows	64,854	71,271	136,125	171,448
<b>Liabilities</b>				
Other liabilities	283,119	686,853	969,972	1,052,447
Long-term liabilities	3,141,922	4,920,502	8,062,424	8,508,922
	<u>3,425,041</u>	<u>5,607,355</u>	<u>9,032,396</u>	<u>9,561,369</u>
<b>Deferred Inflow of Resources</b>				
Deferred pension inflows	60,109	66,671	126,780	117,079
<b>Net position</b>				
Net investment in capital assets	2,479,465	4,083,341	6,562,806	6,767,008
Restricted	22,669	16	22,685	33,016
Unrestricted	2,411,341	3,139,192	5,550,533	4,522,772
	<u>\$ 4,913,475</u>	<u>\$ 7,222,549</u>	<u>\$ 12,136,024</u>	<u>\$ 11,322,796</u>

Total net position of the City increased by \$813,228 for the year due to current year activity. Total liabilities for the City have decreased by \$528,973. Restricted net position of the City totaled \$22,685 as of December 31, 2019.

# City of Willard

## Management's Discussion and Analysis

December 31, 2019

### Changes in Net Position

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total Year Ended December 31, 2019</b>	<b>Total Year Ended December 31, 2018</b>
<b>Revenues</b>				
Program Revenues				
Charges for services	\$ 583,089	\$ 2,756,554	\$ 3,339,643	\$ 3,226,958
Operating grants and contributions	18,935	-	18,935	13,707
Capital grants and contributions	93,896	-	93,896	102,064
General Revenues				
Property taxes	268,898	-	268,898	254,225
Sales taxes	1,530,648	-	1,530,648	1,497,016
Motor vehicle and gas taxes	215,368	-	215,368	213,616
Franchise fees	332,896	-	332,896	355,084
Interest	15,639	37,956	53,595	79,620
Other revenue	26,840	-	26,840	21,806
<b>Total Revenues</b>	<b>3,086,209</b>	<b>2,794,510</b>	<b>5,880,719</b>	<b>5,764,096</b>
<b>Expenses</b>				
Administrative	177,747	-	177,747	139,399
Public Safety	790,426	-	790,426	758,191
Court	75,001	-	75,001	97,843
Streets	265,879	-	265,879	300,038
Planning and development	91,276	-	91,276	72,918
Emergency management	20,086	-	20,086	16,828
Parks and recreation	895,493	-	895,493	901,352
Debt service	104,652	-	104,652	110,381
Water and sewer	-	2,646,931	2,646,931	2,733,654
<b>Total Expenses</b>	<b>2,420,560</b>	<b>2,646,931</b>	<b>5,067,491</b>	<b>5,130,604</b>
<b>Special Item</b>				
(Loss) on disposal of property	-	-	-	(28,984)
<b>Increase in Net Position</b>	<b>\$ 665,649</b>	<b>\$ 147,579</b>	<b>\$ 813,228</b>	<b>\$ 604,508</b>

# City of Willard

## Management's Discussion and Analysis

December 31, 2019

### Governmental Activities

Governmental activities increased the net position of the City by \$665,649. Tax revenues for the City were \$2,347,810, which represents 76% of the funding of these activities. Program and other revenues for the functions totaled \$695,920, or 23% of the funding. The following table shows the cost of the City's programs as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the taxpayers by each of these functions.

#### Net Cost of the City of Willard's Governmental Activities

	Total Cost of Services	Net Cost of Services
Administrative	\$ 177,747	\$ 81,935
Public safety	790,426	780,298
Court	75,001	16,106
Streets	265,879	171,983
Planning and development	91,276	54,174
Emergency management	20,086	11,279
Parks and recreation	895,493	504,213
Debt service	104,652	104,652
	<u>\$ 2,420,560</u>	<u>\$ 1,724,640</u>

### Business-Type Activities

Business-type activities increased the City's net position by \$147,579.

### Financial Analysis of the City's Funds

The combined fund balances of the City's governmental funds as of December 31, 2019, were \$2,405,512. The General Fund increased by \$555,207. The Park Fund increased by \$5,548.

### General Fund Budgetary Highlights

Differences between the original and the final amended budget can be summarized as follows:

The original revenue budget of \$2,848,651 was amended to \$2,021,738 during the year.

The original expenditures budget of \$2,717,127 was amended to \$1,663,953 during the year.

### Capital Assets and Debt Administration

#### Capital Assets

Capital assets of the governmental activities were \$5,768,308 (net of accumulated depreciation) as of December 31, 2019. This represents a \$79,711 decrease from the prior year primarily due to the current year provisions for depreciation. Capital assets for business-type activities were \$9,093,750 (net of accumulated depreciation) as of December 31, 2019. This represents an increase of \$671,984. The ongoing sewer project totaled \$886,758 and equipment and system purchases were \$50,414. The current year provision for depreciation was \$265,188.

# City of Willard

## Management's Discussion and Analysis

December 31, 2019

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### Debt

Total debt of the governmental activities as of December 31, 2019, was \$3,336,922, which is down from \$3,532,308 in the prior year, primarily due to principal payments on outstanding debt.

Total debt of the business-type activities as of December 31, 2019, was \$5,170,502, which is down from \$5,321,614 in the prior year, primarily due to principal payments on outstanding debt.

### Economic Factors and Next Year's Budget

The City is located approximately 7 miles from Springfield, Missouri. The community will see the start of the construction of a four-lane highway on U.S. 160, which should promote economic development and growth in the area. The goals and priorities for the Fiscal 2020 budget were projected with the ongoing growth of the City in mind and how to address it through planning of the infrastructure to accommodate the future growth in the community. The respective projects to address these needs are the sewer system, sidewalks and streets.

Although growth was considered, a conservative approach was used to estimate the revenues for 2020. Revenues were based on the following factors: (1) review of revenue history; (2) economic trends; and (3) fee increases for services provided by the City.

- General Fund revenues for 2020 are projected to be \$2,929,451.
  - Sales tax revenue has been increasing overall each year for the last few years.
  - Grant funds will be received for 80 percent of the Miller Road project.
  - New commercial and residential development continues to occur in the community. New development includes the development of several residential lots and commercial projects that are scheduled for 2020.
- The Water and Sewer Fund revenue for 2020 is projected to be \$2,851,375 with an additional \$602,000 from reserves.
  - Utility rates were not increased, but continued growth of new homes is projected to increase the utility revenue.
- The Parks Fund revenue for 2020 is projected to be \$892,767.
  - An additional \$255,000 will be transferred from the General Fund and \$10,000 will be used from reserves to fund projects.
- General Fund expenses are projected to be \$2,778,896.
  - The widening and improvements to Miller Road project will be ongoing in 2020.
  - The construction of the sidewalk on Hunt Road is planned for completion in 2020.
  - Capital improvements approved include a new vehicle for the police department and new computers for several departments.
- Water and Sewer Fund expenses are projected to be \$3,453,040.
  - Capital improvement projects include the I & I on sewer lines.
  - The relocation of water lines along Miller Road where \$200,000 is allocated.

# City of Willard

## Management's Discussion and Analysis

December 31, 2019

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- Park Fund expenses are projected to be \$1,157,209.
  - A heat pump at the Recreation Building facility is scheduled to be replaced.

The City accounted for increases in salaries, health insurance, and retirement expense. All employee wages are a Step and Scale Grade system with increases set at 2.5%. The property, liability and worker's compensation insurance are projected to increase slightly.

The City strives to maintain a cumulative reserve fund to protect the City from unforeseen contingencies and to allow resources to finance projected general government capital projects. The City's goal is to maintain a reserve fund balance of 30% (3 ½ months) of operating expenditures in the General, Parks, and Water and Sewer Funds commensurate with maintaining core services and personnel levels as specified by budgeted expenses.

The goal of the City is to have a comprehensive plan in place so the City will be prepared for future growth and be able to provide services at a reasonable cost.

### Contacting the City's Financial Management

For additional information or questions, please contact any of the following officers at:

City of Willard  
224 W. Jackson  
Willard, MO 65781  
(417) 742-3033

Corey Hendrickson, Mayor  
Bradley Gray, City Administrator  
Carolyn Halverson, Chief Financial Officer  
Jennifer Rowe, City Clerk

# City of Willard

## Statement of Net Position

December 31, 2019

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Current			
Cash and cash equivalents - unrestricted	\$ 1,867,042	\$ 3,013,710	\$ 4,880,752
Taxes receivable	486,375	-	486,375
Utilities receivable	-	223,360	223,360
Intergovernmental receivable	31,700	-	31,700
Court fines receivable, net	12,365	-	12,365
Other receivable	63	-	63
Prepaid expenses	72,764	60,136	132,900
Noncurrent			
Restricted cash and cash equivalents	27,078	397,897	424,975
Net pension asset	68,076	36,451	104,527
Capital Assets:			
Non-depreciable	740,958	3,602,990	4,343,948
Depreciable, net	5,027,350	5,490,760	10,518,110
<b>Total Assets</b>	<b>8,333,771</b>	<b>12,825,304</b>	<b>21,159,075</b>
<b>Deferred Outflows of Resources</b>			
Deferred pension outflows	64,854	71,271	136,125
<b>Liabilities</b>			
Current			
Accounts payable	25,088	110,228	135,316
Accrued expenses	50,013	35,702	85,715
Developer's escrow	1,013	-	1,013
Deposits payable	3,147	248,290	251,437
Court bonds payable	249	-	249
Accrued interest payable	8,609	42,633	51,242
Current portion of long-term debt	195,000	250,000	445,000
	283,119	686,853	969,972
Noncurrent			
Compensated absences payable	48,079	10,502	58,581
Certificates of participation payable, net	3,093,843	4,910,000	8,003,843
	3,141,922	4,920,502	8,062,424
<b>Total Liabilities</b>	<b>3,425,041</b>	<b>5,607,355</b>	<b>9,032,396</b>
<b>Deferred Inflows of Resources</b>			
Deferred pension inflows	60,109	66,671	126,780
<b>Net Position</b>			
Net investment in capital assets	2,479,465	4,083,341	6,562,806
Restricted	22,669	16	22,685
Unrestricted	2,411,341	3,139,192	5,550,533
<b>Total Net Position</b>	<b>\$ 4,913,475</b>	<b>\$ 7,222,549</b>	<b>\$ 12,136,024</b>

See accompanying notes to the financial statements.

## City of Willard

### Statement of Activities

Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expenses), Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
<b>Governmental Activities</b>							
Administrative	\$ (177,747)	\$ 95,812	\$ -	\$ -	\$ (81,935)	\$ -	\$ (81,935)
Public safety	(790,426)	-	10,128	-	(780,298)	-	(780,298)
Court	(75,001)	58,895	-	-	(16,106)	-	(16,106)
Streets	(265,879)	-	-	93,896	(171,983)	-	(171,983)
Planning and development	(91,276)	37,102	-	-	(54,174)	-	(54,174)
Emergency management	(20,086)	-	8,807	-	(11,279)	-	(11,279)
Parks and recreation	(895,493)	391,280	-	-	(504,213)	-	(504,213)
Debt service	(104,652)	-	-	-	(104,652)	-	(104,652)
<b>Total Governmental Activities</b>	<b>(2,420,560)</b>	<b>583,089</b>	<b>18,935</b>	<b>93,896</b>	<b>(1,724,640)</b>	<b>-</b>	<b>(1,724,640)</b>
<b>Business-Type Activities</b>							
Water and sewer	(2,646,931)	2,756,554	-	-	-	109,623	109,623
<b>Total Business-Type Activities</b>	<b>(2,646,931)</b>	<b>2,756,554</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>109,623</b>	<b>109,623</b>
<b>Total Government</b>	<b>\$ (5,067,491)</b>	<b>\$ 3,339,643</b>	<b>\$ 18,935</b>	<b>\$ 93,896</b>	<b>(1,724,640)</b>	<b>109,623</b>	<b>(1,615,017)</b>
<b>General Revenues</b>							
Ad valorem taxes					268,898	-	268,898
Sales taxes					1,530,648	-	1,530,648
Motor vehicle taxes					215,368	-	215,368
Franchise taxes					332,896	-	332,896
Interest					15,639	37,956	53,595
Other revenue					26,840	-	26,840
<b>Total General Revenues</b>					<b>2,390,289</b>	<b>37,956</b>	<b>2,428,245</b>
<b>Changes in Net Position</b>					665,649	147,579	813,228
Net Position, Beginning of year					4,247,826	7,074,970	11,322,796
<b>Net Position, End of year</b>					<b>\$ 4,913,475</b>	<b>\$ 7,222,549</b>	<b>\$ 12,136,024</b>

See accompanying notes to the financial statements.

# City of Willard

## Balance Sheet – Governmental Funds

December 31, 2019

	Special Revenue Fund		Total Governmental Funds
	General Fund	Park Fund	
<b>Assets</b>			
Cash and cash equivalents - unrestricted	\$ 1,841,551	\$ 25,491	\$ 1,867,042
Taxes receivable	342,784	143,591	486,375
Intergovernmental receivable	31,700	-	31,700
Court fines receivable, net	12,365	-	12,365
Other receivable	-	63	63
Prepaid expenses	39,530	33,234	72,764
Restricted cash and cash equivalents	22,357	4,721	27,078
<b>Total Assets</b>	<b>\$ 2,290,287</b>	<b>\$ 207,100</b>	<b>\$ 2,497,387</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 12,333	\$ 12,755	\$ 25,088
Accrued expenses	37,507	12,506	50,013
Developer's escrow	1,013	-	1,013
Court bonds payable	249	-	249
Deposits payable	-	3,147	3,147
<b>Total Liabilities</b>	51,102	28,408	79,510
<b>Deferred Inflows of Resources</b>			
Deferred court fines	12,365	-	12,365
<b>Fund Balances</b>			
<b>Nonspendable:</b>			
Prepaid items	39,530	33,234	72,764
<b>Restricted for:</b>			
Debt service	-	9	9
Judicial facility fund	19,043	-	19,043
Judicial education fund	2,051	-	2,051
Police forfeiture funds	1	-	1
Youth scholarships	-	1,565	1,565
<b>Assigned to:</b>			
Road improvements	50,000	-	50,000
Parks and recreation	-	143,884	143,884
Unassigned	2,116,195	-	2,116,195
<b>Total Fund Balances</b>	<b>2,226,820</b>	<b>178,692</b>	<b>2,405,512</b>
<b>Total Liabilities, Deferred Inflow of Resources and Fund Balances</b>	<b>\$ 2,290,287</b>	<b>\$ 207,100</b>	<b>\$ 2,497,387</b>

See accompanying notes to the financial statements.

# City of Willard

## Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

December 31, 2019

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Fund balance - total governmental funds	\$ 2,405,512
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	
Governmental capital assets	8,526,133
Less accumulated depreciation	<u>(2,757,825)</u>
	5,768,308
The net pension asset and deferred costs are not available to pay for current period expenditures and, therefore, are not reported in the funds:	
Net pension asset	68,076
Deferred outflows due to pensions	64,854
Deferred inflows due to pensions	<u>(60,109)</u>
	72,821
Adjustment of deferred court fines	12,365
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due	(8,609)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds	<u>(3,336,922)</u>
<b>Net Position of Governmental Activities</b>	<u><u>\$ 4,913,475</u></u>

See accompanying notes to the financial statements.

# City of Willard

## Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds Year Ended December 31, 2019

	Special Revenue Fund		Total Governmental Funds
	General Fund	Park Fund	
<b>Revenues</b>			
Taxes	\$ 1,764,518	\$ 583,292	\$ 2,347,810
Licenses and permits	36,933	-	36,933
Intergovernmental revenues	112,831	-	112,831
Charges for services	95,980	391,281	487,261
Fines and forfeitures	58,895	-	58,895
Miscellaneous	23,108	19,371	42,479
<b>Total Revenues</b>	<u>2,092,265</u>	<u>993,944</u>	<u>3,086,209</u>
<b>Expenditures</b>			
Current			
Administrative	165,289	-	165,289
Public safety	777,056	-	777,056
Court	74,559	-	74,559
Streets	316,076	-	316,076
Planning and development	88,992	-	88,992
Emergency management	20,086	-	20,086
Parks and recreation	-	780,730	780,730
Debt service			
Principal and interest	-	302,666	302,666
<b>Total Expenditures</b>	<u>1,442,058</u>	<u>1,083,396</u>	<u>2,525,454</u>
<i>Excess (Deficit) of Revenues over Expenditures</i>	650,207	(89,452)	560,755
<b>Other Financing Sources (Uses)</b>			
Operating transfers in (out)	<u>(95,000)</u>	<u>95,000</u>	<u>-</u>
<i>Excess of Revenues and other Sources over Expenditures and other (Uses)</i>	555,207	5,548	560,755
Fund Balance, January 1	1,671,613	173,144	1,844,757
<b>Fund Balance, December 31</b>	<u><u>\$ 2,226,820</u></u>	<u><u>\$ 178,692</u></u>	<u><u>\$ 2,405,512</u></u>

See accompanying notes to the financial statements.

## City of Willard

### Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Year Ended December 31, 2019

Net change in fund balances - total governmental funds	\$	560,755
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives on a straight line basis and reported as depreciation expense. The following is the detail of the amount by which depreciation exceeded capital outlays for the year.

Capital outlay		109,038
Depreciation		(188,749)
		(79,711)

Some expenditures reported in the governmental funds represent the use of current financial resources and were recognized in the Statement of Activities when incurred.

Change in pension related costs		(11,268)
Change in compensated absences		(2,141)
		(13,409)

The issuance of long-term debt provides current financial resources to governmental funds. The repayment of the principal of long-term debt is a use of current financial resources of governmental funds. In the Statement of Activities, interest is accrued on outstanding debt, whereas in the governmental funds, an interest expenditure is reported when due. The following is the detail of the net effect of these differences.

Repayment of principal on leases		197,527
Accrued interest payable		487
		198,014
<b>Change in Net Position of Governmental Activities</b>		<b>\$ 665,649</b>

See accompanying notes to the financial statements.

# City of Willard

## Statement of Net Position – Proprietary Fund

December 31, 2019

	<b>Water and Sewer Fund</b>
<b>Assets</b>	
Current Assets	
Cash and cash equivalents	\$ 3,013,710
Utilities receivable	223,360
Prepaid expenses	60,136
<b>Total Current Assets</b>	<b>3,297,206</b>
Restricted Assets	
Cash and cash equivalents	397,897
<b>Total Restricted Assets</b>	<b>397,897</b>
Property, Plant and Equipment,	
Non-depreciable	3,602,990
Depreciable	10,891,990
Accumulated depreciation	(5,401,230)
<b>Total Property, Plant, Equipment</b>	<b>9,093,750</b>
Net Pension Asset	36,451
<b>Total Assets</b>	<b>12,825,304</b>
<b>Deferred Outflow of Resources</b>	
Deferred pension outflows	71,271
<b>Liabilities</b>	
Current Liabilities	
Accounts payable	110,228
Accrued expenses	35,702
Accrued interest payable	42,633
Utility deposits	248,290
Current maturities of long-term debt	250,000
<b>Total Current Liabilities</b>	<b>686,853</b>
Long-Term Liabilities	
Compensated absences payable	10,502
Certificates of participation payable	4,910,000
<b>Total Long-Term Liabilities</b>	<b>4,920,502</b>
<b>Total Liabilities</b>	<b>5,607,355</b>
<b>Deferred Inflow of Resources</b>	
Deferred pension inflows	66,671
<b>Net Position</b>	
Net investment in capital assets	4,083,341
Restricted	16
Unrestricted	3,139,192
<b>Total Net Position</b>	<b>\$ 7,222,549</b>

See accompanying notes to the financial statements.

# City of Willard

## Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Fund

Year Ended December 31, 2019

	<b>Water and Sewer Fund</b>
<b>Operating Revenues</b>	
Charges for services	
Water	\$ 995,883
Sewer	1,480,054
Trash	280,617
<b>Total Operating Revenues</b>	<b>2,756,554</b>
<b>Operating Expenses</b>	
Water Services	
Wages and benefits	454,547
Professional services	30,171
Utilities	103,214
Insurance	32,081
Supplies	44,198
Travel, meetings & dues	8,747
Vehicle expense	10,377
Repairs and maintenance	16,557
Depreciation	146,810
Rent	5,144
Advertising	615
Miscellaneous	15,345
Sewer Services	
Wages and benefits	454,490
Professional services	36,728
Sewer charges	515,795
Utilities	73,528
Insurance	36,168
Supplies	31,486
Travel, meetings & dues	657
Vehicle expense	18,410
Repairs and maintenance	33,823
Depreciation	118,378
Rent	5,053
Advertising	59
Miscellaneous	11,766
Trash Services	
Trash	259,720
<b>Total Operating Expenses</b>	<b>2,463,867</b>
<i>Operating Income</i>	292,687
<b>Nonoperating Revenues (Expenses)</b>	
Interest income	37,956
Interest and fees expense	(183,064)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(145,108)</b>
<i>Net Income</i>	147,579
Net Position, January 1	7,074,970
<b>Net Position, December 31</b>	<b>\$ 7,222,549</b>

See accompanying notes to the financial statements.

# City of Willard

## Statement of Cash Flows – Proprietary Fund

Year Ended December 31, 2019

	<b>Water and Sewer Fund</b>
<b>Cash Flows from Operating Activities</b>	
Cash received from customers	\$ 2,748,857
Cash paid to suppliers	(1,490,555)
Cash paid to employees	(912,769)
<b>Net Cash Provided by Operating Activities</b>	<b>345,533</b>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Acquisition and construction of capital assets	(937,172)
Payment of principal on debt	(150,000)
Payment of interest expense	(185,096)
<b>Net Cash (Used) by Capital and Related Financing Activities</b>	<b>(1,272,268)</b>
<b>Cash Flows from Investing Activities</b>	
Interest received	37,956
<b>Net Cash Provided by Investing Activities</b>	<b>37,956</b>
<i>Net (Decrease) in Cash and Cash Equivalents</i>	<i>(888,779)</i>
Cash and Cash Equivalents, Beginning of year	4,300,386
Cash and Cash Equivalents, End of year	3,411,607
Less Restricted Cash and Cash Equivalents	397,897
<b>Unrestricted Cash and Cash Equivalents</b>	<b>\$ 3,013,710</b>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>	
Operating income	\$ 292,687
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	265,188
(Increase) decrease in:	
Utilities receivable	(23,952)
Prepaid expenses	(903)
Net pension asset	(29,619)
Deferred pension outflows	8,083
Increase (decrease) in:	
Accounts payable	(200,010)
Accrued expenses	(2,600)
Meter deposits payable	16,255
Compensated absences payable	(1,112)
Deferred pension inflows	21,516
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 345,533</b>

See accompanying notes to the financial statements.

# City of Willard

## Notes to the Financial Statements

December 31, 2019

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### **1. Summary of Significant Accounting Policies**

The City of Willard, Missouri, (the City) operates under a Mayor - Board of Aldermen form of government and provides the following services: public safety, streets, parks and recreation, planning and development, emergency management, and general administrative services. Other services include water, sewer, and trash operations.

The accounting policies of the City conform to principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant policies.

#### **Financial Reporting Entity**

The City of Willard, Missouri, is a primary government that is governed by an elected Board of Aldermen. As required by accounting principles generally accepted in the United States of America, the City has evaluated the criteria to determine whether any other entity meets the definition of a component unit and must be included in these financial statements. The City has determined that no other outside entity meets the criteria and, therefore, no other entity has been included as a component unit in the City's basic financial statements. In addition, the City is not aware of any entity for which the City would be considered as a component unit of that entity.

#### **Basis of Presentation**

The basic financial statements include both the government-wide (the Statement of Net Position and the Statement of Activities) and fund financial statements.

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

The government-wide statements display information about the government as a whole. Interfund activity has been eliminated from these statements to minimize the duplication of internal activities. Governmental activities, which are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for services for support.

In the government-wide Statement of Net Position, both the governmental and business-type activities are consolidated and presented on the full accrual, economic resources basis of accounting. The consolidated presentation incorporates long-term assets and receivables as well as long-term debt and obligations, and it provides information to improve analysis and comparability.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each function of the City's governmental and business-type activities. Direct expenses are those that are specifically associated with a program or a function. Program revenues include charges for goods or services offered by the programs and grants and contributions that are restricted to meet operating and capital expenses of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

#### **Fund Financial Statements**

Separate fund financial statements report information on the City's governmental and proprietary funds. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column.

# City of Willard

## Notes to the Financial Statements

December 31, 2019

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Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. Consequently, the emphasis on near-term inflows and outflows of resources do not present the long-term impact of transactions. Conversely, the proprietary fund statements incorporate the accrual basis of accounting and focus on the change in total economic resources. This presentation records long-term assets and liabilities, and recognizes revenues and expenses when transactions occur, regardless of their impact on the flow of cash. Since the accounting differs significantly between the governmental funds and the proprietary funds, it is necessary to convert the governmental fund data to arrive at the government-wide financial statements. Therefore, reconciliations have been provided following the Governmental Funds Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance identifying categories that required conversion from the fund statements.

The City reports the following major governmental funds:

*General Fund:* The General Fund is the general operating fund of the City. It is used to account for all financial resources not accounted for in other funds.

*Park Fund:* The Park Fund is used to account for the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures for parks and recreation.

The City reports the following major proprietary funds:

*Water and Sewer Fund:* The Water and Sewer Fund is used to account for the activities and capital improvements of the City's water and sewer operations.

### Capital Assets

Capital assets include land, buildings, improvements, equipment, and infrastructure assets (e.g., roads, bridges, storm sewers, and similar items) and are included in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, excluding land, are defined by the City as assets with a cost of \$5,000 or greater and an estimated useful life of at least five years. All land purchases are capitalized regardless of cost. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Historically, governmental infrastructure assets have not been capitalized and reported in the financial statements. In conformity with GASB 34, infrastructure, such as streets and storm sewers, has been capitalized. Additionally, the City elected not to go back 20 years and record estimated costs of streets less depreciation but began recording and depreciating its infrastructure assets in 2004. Depreciation is provided in amounts sufficient to relate the cost of the depreciable assets to operations over their estimated service lives on the straight-line basis. The service lives by type of asset are as follows:

# City of Willard

## Notes to the Financial Statements

December 31, 2019

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Land improvements	20 years
Buildings and improvements	50 years
Major moveable equipment	5-15 years
Infrastructure	50 years
Water and sewer systems	20-50 years

Expenses for maintenance and repairs are charged to expense; renewals and betterments are capitalized.

### **Pooled Cash and Cash Equivalents**

The City pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash account is available to meet current operating requirements. For purposes of the statement of cash flows, cash equivalents are deposits available on demand or with an original maturity of less than three months at the time of purchase.

### **Compensated Absences**

Employees earn vacation time based on their years of service to the City. Outstanding vacation leave is payable upon termination of employment. Compensated absences are recorded as a liability in the Statement of Net Position.

### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Revenue Recognition – Property Taxes**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and are due and payable at that time. All unpaid taxes levied November 1 become delinquent after December 31 of that year.

### **Fund Balance Classification**

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on constraints imposed on the use of these resources as follows:

*Nonspendable Fund Balance:* This classification includes amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact.

*Restricted Fund Balance:* This classification reflects the constraints imposed on resources either a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance:* These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the Board of Aldermen – the government’s highest level of decision making

# City of Willard

## Notes to the Financial Statements

December 31, 2019

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authority. Those committed amounts cannot be used for any other purpose unless the Board removes the specified use by taking the same type of action imposing the commitment.

*Assigned Fund Balance:* This classification reflects the amounts constrained by the City's "intent" to be used for specific purposes, but are neither restricted nor committed. Assigned fund balances include all remaining amounts (except negative balances) that are reported in the governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

*Unassigned Fund Balance:* This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

In circumstances when a disbursement is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

The Board of Alderman has formally adopted a minimum fund balance policy of 30% (3½ months) of operating expenditures in the General Fund.

### **Net Position**

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 improvement of those assets.

*Restricted Net Position:* Consists of the net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

*Unrestricted Net Position:* Consists of the financial position that does not meet the definition of "restricted".

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City first applies restricted net position.

### **Program Revenues**

In the Statement of Activities, revenues that are derived directly from each activity or from parties outside the City's taxpayers are reported as program revenues. These include 1) charges for city court fines, licenses and permits, planning and zoning services, parks and recreation services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. All other governmental revenues are reported as general. All taxes are classified as general revenues, even if restricted for a specific purpose.

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

In addition to assets, the Statement of Net 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.

# City of Willard

## Notes to the Financial Statements

December 31, 2019

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Currently, the City has one item that qualifies for reporting in this category, deferred amounts relating to employer contributions to the retirement plan.

In addition to liabilities, the Statement of Net Position and Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position/fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the City has two items that qualify for reporting in this category, deferred amounts relating to court fines on the Balance Sheet and deferred amounts relating to employer contributions to the retirement plan on the Statement of Net Position. These amounts are recognized as an inflow of resources in the period that the amounts become available.

### **Pensions**

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

### **Operating Revenues and Expenses**

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and services. All other revenues and expenses are considered nonoperating.

## **2. Risks & Uncertainties**

Subsequent to year end, a strain of coronavirus (COVID-19) was identified as a global pandemic and began affecting the health of large portions of the global population. The detrimental impact of this virus is not yet determinable, but will likely be significant for both the local and global economy. The effects of COVID-19 on the City are also not yet determinable, however COVID-19 has been identified as a significant risk and uncertainty that could impact future operations and result in changes in estimates and assumptions made in the financial statements.

## **3. Cash & Cash Equivalents**

State statutes require that the City's deposits be insured or collateralized in the name of the City by the trust department of a bank that does not hold the collateralized deposits. As of December 31, 2019, all bank balances on deposit are entirely insured or collateralized.

# City of Willard

## Notes to the Financial Statements

December 31, 2019

### 4. Restricted Assets

Cash and cash equivalents, fund balance, and net position have been restricted as follows:

	<u>Restricted Cash and Cash Equivalents</u>	<u>Restricted Fund Balance/ Net Position</u>
<b>General Fund</b>		
Court bonds	\$ 249	\$ -
Developer's escrow	1,013	-
Judicial facility fund	19,043	19,043
Judicial education fund	2,051	2,051
Police forfeiture funds	1	1
	<u>\$ 22,357</u>	<u>\$ 21,095</u>
<b>Park Fund</b>		
2015 Refunding Certificates of Participation		
Project fund	\$ 9	\$ 9
Youth scholarships	1,565	1,565
Park deposits	3,147	-
	<u>\$ 4,721</u>	<u>\$ 1,574</u>
<b>Water and Sewer Fund</b>		
2018 Certificates of Participation		
Certificate fund	\$ 16	\$ 16
Construction fund	149,591	-
Customer utility deposits	248,290	-
	<u>\$ 397,897</u>	<u>\$ 16</u>

### 5. Assessed Valuation, Tax Levy, & Legal Debt Margin

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and are payable December 31. The county collects the property taxes and remits them to the City.

# City of Willard

## Notes to the Financial Statements

December 31, 2019

The assessed valuation of the tangible property and the tax levies per \$100 assessed valuation of that property were as follows:

	<b>2019</b>
Assessed Valuation	
Real estate	\$ 57,329,266
Personal property	11,675,936
	\$ 69,005,202
 Tax Rates Per \$100 of Assessed Valuation	
General Fund	\$ .3677
Park Fund	.1125
	\$ .4802

The legal debt margin at December 31, 2019, was computed as follows:

	<b>General Obligation Bonds</b>		
	<b>Ordinary (1)</b>	<b>Additional (2)</b>	<b>Total</b>
Constitutional Debt Limit	\$ 6,900,520	\$ 6,900,520	\$ 13,801,040
General Obligation Bonds Payable	-	-	-
<b>Legal Debt Margin</b>	<b>\$ 6,900,520</b>	<b>\$ 6,900,520</b>	<b>\$ 13,801,040</b>

Under Article VI, Section 26(b) and (c), Missouri Constitution, the City, by vote of its qualified electors voting therein, may incur an indebtedness for any purpose authorized in the charter of the City or by any general law of the State of Missouri. The borrowings authorized by this section shall not exceed ten percent of the value of the taxable tangible property in the City.

Under Article VI, Section 26(d) and (e), Missouri Constitution, the City, by vote of its qualified electors voting therein, may become indebted not exceeding in the aggregate an additional ten percent for the purpose of acquiring rights of way, constructing, extending, and improving streets and avenues, and/or sanitary or storm sewer systems; and purchasing or constructing waterworks, electric or other light plants, provided that the total general obligation indebtedness of the City does not exceed twenty percent of the value of the taxable tangible property in the City.

# City of Willard

## Notes to the Financial Statements

December 31, 2019

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### 6. Accounts Receivable

Accounts receivable are presented net of an allowance for doubtful accounts as follows:

	<u>Accounts Receivable</u>	<u>Allowance</u>	<u>Net Accounts Receivable</u>
<b>Court Fines Receivable</b>			
General Fund	\$ 23,365	\$ (11,000)	\$ 12,365
<b>Utilities Receivable</b>			
Water and Sewer Fund	\$ 223,360	\$ -	\$ 223,360

### 7. Long-Term Liabilities – Governmental Activities

Long-term liabilities for governmental activities at December 31, 2019, consists of the 2015 Refunding Certificates of Participation and compensated absences.

#### Certificates of Participation

On June 1, 2015, the City issued \$3,995,000 in Series 2015 Refunding Certificates of Participation for the purpose of refunding the 2006 and 2008 Certificates of Participation, which were originally issued for acquiring, constructing, and installing certain additions to the City's parks and recreation system, being in particular a new aquatics facility for the City. In the event of default on the lease agreement, the Trustee may cause all amounts payable, with respect to the Certificates for the remainder of the current term of the lease to become due and payable, or may take whatever action at law or in equity that may appear necessary or appropriate to collect the amounts then due and thereafter to become due, or to enforce performance and observance of any obligations, agreements or covenants of the City under the lease. The Certificates of Participation bear interest from 2.0% to 3.5% with principal payments due May 15 and interest payments due May 15 and November 15 each year. The annual debt service requirements to amortize the principal on the Certificates of Participation outstanding at December 31, 2019, are as follows:

# City of Willard

## Notes to the Financial Statements

December 31, 2019

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 195,000	\$ 100,381	\$ 295,381
2021	200,000	94,456	294,456
2022	205,000	88,381	293,381
2023	230,000	81,856	311,856
2024	235,000	74,881	309,881
2025	245,000	67,681	312,681
2026	250,000	60,256	310,256
2027	260,000	52,476	312,476
2028	265,000	44,140	309,140
2029	280,000	35,214	315,214
2030	285,000	25,784	310,784
2031	300,000	15,913	315,913
2032	310,000	5,425	315,425
	<u>\$ 3,260,000</u>	<u>\$ 746,844</u>	<u>\$ 4,006,844</u>

The following table is a summary of the changes in the long-term liabilities of the governmental activities:

	<u>Balance December 31, 2018</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance December 31, 2019</u>	<u>Amounts Due Within One Year</u>
2015 Refunding Certificates of Participation	\$ 3,455,000	\$ -	\$ 195,000	\$ 3,260,000	\$ 195,000
Premium on Certificates of Participation	31,370	-	2,527	28,843	-
	<u>3,486,370</u>	<u>-</u>	<u>197,527</u>	<u>3,288,843</u>	<u>195,000</u>
Compensated absences	45,938	2,141	-	48,079	-
	<u>\$ 3,532,308</u>	<u>\$ 2,141</u>	<u>\$ 197,527</u>	<u>\$ 3,336,922</u>	<u>\$ 195,000</u>

### 8. Long-Term Liabilities – Business-Type Activities

Long-term liabilities for business-type activities at December 31, 2019, consists of the 2018 Certificates of Participation, the 2014 Refunding Certificates of Participation and compensated absences.

# City of Willard

## Notes to the Financial Statements

December 31, 2019

On April 12, 2018, the City issued \$3,600,000 in Series 2018 Certificates of Participation for the purpose of providing funds to acquire and install improvements to the City's combined waterworks and sewerage system including equipment for the City. In the event of default, the Trustee may, and upon the written request of the owners of not less than a majority in aggregate stated principal amount of certificates then outstanding shall, by notice in writing delivered to the City, declare the stated principal component of the base rentals represented by all certificates then outstanding and amounts representing the interest component of the base rentals accrued with respect thereto immediately due and payable. The certificates bear interest between 3.0% to 5.0%. Interest payments are due semi-annually on May 1 and November 1 of each year with annual principal payments due May 1 of each year. Annual debt service requirements to amortize the principal on the Certificates of Participation outstanding at December 31, 2019, are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 95,000	\$ 126,675	\$ 221,675
2021	100,000	121,800	221,800
2022	105,000	116,675	221,675
2023	110,000	111,300	221,300
2024	115,000	106,825	221,825
2025	120,000	103,300	223,300
2026	125,000	99,625	224,625
2027	125,000	95,875	220,875
2028	130,000	92,050	222,050
2029	135,000	88,075	223,075
2030	140,000	83,862	223,862
2031	145,000	79,319	224,319
2032	145,000	74,606	219,606
2033	150,000	69,719	219,719
2034	155,000	64,572	219,572
2035	165,000	59,069	224,069
2036	170,000	53,206	223,206
2037	175,000	47,169	222,169
2038	180,000	40,844	220,844
2039	190,000	34,138	224,138
2040	195,000	27,159	222,159
2041	200,000	19,875	219,875
2042	210,000	12,187	222,187
2043	220,000	4,125	224,125
	<u>\$ 3,600,000</u>	<u>\$ 1,732,050</u>	<u>\$ 5,332,050</u>

# City of Willard

## Notes to the Financial Statements

December 31, 2019

On November 4, 2014, the City issued \$2,295,000 in Series 2014 Refunding Certificates of Participation for the purpose of providing funds to refinance the Series 2005 Certificates of Participation and 2008 Certificates of Participation. In the event of default, the Trustee may, and upon written request of the owners of not less than a majority in aggregate stated principal amount of certificates then outstanding shall, by written notice given to the City, declare the principal of all the certificates then outstanding to be due and payable immediately. The certificates bear interest of 3.25%. Interest payments are due semi-annually on February 1 and August 1 of each year with annual principal payments due February 1 of each year. Annual debt service requirements to amortize the principal on the Certificates of Participation outstanding at December 31, 2019, are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 155,000	\$ 48,181	\$ 203,181
2021	155,000	43,144	198,144
2022	165,000	37,944	202,944
2023	165,000	32,581	197,581
2024	175,000	27,056	202,056
2025	180,000	21,287	201,287
2026	185,000	15,356	200,356
2027	190,000	9,263	199,263
2028	190,000	3,088	193,088
	<u>\$ 1,560,000</u>	<u>\$ 237,900</u>	<u>\$ 1,797,900</u>

The following table is a summary of the changes in the long-term liabilities of the business-type activities:

	<u>Balance December 31, 2018</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance December 31, 2019</u>	<u>Amounts Due Within One Year</u>
2014 Refunding Certificates of Participation	\$ 1,710,000	\$ -	\$ 150,000	\$ 1,560,000	\$ 155,000
2018 Certificates of Participation	3,600,000	-	-	3,600,000	95,000
Compensated absences	11,614	-	1,112	10,502	-
	<u>\$ 5,321,614</u>	<u>\$ -</u>	<u>\$ 151,112</u>	<u>\$ 5,170,502</u>	<u>\$ 250,000</u>

# City of Willard

## Notes to the Financial Statements

December 31, 2019

### 9. Capital Assets

Capital asset activity for the year ended December 31, 2019, was as follows:

<b>Governmental Activities</b>	<b>Balance December 31, 2018</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance December 31, 2019</b>
<b>Non-depreciable Capital Assets</b>				
Land	\$ 426,674	\$ 25,000	\$ -	\$ 451,674
Construction in progress	229,666	59,618	-	289,284
<b>Total Non-depreciable Capital Assets</b>	<b>656,340</b>	<b>\$ 84,618</b>	<b>\$ -</b>	<b>740,958</b>
<b>Depreciable Capital Assets</b>				
Building and improvements	5,050,758	\$ -	\$ -	5,050,758
Major moveable equipment	1,211,188	24,420	22,410	1,213,198
Infrastructure	1,521,219	-	-	1,521,219
<b>Total Depreciable Capital Assets</b>	<b>7,783,165</b>	<b>\$ 24,420</b>	<b>\$ 22,410</b>	<b>7,785,175</b>
<b>Less Accumulated Depreciation</b>				
Building and improvements	1,295,381	\$ 104,203	\$ -	1,399,584
Major moveable equipment	836,814	45,917	22,410	860,321
Infrastructure	459,291	38,629	-	497,920
<b>Total Accumulated Depreciation</b>	<b>2,591,486</b>	<b>\$ 188,749</b>	<b>\$ 22,410</b>	<b>2,757,825</b>
<b>Total Depreciable Capital Assets, net</b>	<b>5,191,679</b>			<b>5,027,350</b>
<b>Total Governmental Activities Capital Assets, net</b>	<b>\$ 5,848,019</b>			<b>\$ 5,768,308</b>

Depreciation expense for governmental activities was charged to functions as follows:

Administrative	\$ 10,452
Planning and development	864
Public safety	34,740
Parks and recreation	110,066
Streets	32,627
	<b>\$ 188,749</b>

# City of Willard

## Notes to the Financial Statements

December 31, 2019

	Balance December 31, 2018	Additions	Deletions	Balance December 31, 2019
<b>Business-Type Activities</b>				
<i>Water and Sewer Fund</i>				
Non-depreciable Capital Assets				
Land	\$ 273,273	\$ -	\$ -	\$ 273,273
Construction in progress	2,442,959	886,758	-	3,329,717
<b>Total Non-depreciable Capital Assets</b>	2,716,232	<u>\$ 886,758</u>	<u>\$ -</u>	3,602,990
Depreciable Capital Assets				
Sewer system	5,546,795	\$ 6,995	\$ -	5,553,790
Water system	4,528,225	12,988	-	4,541,213
Buildings and improvements	17,140	-	-	17,140
Major moveable equipment	749,416	30,431	-	779,847
<b>Total Depreciable Capital Assets</b>	10,841,576	<u>\$ 50,414</u>	<u>\$ -</u>	10,891,990
Less Accumulated Depreciation				
Sewer system	2,665,684	\$ 110,762	\$ -	2,776,446
Water system	1,848,305	139,193	-	1,987,498
Buildings and improvements	800	342	-	1,142
Major moveable equipment	621,253	14,891	-	636,144
<b>Total Accumulated Depreciation</b>	5,136,042	<u>\$ 265,188</u>	<u>\$ -</u>	5,401,230
<b>Total Depreciable Capital Assets, net</b>	5,705,534			5,490,760
<b>Total Business-Type Activities Capital Assets, net</b>	<u>\$ 8,421,766</u>			<u>\$ 9,093,750</u>

Depreciation expense for business-type activities was charged as follows:

Water	\$ 146,810
Sewer	118,378
	<u>\$ 265,188</u>

# City of Willard

## Notes to the Financial Statements

December 31, 2019

### 10. Employee Pension Plan

#### General Information about the Pension 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 (55 for police) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police) and receive a reduced allowance.

	<b>2019 Valuation</b>
Benefit Multiplier	1.50% for life
Final Average Salary	5 years
Member Contributions	4%

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.* At June 30, 2019, which is LAGERS fiscal year end and the latest information available, the following employees were covered by the benefit terms:

	<b>General</b>	<b>Police</b>
Inactive employees or beneficiaries currently receiving benefits	10	1
Inactive employees entitled to but not yet receiving benefits	13	18
Active employees	26	10
	49	29

*Contributions.* The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year. With an additional amount to finance an unfunded accrued liability. Full-time employees of the employer contribute 4% of their gross pay to the pension plan. Employer contribution rates are 7.1% (General) and 6.3% (Police) of annual covered payroll.

# City of Willard

## Notes to the Financial Statements

December 31, 2019

*Net Pension Asset.* The employer's net pension asset was measured as of June 30, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of February 28, 2019.

*Actuarial Assumptions.* The total pension liability in the February 28, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25% wage inflation, 2.50% price inflation
Salary increase	3.25% to 6.55% including wage inflation
Investment rate of return	7.25% net of investment expenses

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

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

The actuarial assumptions used in the February 28, 2019, valuation were based on the results of an actuarial experience study for the period March 1, 2010, through February 28, 2015.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment 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 estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Alpha	15.00%	3.67%
Equity	35.00%	4.78%
Fixed Income	31.00%	1.41%
Real Assets	36.00%	3.29%
Strategic Assets	8.00%	5.25%
Cash	10.00%	0.00%
Leverage	-35.00%	-0.51%

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

# City of Willard

## Notes to the Financial Statements

December 31, 2019

### Changes in the Net Pension (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
<b>General Division</b>			
Balances at beginning of year	\$ 1,288,275	\$ 1,299,855	\$ (11,580)
Changes for the year:			
Service cost	102,724	-	102,724
Interest on total pension liability	94,549	-	94,549
Difference between expected and actual experiences	(47,589)	-	(47,589)
Contributions - employer	-	68,432	(68,432)
Contributions - employee	-	39,707	(39,707)
Net investment income	-	90,909	(90,909)
Benefits paid, including refunds	(70,451)	(70,451)	-
Pension plan administrative expenses	-	(5,437)	5,437
Other (net transfer)	-	(1,103)	1,103
<i>Net Changes</i>	<u>79,233</u>	<u>122,057</u>	<u>(42,824)</u>
Balances at end of year	1,367,508	1,421,912	(54,404)
<b>Police Division</b>			
Balances at beginning of year	634,020	693,191	(59,171)
Changes for the year:			
Service cost	41,316	-	41,316
Interest on total pension liability	47,408	-	47,408
Difference between expected and actual experiences	5,432	-	5,432
Contributions - employer	-	24,864	(24,864)
Contributions - employee	-	15,669	(15,669)
Net investment income	-	47,474	(47,474)
Benefits paid, including refunds	(836)	(836)	-
Pension plan administrative expenses	-	(1,934)	1,934
Other (net transfer)	-	(965)	965
<i>Net Changes</i>	<u>93,320</u>	<u>84,272</u>	<u>9,048</u>
Balances at end of year	727,340	777,463	(50,123)
<b>Total Plan Balances at End of Year</b>	<u>\$ 2,094,848</u>	<u>\$ 2,199,375</u>	<u>\$ (104,527)</u>

# City of Willard

## Notes to the Financial Statements

December 31, 2019

The Net Pension (Asset) is allocated as follows:

	<b>Net Pension (Asset)</b>
Governmental Activities	\$ (68,076)
Business-Type Activities	(36,451)
	\$ (104,527)

*Sensitivity of the Net Pension (Asset) to Changes in the Discount Rate.* The following present the Net Pension Liability (Asset) of the employer, calculated using the discount rate of 7.25%, as well as what the employer's Net Pension Liability (Asset) would be using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate.

	<b>1% Decrease 6.25%</b>	<b>Current Single Discount Rate Assumption 7.25%</b>	<b>1% Increase 8.25%</b>
<b>General Division</b>			
Total Pension Liability	\$ 1,585,533	\$ 1,367,508	\$ 1,192,440
Fiduciary Net Position	1,421,912	1,421,912	1,421,912
Net Pension Liability (Asset)	163,621	(54,404)	(229,472)
 <b>Police Division</b>			
Total Pension Liability	872,170	727,340	613,221
Fiduciary Net Position	777,463	777,463	777,463
Net Pension Liability (Asset)	94,707	(50,123)	(164,242)
<b>Total Net Pension Liability (Asset)</b>	<b>\$ 258,328</b>	<b>\$ (104,527)</b>	<b>\$ (393,714)</b>

# City of Willard

## Notes to the Financial Statements

December 31, 2019

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

For the year ended December 31, 2019, the employer recognized pension expense of \$76,045 in the general division and \$28,858 in the police division. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred (Inflows) of Resources</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
<b>General Division</b>			
Differences in experiences	\$ 57,418	\$ (61,646)	\$ (4,228)
Differences in assumptions	14,983	(5,567)	9,416
Net difference between projected and actual earnings on investments	-	(32,296)	(32,296)
Contributions subsequent to the measurement date*	33,974	-	33,974
	106,375	(99,509)	6,866
<b>Police Division</b>			
Differences in experiences	15,134	(10,412)	4,722
Differences in assumptions	2,051	-	2,051
Net difference between projected and actual earnings on investments	-	(16,859)	(16,859)
Contributions subsequent to the measurement date*	12,565	-	12,565
	29,750	(27,271)	2,479
	\$ 136,125	\$ (126,780)	\$ 9,345

Deferred outflows and inflows have been allocated as follows:

	<b>Deferred Outflows of Resources</b>	<b>Deferred (Inflows) of Resources</b>	<b>Net Deferred Outflows of Resources</b>
Governmental Activities	\$ 64,854	\$ (60,109)	\$ 4,745
Business-Type Activities	71,271	(66,671)	4,600
	\$ 136,125	\$ (126,780)	\$ 9,345

\*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as an addition to the net pension asset for the year ending December 31, 2020.

# City of Willard

## Notes to the Financial Statements

December 31, 2019

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

Year Ending December 31,	Net Deferred Outflows (Inflows) of Resources		
	General	Police	Total
2020	\$ (1,618)	\$ (1,525)	\$ (3,143)
2021	(15,369)	(5,400)	(20,769)
2022	(1,173)	(3,978)	(5,151)
2023	(5,239)	817	(4,422)
2024	(3,709)	-	(3,709)
	\$ (27,108)	\$ (10,086)	\$ (37,194)

### Payable to the Pension Plan

The City had \$6,728 outstanding contributions to the pension plan required for the year ended December 31, 2019.

### 11. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has transferred its risk by obtaining coverage from commercial insurance companies. In addition, it has effectively managed risk through various employee education and prevention programs. There has been no significant reduction in insurance coverage from the previous year.

### 12. Claims & Judgments

The City participates in a number of programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulation, the City may be required to reimburse the grantor government. As of December 31, 2019, expenditures have not been audited by grantor governments, but the City believes that disallowed expenditures, if any, based on subsequent audits, will not have a material effect on any of the individual government funds or the overall financial position of the City.

### 13. Interfund Transfers

Transfers between funds of the City for the year ended December 31, 2019, were as follows:

	Transfers In (Out)
General Fund	\$ (95,000)
Park Fund	95,000
	\$ -

Transfers are made to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to disburse them, (2) reimburse various funds for amounts owed from the other funds, and

# City of Willard

## Notes to the Financial Statements

December 31, 2019

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(3) use unrestricted revenues in the Enterprise Fund, General Fund, and Park Fund to finance various programs accounted for in the other funds in accordance with budgetary authorizations.

### 14. Deferred Court Fines

Revenues from receivables not expected to be collected in time to pay current operating expenses are deferred until received in the governmental funds. These deferred revenues include court fines to be collected over several years. All of the deferred revenue at December 31, 2019, is accounted for as follows:

General Fund

Deferred court fines	<u>\$ 12,365</u>
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### 15. Commitments

At December 31, 2019, the City had the following commitments:

- Great River Engineering in the amount of \$91,420 for engineering services related to Miller Road improvements.
- CJW Transportation Consultants in the amount of \$44,587 for engineering services related to the Hunt Road Sidewalk Project.

## Required Supplementary Information

## City of Willard

### Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Year Ended December 31, 2019

<b>Missouri Local Government Employees Retirement System (LAGERS)</b>					
	<b>Year Ended December 31, 2019</b>	<b>Year Ended December 31, 2018</b>	<b>Year Ended December 31, 2017</b>	<b>Year Ended December 31, 2016</b>	<b>Year Ended December 31, 2015</b>
<b>Total Pension Liability</b>					
Service cost	\$ 144,040	\$ 121,935	\$ 100,422	\$ 91,794	\$ 88,438
Interest on the total pension liability	141,957	119,196	105,927	90,286	78,718
Changes of benefit terms	-	-	-	164,794	-
Difference between expected and actual experience	(42,157)	110,635	9,648	(130,045)	22,739
Changes of assumptions	-	-	(13,922)	59,410	-
Benefit payments including refunds	(71,287)	(26,837)	(56,488)	(48,528)	(16,022)
<i>Net Change in Total Pension Liability</i>	<u>172,553</u>	<u>324,929</u>	<u>145,587</u>	<u>227,711</u>	<u>173,873</u>
<b>Total Pension Liability, Beginning</b>	<u>1,922,295</u>	<u>1,597,366</u>	<u>1,451,779</u>	<u>1,224,068</u>	<u>1,050,195</u>
<b>Total Pension Liability, Ending</b>	<u>2,094,848</u>	<u>1,922,295</u>	<u>1,597,366</u>	<u>1,451,779</u>	<u>1,224,068</u>
<b>Plan Fiduciary Net Position</b>					
Contributions - employer	93,296	94,151	71,648	51,463	45,258
Contributions - employee	55,376	58,604	44,782	42,204	43,340
Net investment income	138,383	208,265	173,699	(2,072)	27,304
Benefit payments, including refunds	(71,287)	(26,837)	(56,488)	(48,528)	(16,022)
Pension plan administrative expense	(7,371)	(4,526)	(5,058)	(3,788)	(4,380)
Other (net transfer)	(2,068)	130	(6,406)	1,272	14,005
<i>Net Change in Plan Fiduciary Net Position</i>	<u>206,329</u>	<u>329,787</u>	<u>222,177</u>	<u>40,551</u>	<u>109,505</u>
<b>Plan Fiduciary Net Position, Beginning</b>	<u>1,993,046</u>	<u>1,663,259</u>	<u>1,441,082</u>	<u>1,400,531</u>	<u>1,291,026</u>
<b>Plan Fiduciary Net Position, Ending</b>	<u>2,199,375</u>	<u>1,993,046</u>	<u>1,663,259</u>	<u>1,441,082</u>	<u>1,400,531</u>
<b>Employer Net Pension Liability (Asset)</b>	<u>\$ (104,527)</u>	<u>\$ (70,751)</u>	<u>\$ (65,893)</u>	<u>\$ 10,697</u>	<u>\$ (176,463)</u>
Plan fiduciary net position as a percentage of the total pension liability	104.99%	103.68%	104.13%	99.26%	114.42%
Covered employee payroll	\$ 1,336,347	\$ 1,470,200	\$ 1,073,678	\$ 953,319	\$ 1,194,538
Employer's net pension liability (asset) as a percentage of covered employee payroll	-7.82%	-4.81%	-6.14%	1.12%	-14.77%

This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

# City of Willard

## Schedule of Contributions

Year Ended December 31, 2019

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<b>Year Ending December 31,</b>	<b>Actuarially Determined Contribution</b>	<b>Contribution in Relation to the Actuarially Determined Contribution</b>	<b>Contribution Excess (Deficiency)</b>	<b>Covered Employee Payroll</b>	<b>Contribution as a Percentage of Covered Employee Payroll</b>
2010	\$ 52,397	\$ 52,397	\$ -	\$ 940,944	5.57%
2011	52,225	52,225	-	992,755	5.26%
2012	49,484	49,484	-	993,997	4.98%
2013	43,545	43,546	1	925,245	4.71%
2014	45,844	45,844	-	1,035,266	4.43%
2015	44,045	44,045	-	1,114,322	3.95%
2016	63,917	63,917	-	1,027,993	6.22%
2017	83,840	83,840	-	1,345,017	6.23%
2018	94,461	94,461	-	1,426,885	6.62%
2019	93,656	93,656	-	1,360,425	6.88%

See accompanying notes to the required schedules.

# City of Willard

## Notes to the Schedule of Contributions

Year Ended December 31, 2019

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**Valuation Date:** February 28, 2019

**Notes:** The roll-forward of total pension liability from February 28, 2019, to June 30, 2019, reflects expected service cost and interest reduced by actual benefit payments.

### **Methods and Assumptions Used to Determine Contribution Rates**

*Actuarial Cost Method:* Entry Age Normal and Modified Terminal Funding

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

*Remaining Amortization Period:* Multiple bases from 15 to 16 years

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

*Inflation:* 3.25% wage inflation; 2.50% price inflation

*Salary Increases:* 3.25% to 6.55% including wage inflation

*Investment Rate of Return:* 7.25%, net of investment expenses

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

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

Both the post-retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

*Other Information:* None

# City of Willard

## Budgetary Comparison Schedule – General Fund

Year Ended December 31, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance With Final Budget: Positive (Negative)</b>
<b>Revenues</b>				
Taxes				
Ad valorem taxes	\$ 196,500	\$ 196,500	\$ 207,002	\$ 10,502
Sales taxes	936,598	967,788	1,009,252	41,464
Franchise taxes	357,000	350,000	332,896	(17,104)
Motor vehicle taxes	210,000	210,000	215,368	5,368
	<u>1,700,098</u>	<u>1,724,288</u>	<u>1,764,518</u>	<u>40,230</u>
Licenses and Permits				
Building permits	28,000	28,000	31,189	3,189
Merchants licenses	6,000	5,500	5,744	244
	<u>34,000</u>	<u>33,500</u>	<u>36,933</u>	<u>3,433</u>
Intergovernmental Revenues				
Grants	944,500	87,100	112,831	25,731
Charges for Services				
Planning and zoning	3,000	6,000	5,913	(87)
Rentals	82,000	87,200	90,067	2,867
	<u>85,000</u>	<u>93,200</u>	<u>95,980</u>	<u>2,780</u>
Fines and Forfeitures				
City court fines	72,100	65,100	58,895	(6,205)
Miscellaneous				
Donations	5,000	10,000	-	(10,000)
Interest	200	100	11,790	11,690
Other	7,753	8,450	11,318	2,868
	<u>12,953</u>	<u>18,550</u>	<u>23,108</u>	<u>4,558</u>
<b>Total Revenues</b>	<u>2,848,651</u>	<u>2,021,738</u>	<u>2,092,265</u>	<u>70,527</u>

# City of Willard

## Budgetary Comparison Schedule – General Fund

Year Ended December 31, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance With Final Budget: Positive (Negative)</b>
<b>Expenditures</b>				
Current				
Administrative	174,948	173,978	165,289	8,689
Public safety	871,487	905,612	777,056	128,556
Court	96,658	90,676	74,559	16,117
Streets	1,455,138	371,128	316,076	55,052
Planning and development	98,496	101,859	88,992	12,867
Emergency management	20,400	20,700	20,086	614
<b>Total Expenditures</b>	<u>2,717,127</u>	<u>1,663,953</u>	<u>1,442,058</u>	<u>221,895</u>
 <i>Excess of Revenues over Expenditures</i>	 131,524	 357,785	 650,207	 292,422
 <b>Other Financing (Uses)</b>				
Operating transfers (out)	<u>(113,000)</u>	<u>(96,500)</u>	<u>(95,000)</u>	<u>1,500</u>
 <i>Excess of Revenues over Expenditures and other (Uses)</i>	 18,524	 261,285	 555,207	 293,922
 Fund Balance, January 1	 <u>1,671,613</u>	 <u>1,671,613</u>	 <u>1,671,613</u>	 -
<b>Fund Balance, December 31</b>	<u><u>\$ 1,690,137</u></u>	<u><u>\$ 1,932,898</u></u>	<u><u>\$ 2,226,820</u></u>	<u><u>\$ 293,922</u></u>

# City of Willard

## Budgetary Comparison Schedule – Park Fund

Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance With Final Budget: Positive (Negative)
<b>Revenues</b>				
Taxes				
Ad valorem taxes	\$ 60,500	\$ 60,000	\$ 61,896	\$ 1,896
Sales taxes	457,000	480,000	521,396	41,396
	517,500	540,000	583,292	43,292
Intergovernmental Revenues				
Grants	5,000	-	-	-
Charges for Services				
Rental income	13,500	13,500	13,976	476
Adult and youth programs	171,500	152,000	166,462	14,462
Facility	30,000	30,000	38,261	8,261
Swimming pool	70,000	81,500	81,569	69
Special events	12,500	13,500	15,716	2,216
Advertising	30,653	30,000	30,587	587
Concessions	43,000	43,000	40,710	(2,290)
Park	3,800	3,800	4,000	200
	374,953	367,300	391,281	23,981
Miscellaneous				
Interest	1,000	3,000	3,849	849
Other	500	15,000	15,522	522
	1,500	18,000	19,371	1,371
<b>Total Revenues</b>	898,953	925,300	993,944	68,644
<b>Expenditures</b>				
Current				
Parks and recreation	831,391	816,022	780,730	35,292
Debt service				
Principal and interest	303,500	303,500	302,666	834
<b>Total Expenditures</b>	1,134,891	1,119,522	1,083,396	36,126
<i>(Deficit) of Revenues over Expenditures</i>	(235,938)	(194,222)	(89,452)	104,770
<b>Other Financing Sources</b>				
Operating transfers in	236,000	96,500	95,000	(1,500)
<i>Excess (Deficit) of Revenues and other Sources over Expenditures</i>	62	(97,722)	5,548	103,270
Fund Balance, January 1	173,144	173,144	173,144	-
<b>Fund Balance, December 31</b>	\$ 173,206	\$ 75,422	\$ 178,692	\$ 103,270

# City of Willard

## Notes to the Budgetary Comparison Schedule

Year Ended December 31, 2019

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### **Budgets and Budgetary Accounting**

The City uses the following procedures in establishing the budgetary data reflected in the Budgetary Comparison Schedules:

1. Prior to January, the Chief Financial Officer submits to the Board a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed disbursement plans and the proposed means of financing them.
2. One public hearing is conducted by the City in late December to obtain taxpayers' comments on the proposed budget.
3. Prior to January 1, the City adopts a budget.
4. Budgets for the General and Park Funds are adopted on a basis consistent with GAAP. Budgeted amounts may be amended during the year by the Board of Alderman on approved budget adjustment forms.

## **Other Reporting Requirements**



**Independent Auditors' Report on Internal Control over Financial Reporting and on  
Compliance and other Matters Based on an Audit of Financial Statements Performed in  
Accordance with *Government Auditing Standards***

Honorable Mayor and Board of Aldermen  
City of Willard  
Willard, Missouri

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, and each major fund of the City of Willard, Missouri, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City of Willard, Missouri's basic financial statements, and have issued our report thereon, dated April 30, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Willard, Missouri's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Willard, Missouri's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be a material weakness. However, material weaknesses may exist that have not been identified.

**Compliance and other Matters**

As part of obtaining reasonable assurance about whether the City of Willard, Missouri's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Willard, Missouri's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Willard, Missouri's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*KPM CPAs, PC*

KPM CPAs, PC  
Springfield, Missouri  
April 30, 2020



Honorable Mayor and Board of Aldermen  
City of Willard  
Willard, Missouri

In planning and performing our audit of the basic financial statements of the City of Willard, Missouri, for the year ended December 31, 2019, we considered the City's internal control to determine our auditing procedures for the purpose of expressing an opinion on the basic financial statements and not to provide assurance on the internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed in the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

In addition to the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, we became aware of additional matters to bring to your attention. The following paragraphs summarize our comments and recommendations regarding these matters.

**1. Water Loss**

During our audit, we noted that the City's average water loss was 34% for the year. Normal loss percentages for cities range from 15% to 20%. This could indicate leaks, old unreliable meters, or undocumented City usage.

*We Recommend:*

The City adopt a meter replacement program, continue to investigate lines for leaks, and investigate for undocumented City usage. We further recommend the City investigate the possibility of water service to customers that are not being billed.

**2. New Pronouncement**

GASB Statement No. 87 – *Leases* – This Statement establishes a single model for lease accounting. It changes the definition of a lease and requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. The effective date is for the City's year ending December 31, 2020.

*We Recommend:*

Management examine the new pronouncement to determine the effect this will have on future financial reporting and to ensure successful implementation on the effective date.

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### **3. Cybersecurity**

Cybersecurity threats are increasing and government entities of all sizes are at risk for a breach of their information systems. With this increase in risk, entities should be continually evaluating risk and taking steps necessary to ensure the security of information systems. Steps include identifying critical information systems, training employees to properly identify threats received in emails or by other means, and adopting internal communication methods other than email.

It is important that entities develop a recovery plan outlining procedures that personnel should follow once a cybersecurity breach is discovered. Additionally, entities should be aware of any insurance in place to help protect them from liabilities that can occur as the result of a breach.

*We Recommend:*

The City evaluate its cybersecurity risks and take the necessary steps to reduce the risk of cybersecurity threats to their information systems. This evaluation should be performed frequently as technology and information systems are continually changing.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with the City's administrative personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional studies of these matters or to assist you in implementing the recommendations.

We appreciate this opportunity to serve as City of Willard, Missouri's independent auditor and the courtesies and assistance extended to us by the City's employees.

Respectfully submitted,

*KPM CPAs, PC*

KPM CPAs, PC  
Springfield, Missouri  
April 30, 2020



To the Honorable Mayor and Board of Aldermen  
City of Willard  
Willard, Missouri

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the City of Willard, Missouri, for the year ended December 31, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 6, 2020. Professional standards also require that we communicate to you the following information related to our audit.

**Significant Audit Matters**

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Willard, Missouri, are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended December 31, 2019. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the City's financial statements was management's estimate of the allowance for doubtful accounts which is based on historical utility revenues, historical loss levels, and an analysis of the collectability of individual accounts. Also, management's estimate of the General Fund allowance for doubtful accounts for court fines, which is based on aged receivable balances. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

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#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

#### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated April 30, 2020.

#### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

**Other Matters**

We applied certain limited procedures to the Management's Discussion and Analysis, pension information and budgetary comparison information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

**Restriction on Use**

This information is intended solely for the information and use of the Honorable Mayor and Board of Alderman and management of the City of Willard, Missouri, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

*KPM CPAs, PC*

KPM CPAs, PC  
Springfield, Missouri  
April 30, 2020

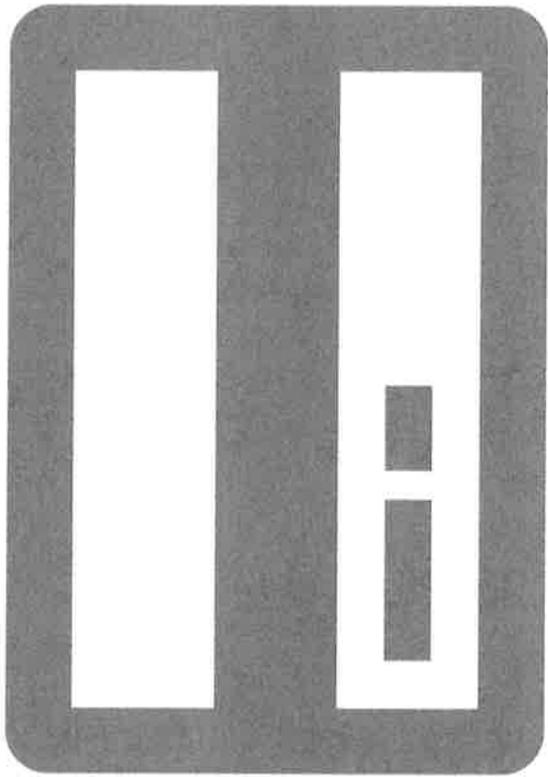
# CITY OF WILLARD, MISSOURI

224 W. Jackson Street P.O. Box 187 Willard, MO 65781 417-742-3033 417-742-3080 Fax



Agenda Item# 7

## Discussion/Vote on Credit Card Transaction Fees.



# Credit Card Fees

City Of Willard

# City Staff Recommends a Processor Administered Fee Program

Processor Charges 3% Fee per Transaction	City Incurs \$0 Cost for Program	PCI (Payment Card Industry) Compliance is handled by Processing Company	Process is Consistent Across All Departments	City Reduces Expense by \$22,000+ in Credit Card Transaction Fees
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## Examining the Fees

- Payment by credit or debit cards is becoming more prevalent
  - Convenience
  - Reward Incentives
  - Personal Safety (Contactless transactions)
  - Population Demographics

## Examining the Fees (cont.)

- Increased Number of Transactions
  - 2015 Credit Card Fees Paid by City = \$10,400
  - 2016 Credit Card Fees Paid by City = \$16,400
  - 2017 Credit Card Fees Paid by City = \$19,950
  - 2018 Credit Card Fees Paid by City = \$19,800
  - 2019 Credit Card Fees Paid by City = \$20,900
  - 2020 Credit Card Fees Paid by City (1<sup>st</sup> Quarter)= \$5,400 (est. >\$22,000)

## Why Now?

- COVID 19 impacting every organization
- Safety becoming more important
- Card use expected to increase this and successive years
- This is low hanging fruit to help reduce City expenses

## Processor Administered vs City Administered

- Having the processor handle fees protects the City
  - PCI
  - Data breach and legal
- City avoids public perception that credit card fees are a revenue source

## How can the fees be avoided?

- All customers informed of a fee prior to the use of their card
- City offers multiple options to pay
  - Cash, Check, ACH, or Money Orders
- No fees for traditional payment methods

# How does Willard compare to others?

City	Fee
Nixa	\$1.25
Ozark	\$1.50
Marshfield	\$1.50
Stockton	\$1.75
Rogersville	3% (plus \$1.25 when Incode Portal is used)
Willard	(Proposed) 3% (avg bill = \$80 fee ≈ \$2.40 in fees)
Republic	\$4* or \$4.50 *(5% or 7% whichever is higher) *( rate dependent on in-person, on-line or phone)

## Citizen Impact

- Long-range budget plans indicate a 5% utilities rate increase in 2020
- COVID19 has effected many in our community
- Staff recognizes possible Board reluctance to raise rates in current economic environment
- Staff recommends 3% processor administered fee program in lieu of 5% rate increase

# Summary

Credit card use is on the rise.

Willard currently pays more than \$20,000 annually in credit card fees.

Staff recommend a Processor administered program to pass fees to customers.

Customers may continue to use traditional forms of payment to avoid fees.

Many other communities use a similar model to defray credit card fees.

Board may prefer to consider 3% fees to only card users in lieu of utility rate increase.

Questions?



Agenda Item# 11

**Resolution adopting Amendments to Articles of  
Incorporation of a Non-Profit Corporation for Ozarks  
Transportation Organization. Discussion/Vote.**

**RESOLUTION 20-03  
CITY OF WILLARD, MISSOURI.**

*Adopted at a Regular Board of Aldermen Meeting on May 11, 2020*

At a regularly scheduled meeting of the City of Willard Board of Aldermen (the “**Entity**”) held on May 11, 2020, on a motion by Alderman \_\_\_\_\_, and seconded by Alderman \_\_\_\_\_, the following resolution was adopted by a vote of \_\_\_\_ to \_\_\_\_: These resolutions shall be effective as of the date set forth above:

**APPROVAL OF THE AMENDMENT TO  
ARTICLES OF INCORPORATION OF A NONPROFIT CORPORATION FOR  
OZARKS TRANSPORTATION ORGANIZATION**

WHEREAS, the Ozarks Transportation Organization (the “**Organization**”), a Missouri nonprofit corporation, is the Metropolitan Planning Organization for this region of southwest Missouri, as mandated by the Federal Aid Highway Act of 1962, as amended, the Urban Mass Transportation Act of 1964, as amended, the Airport and Airway Development Act of 1970 and other subsequent laws setting forth requirements for transportation planning for all modes of travel;

WHEREAS, that Entity is a member of the Organization;

WHEREAS, the Articles of Incorporation of the Organization were dated and filed with the Missouri Secretary of State on April 23, 2008, (the “**Articles**”);

WHEREAS, the Articles were filed at a time at which the City of Springfield was the only member of the Organization, and its Articles provided that, upon the Organization’s dissolution, all of its assets would be distributed to the City of Springfield;

WHEREAS, the Board of Directors (the “**Board**”) of the Organization deems it advisable that ARTICLE VII of the Articles be amended in such a manner that upon the Organization’s dissolution, its assets would be distributed among all of its dues-paying members, in proportion to the amount of dues paid in its most recent fiscal year;

WHEREAS, pursuant to the applicable provisions under RSMo 355.561 of the Nonprofit Corporation Law of the State of Missouri, the Articles may be amended by the authorization of the Organization’s Board and the majority vote of its members.

NOW, THEREFORE, BE IT RESOLVED, the Entity does hereby vote in favor that the amendment to the Articles (the “**Articles Amendment**”) be approved.

RESOLVED FURTHER, that the terms of said Articles Amendment are hereby approved to reflect that upon dissolution of the Organization, the assets of the Organization shall be distributed among the Organization dues-paying members, in proportion to the amount of dues paid in its most recent fiscal year.

### **GENERAL AUTHORITY**

RESOLVED, that any and all actions, whether previously or subsequently taken by the officers of the Entity, which are consistent with the intent and purposes of the foregoing resolutions and the consummation of the transactions contemplated therein, shall be and the same hereby are, in all respects, ratified, approved and confirmed.

RESOLVED FURTHER, that each of the officers of the Entity is hereby authorized and directed to execute and deliver any and all documents and to take such other action as he or she deems necessary, advisable, or appropriate to carry out the purposes and intent, but within the limitations, of the foregoing resolutions, the execution, delivery or taking of such actions to be conclusive evidence that the same have been authorized by these resolutions.

### **CERTIFICATE**

The foregoing Resolution was duly adopted by the Entity as of May 11, 2020.

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Corey Hendrickson, Mayor