



**CITY OF OSAGE BEACH, MISSOURI**

**ANNUAL**

**COMPREHENSIVE**

**FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED, DECEMBER 31, 2022

**FY 2022**

**CITY OF OSAGE BEACH, MISSOURI**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**DECEMBER 31, 2022**

**Prepared by:**

**Karri Bell**  
**City Treasurer**

**CITY OF OSAGE BEACH, MISSOURI**  
**AUDITED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

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## **INTRODUCTORY SECTION**



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## City of Osage Beach

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Phone [573] 302-2000 • Fax [573] 302-0528 • [www.OsageBeach.org](http://www.OsageBeach.org)

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June 7, 2023

Honorable Mayor, Board of Aldermen, and the Citizens of the City of Osage Beach:

The Annual Comprehensive Financial Report of the City of Osage Beach, Missouri (the City), for the fiscal year ended December 31, 2022, is herewith submitted. The information presented in the financial report is the responsibility of the City's management. The City Treasurer's Department prepared this report. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. The financial report conforms to the standards of financial reporting as set forth by the Governmental Accounting Standards Board (GASB) and the guidelines as recommended by the Government Finance Officers Association (GFOA). The City Treasurer's Department believes that the financial statements, supporting schedules, and statistical information fairly represent the financial condition of the City. We further believe that all presented data is accurate in all aspects and that all necessary disclosures have been included to enable the reader to gain a reasonable understanding of the City's financial affairs.

Generally accepted accounting principles require that management provide a narrative, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Osage Beach's MD&A can be found immediately following the report of the independent auditors.

### **The Reporting Entity and Its Services**

The City of Osage Beach, incorporated May 22, 1959, is a fourth-class city and political subdivision created and existing under the laws of the State of Missouri. The City is approximately 10 square miles in area and is in Camden and Miller Counties, Missouri. The City lies along the shores of Lake of the Ozarks, one of the largest man-made lakes in the world. The City has an estimated permanent population of 4,917; however, it is estimated that there are more than 240,000 visitors and second homeowners annually. The governing body consists of an elected six-member Board of Aldermen and a Mayor who, in turn, appoints a City Administrator, City Clerk, Police Chief, Building Official, City Treasurer, City Planner and City Attorney. Aldermen serve two-year terms, with three members elected every year. The Mayor is elected for a two-year term.

The City provides a full range of municipal services including streets, water, sewer, airports, engineering, public safety, ambulance services, and general administration.

The City offers its residents and visitors two City parks. Peanick Park is a 13-acre park with two ball fields, pavilions, basketball courts, a walking trail and playground facilities. It is located on the northeast side of town on Highway 42. The Osage Beach City Park is a 92-acre park surrounded by Lake of the Ozarks and Lake of the Ozarks State Park; it is located off Hatchery Road adjacent to the outlet mall. The park has lake access, a stocked fishing pond, three soccer fields, sand volleyball courts, three pavilions, a playground and a Sports Complex complete with three 300' baseball/softball fields and concession facilities.

Utility service in the City is mixed between public and private companies. Water and sanitary sewerage utilities are operated by the City of Osage Beach. Water and sewerage rates are established to meet the total revenue requirements of the utilities. Natural gas is supplied by Summit Natural Gas of Missouri, electricity by Ameren Missouri. Both traditional and cellular phone service is provided by numerous companies. Commercial and residential trash service is provided by several local and non-local suppliers.

Media in Osage Beach is split between two television markets. While Camden County is part of the Springfield market, Miller County is part of the Columbia/Jefferson City market. Spectrum cable system carries stations from both markets. DirecTV and Dish carry Springfield stations.

Education in the City of Osage is provided by two public schools. Osage Beach Elementary (Camdenton R-III) and School of the Osage (Miller County R-II School District). Colleges and universities that serve the City are Columbia College, State Fair Community College and Central Methodist University.

### **Accounting System**

Although legally separate from the City, the financial statements include its component units. The component units are the Tax Increment Financing Districts responsible for encouraging development of commercial enterprises within its border. The Districts are fiscally dependent upon the City because the City must approve any debt issuances.

The diversity of governmental operations and the necessity for legal compliance preclude recording and summation of all financial transactions in a single accounting entity. The City's accounting system is therefore organized and operated on a fund basis, wherein each fund is a distinct and separate self-balancing entity.

The City's financial records utilize two bases of accounting. The modified accrual basis is followed by the governmental funds. Under this basis, revenues are recognized when measurable and available, and expenditures are recorded when the fund liability is incurred, except for interest on long-term debt. The accrual basis of accounting is utilized by proprietary funds. Consideration is given to the adequacy of internal accounting controls governing the financial transactions and records of the City. Internal controls are designed and developed to provide reasonable assurance that assets are safeguarded and that transactions are properly executed and recorded in line with management's policy and generally accepted accounting principles.

### **Budget Process and Control**

Upon the completion of the July Financial Statements in early August, Department Managers begin working on their department's budget requests for the upcoming year along with estimated expenditures for the remainder of the current year. The City Administrator's Office projects and calculates the revenue and beginning balances for the upcoming year. Meetings with Department Managers are held, and adjustments are made based on revenue projections, cash flow calculations, and priorities set by the Mayor and Board of Aldermen, to ensure a balanced budget is presented for adoption. A balanced budget is defined as projected expenditures not exceeding projected revenue sources and cash availability, as required by Missouri State Statute.

Budgetary control is maintained at the fund level.

## **Local Economy**

The City of Osage Beach is recognized as both a retail center and a tourist destination and we pride ourselves in being the heart of Lake of the Ozarks. The Lake of the Ozarks was awarded Best Recreational Lake by USA Today readers. Osage Beach is part of the ever-growing and popular lake community, supporting a vital economy along with growing diversity in its economic base. While both population and local economic activity continue to peak in the summer season, the increasing number of second homeowners, the expansion in retail goods and the promotion of non-peak activities are smoothing out the sharpness of the peaks.

## **Long-term Financial Planning and Policies**

On December 1, 2016, the Board of Aldermen approved Bill 16-85 – Ordinance of the City establishing Section 135.020.C. Reserves. This section was added to the City’s code of ordinances adopting reserve target levels for most funds. The Reserve Policy outlines fund reserve target levels for the General Fund, Transportation Fund, Water and Sewer Combined Funds, Ambulance Fund, Lee C. Fine Airport Fund, and the Grand Glaize Airport Fund.

Capital expansion projects that are not funded through debt service but are high on the priority list are in the current year’s budget. If the project lacks enough funds, the project will be carried into the next year’s budget with funds added until enough funds are available to complete the project.

## **Reporting Standards and Formats**

The standards used to formulate and present the content of this Annual Comprehensive Financial Report were set forth by the Governmental Accounting Standards Board (GASB), which incorporates the statements and interpretations of the National Council on Governmental Accounting (NCGA) until modification is deemed necessary. GASB has also promulgated acceptance of certain standards as set by the American Institute of Certified Public Accountants (AICPA) in the guide for “Audits of State and Local Governmental Units.” Guidance for illustrative interpretation was obtained by use of the 2020 “Governmental Accounting, Auditing and Financial Reporting” (GAAFR), published by the Government Finance Officers Association (GFOA).

## **Major Initiatives**

Annually, the Mayor and Board of Aldermen (the Board) meet mid-year for a strategic planning session to outline priorities and initiatives to achieve superior services to our community and City employees. The Board’s priorities include transportation; capital planning; identifying and using financial resources; identifying tools and resources to invest in services and internal development; and maintaining appropriate reserves.

The following summary is being provided so the reader can get a quick overview of some of the City’s initiatives realized from year 2017 and forward.

Economic Development – On September 19, 2019, the Board of Aldermen approved Ordinance 19.57 establishing selected fee reimbursement provisions to encourage residential development of projects or property where traditional economic development tools are insufficient or inapplicable to support or encourage the project. To be considered, the project would need a minimum of twenty new single-family or forty multi-family units with limits on the price per unit. Fees that could be considered for reimbursement are water impact, sewer development, building permit, site development and demolition permit. To date, the Preserve at Sycamore Creek housing development is expected to be the first project eligible for reimbursement in 2023.



Police - On December 19, 2019, the Board of Aldermen authorized the purchase of 911 center radio consoles, mobile radios, and portable radios in an amount not to exceed \$717,409. This cost was divided between Police, 911 Center, and Ambulance and was spread over a three-year period through a lease purchase agreement. The first of three payments were made in January 2020 and the last in January 2022.

The service agreement was included in the total cost. This purchase was high priority because existing equipment was becoming obsolete and replacement parts were difficult to locate. The technology associated with this purchase allows for better communication internally as well as with other government agencies.

Transportation – Street improvement projects, including engineering, land purchases, and streetlights, totaling \$3,298,045 are included in the 2023 budget. This includes the Reconnecting Communities Sidewalk/Trail Project (\$1,000,000). In a joint effort with the City, the Osage Beach Special Road District (the District) will reimburse the City \$551,861 for projects that benefit the District (Amy Lane, Osage Beach Parkway Sidewalk Improvements, and Executive Drive extension). The City provides the administrative and engineering services, and the District provides the construction funds for the various projects.

Transportation – January 7, 2021, the Board of Aldermen approved Ordinance 21.01 to execute the Missouri Highway and Transportation Commission Cost Share Agreement for Project Number J5S3508, the extension of Osage Beach Parkway. This project's \$286,000 estimated cost is included in the 2023 budget with funding of \$100,000 by the Special Road District, received in December 2020, and currently being held by the City. This cost share program funds 50% of eligible costs for the extension of Osage Beach Parkway from the current terminus at Lazy Days Road to Executive Drive. Total liability for the City under this agreement does not exceed \$195,395. The project design was completed in 2022 and construction is expected in 2023.

Water - Water projects, including engineering and land purchases totaling \$759,850 are included in the 2023 budget. This includes \$235,000 for connecting a water loop, \$8,000 for new water connections, \$255,750 for new wells, and \$261,100 to pay for unserved area infrastructure.

Sewer - Sewer improvement projects totaling \$2,754,492 are in the 2023 budget. The City's ARPA funds in the amount of \$941,531 will be used to fund some of these projects. This includes various lift station improvements, unserved area infrastructure and Tan Tar A Estates Rehab.

Lee C. Fine Airport – Grant funded projects (90%) include a Master Plan (\$300,000) and runway overlay (\$261,000).

Grand Glaize Airport – Grant funded projects (90%) include a Master Plan (\$300,000) and power line burial (\$626,296).

## **Single Audit**

The City of Osage Beach is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and related amendments and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, if the City spends \$750,000 or more in federal funding. In 2022, the City spent \$2,730,892 in federal funding; therefore, a single audit was performed. Information related to this audit, including a schedule of federal financial assistance, the independent auditors' reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in a separately issued single audit report.

## **Independent Audit**

The City's financial statements have been audited by the contracted licensed public accounting firm of Hood and Associates CPAs PC. The audit was conducted in such a manner as to enable the accountants to form an opinion on the combined financial statements taken as a whole. Hood and Associates CPAs PC have issued an unmodified opinion on the City's general-purpose financial statements. An unmodified opinion is the best an organization can receive on its financial statements from an independent certified public accountant. It indicates that the auditor's examination has disclosed no conditions which cause them to believe that the general-purpose financial statements are not fairly stated in all material respects.

Their audit was made in accordance with U.S. generally accepted auditing standards. The report of the accountants has been included as part of this document.

## **Awards**

The Government Finance Officers Association of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Osage Beach for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2021. This was the twenty-third year that the City of Osage Beach achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

## **Acknowledgments**

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated service of many City employees. I want to especially express my appreciation to the City Treasurer's staff for assisting and contributing with its preparation.

Finally, I would like to acknowledge the Mayor, Board of Aldermen, and the City Administrator for their support in planning and conducting the financial operations of the City in a professional and progressive manner.

Respectfully submitted,



Karri Bell  
City Treasurer



April White  
Staff Accountant



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

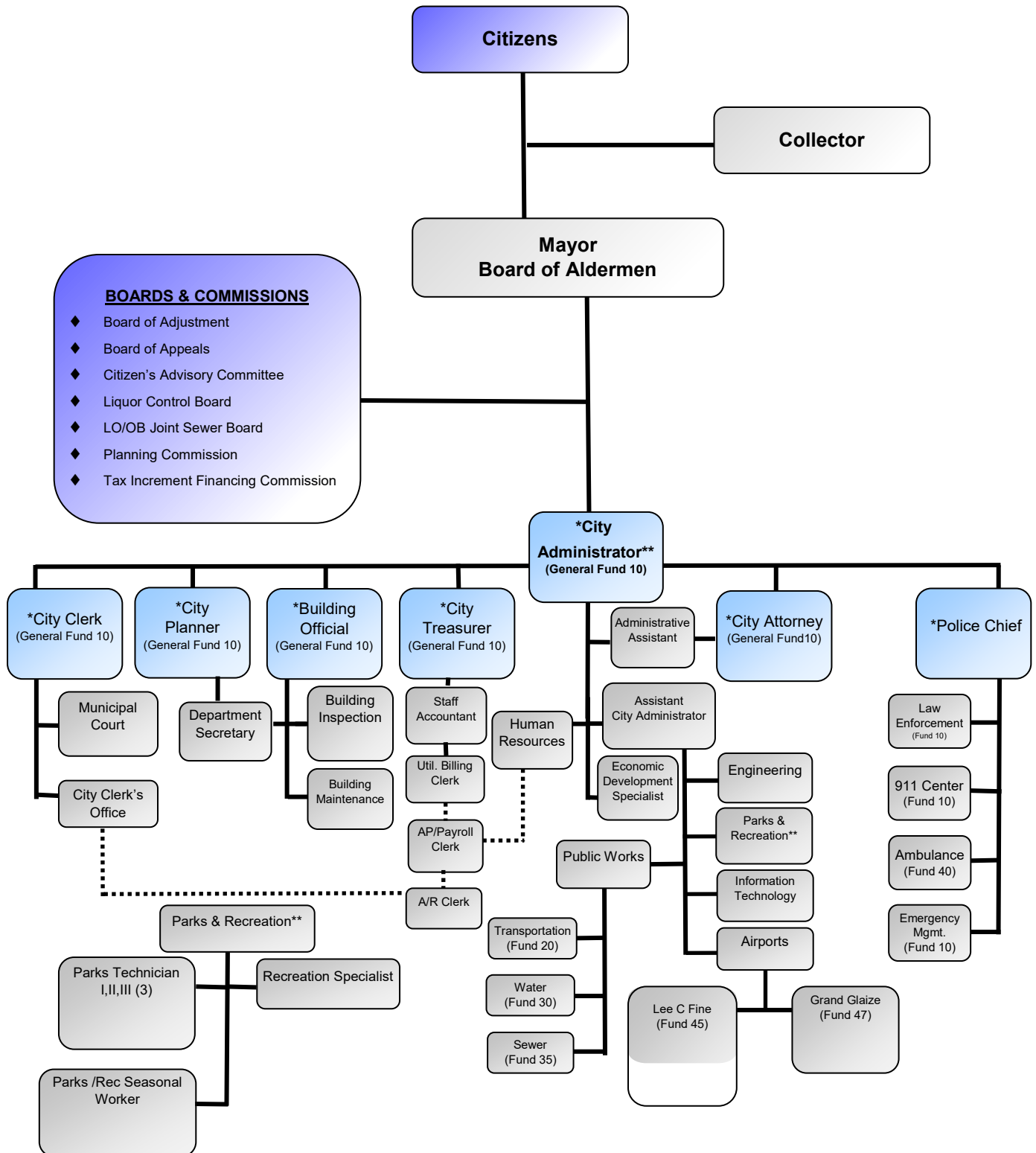
**City of Osage Beach  
Missouri**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2021

Executive Director/CEO

**City of Osage Beach  
Organizational Chart**



\*Appointed Officials of the City; per City code Chapter 115.

\*\*The City Administrator coordinates and supervises the operations of all departments; per City code 115.170  
(The specific department's fund as outlined in the annually adopted budget is indicated in parenthesis.)  
Detailed organizational charts for the Public Works and Police Departments are on the following pages.

# City of Osage Beach, Missouri

## *Elected Officials*

|                     |                  |
|---------------------|------------------|
| Mayor.....          | Michael Harmison |
| Ward One.....       | Kevin Rucker     |
| .....               | Bob O'Steen      |
| Ward Two.....       | Phyllis Marose   |
| .....               | Justin Hoffman   |
| Ward Three.....     | Richard Ross     |
| .....               | Kelly Schuman    |
| City Collector..... | Brad Smith       |

## *Management Team*

|                                         |                |
|-----------------------------------------|----------------|
| City Administrator .....                | Jeana Woods    |
| City Clerk.....                         | Tara Berreth   |
| Chief of Police .....                   | Todd Davis     |
| City Attorney .....                     | Cole Bradbury  |
| City Treasurer .....                    | Karri Bell     |
| Building Official .....                 | Ron White      |
| City Planner .....                      | Cary Patterson |
| Public Works Operations Manager.....    | Kevin Crooks   |
| Assistant City Administrator .....      | Mike Welty     |
| Human Resources Generalist.....         | Michael Raye   |
| Information Technology Specialist ..... | Mikeal Bean    |
| Airport Manager .....                   | Ty Dinsdale    |
| Park Manager.....                       | Eric Gregory   |

**INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**Hood and Associates CPA's, P.C.**

## **FINANCIAL SECTION**



## **INDEPENDENT AUDITOR'S REPORT**

To the Honorable Mayor and Members of the Board of Aldermen  
City of Osage Beach, Missouri

### **Report on the Financial Statements**

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, and each major fund of the City of Osage Beach, Missouri (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, and each major fund of the City as of December 31, 2022, 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.

#### **Basis for Opinions**

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 of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Change in Accounting Principle**

As described in Note 1 to the financial statements, in 2022, the City adopted new accounting guidance, Government Accounting Standards Board (GASB) Statement No. 87, Leases. Our opinion is not modified with respect to this matter.

#### **Responsibilities of Management 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.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the table of contents 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 Information**

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

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



## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 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 the City's internal control over financial reporting and compliance.

*Hood and Associates CPAs PC*

Kansas City, Missouri  
June 7, 2023

**City of Osage Beach, Missouri**  
**Management Discussion and Analysis**  
**December 31, 2022**

This section of the City of Osage Beach's (the City) annual financial report presents a review of the City's financial activities for the fiscal year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with the accompanying transmittal letter, the basic financial statements, and the accompanying notes to those financial statements.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of the City of Osage Beach exceeded its entity-wide liabilities and deferred inflows at the close of the fiscal year by \$101,946,711 on the government-wide statements. Of this amount, \$80,753,214 represents net investment in capital assets; \$10,377,955 is restricted; and the remaining \$10,815,542 may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$4,839,004 from 2021. This is a combined total of an increase of \$909,057 from the City's governmental activities and an increase of \$3,929,947 from the business-type activities.
- The City's gross sales tax (on cash basis) increased 3.5% from \$5,891,068 in fiscal year 2021 to \$6,095,299 (General Fund) in fiscal year 2022.
- To promote economic development, the City continued its partnership for an eighth year with the Tri-County Lodging Association to promote the City of Osage Beach through an advertising campaign. The Annual Easter Egg Hunt returned in 2022 and the Annual Fall Festival was a success with the addition of food trucks. A barbecue events is expected to be added to the Fall Festival in 2023.
- TSG Osage Beach, LLC Tax Increment Financing (TIF) – City Ordinance 17.43 adopted the Staenberg Group (TSG), TIF Plan as amended with recommendations from the Osage Beach TIF Commission on May 11, 2017. The project will redevelop the 14-acre site previously known as The Golden Door motel, Jake's Steak and Fish restaurant and two abandoned single-family homes. The financing proposed for this TIF is a "pay as you go" plan. The developer's investment is proposed to be \$30,500,000. The approved reimbursable project cost is estimated at \$4,550,000 which is 14.9% of the total project costs. This project started July 2022. Due to the COVID-19 pandemic, the deadline for substantial completion of the project was extended. In November of 2022 Hobby Lobby opened for business, adding 50,000 square feet of retail space to the City.
- American Rescue Plan Act of 2021 (ARPA) – On August 9, 2021, the City was awarded \$941,531 in total ARPA funds. In 2021, the City received half and the balance with the remaining half received in 2022. As of December 31, 2022, no eligible ARPA costs were incurred. Eligible costs must be obligated by December 31, 2024, and expensed by December 31, 2026. The City's 2023 budget includes budgeting the use of all funds to be expensed in the Sewer Fund for capital projects.
- On November 8, 2022, the voters of Missouri passed Amendment 3 – Recreational Marijuana. and it has now become part of the Missouri Constitution, Article XIV. Various changes to the City's code will be addressed in 2023.

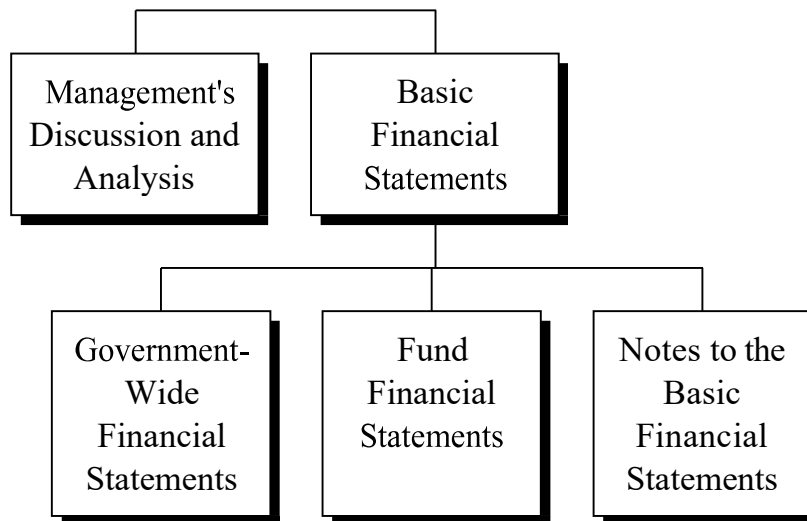
**City of Osage Beach, Missouri**  
**Management Discussion and Analysis**  
**December 31, 2022**

**OVERVIEW OF FINANCIAL STATEMENTS**

The financial reports consist of the management's discussion and analysis, the basic financial statements, required supplementary information and statistical information.

The basic financial statements include two kinds of statements that present different views of the City. The first statements are government-wide financials that provide both long-term and short-term information about the City's overall financial status. These statements are prepared on a full accrual basis of accounting to present information in a more corporate-like presentation on individual parts of the government. The remaining statements are the fund financial statements that focus on individual parts of City government and report in more detail.

**Required Components of the Annual Financial Report**



**City of Osage Beach, Missouri**  
**Management Discussion and Analysis**  
**December 31, 2022**

**Basic Financial Statements**

The first two statements in the basic financial statements are government-wide financial statements (the Statement of Net Position and the Statement of Activities). The government-wide financial statements are designed to provide the reader with a broad overview of the City's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the City's financial status.

The next statements are the fund financial statements. These statements focus on the activities of the individual parts of the City's government. These statements provide more detail than the government-wide statements. There are two parts to the fund financial statements: 1) the governmental funds statements and 2) the proprietary funds statements.

The next section of the basic financial statements is the notes to the basic financial statements. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, required supplemental information is provided to show details about the City's performance relative to the budget and schedules of other post-employment benefits.

**Government-Wide Financial Statements**

The government-wide financial statements present the financial picture of the City from the economic resources' measurement focus using the accrual basis of accounting. The statements present governmental activities and business-type activities, as well as the City's component unit separately. These statements include certain infrastructure as well as all known liabilities (including long-term debt). Additionally, certain eliminations have occurred as prescribed by the statement regarding inter fund activity, payables, and receivables.

The statement of net position and the statement of activities report the City's net position and the resulting changes. Net position is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, which is one way to measure the City's financial health or financial assets.

Over time, increases or decreases in the City's net position is a useful indicator of whether its financial position is improving or deteriorating. Other non-financial factors to consider when assessing the overall health of the City are changes in the City's sales tax base and the condition of the City's capital assets (roads, buildings, and water and sewer lines).

The statement of activities distinguishes the City's functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a portion of their costs through user fees and charges (business-type activities).

**Governmental activities** – Most of the City's basic services are reported in this category, including General Administration, Finance, Public Safety, Transportation and Parks. Sales taxes, franchise fees, user fees, interest income, and grants finance these activities.

**Business-type activities** – The City charges fees to customers to cover most of the cost of services it provides. The Combined Water and Sewer Fund, Ambulance Fund, Lee C. Fine Airport Fund and Grand Glaize Airport Fund are reported in this activity.

**Component Unit** – The City's component unit activities are reported in this category.

**City of Osage Beach, Missouri**  
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**Fund Financial Statements**

The City uses two types of funds to manage its resources: governmental funds and proprietary funds. A fund is a fiscal entity with a set of self-balancing accounts recording financial resources, together with all related current liabilities and residual equities and balances, and the changes therein. These accounting entities are separated for the purpose of carrying out specific activities or attaining certain objectives in accordance with regulations, restrictions, or limitations.

**Governmental Funds** – Most of the City’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using 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 financial statements provide a detailed short-term view of the City’s general governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent soon to finance the City’s programs. The relationships or differences of activities reported in the Governmental Fund Financial Statements versus that reported in the Government-Wide Financial Statements are explained in the reconciliation schedules following the Governmental Fund Financial Statements.

**Proprietary Funds** – When the City charges customers for the services it provides to cover the cost of operations, these activities are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the government-wide statement of net position and the statement of activities. In fact, the City’s enterprise funds are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows for proprietary funds.

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

**Other Information** – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning budgetary comparison schedules for the major governmental funds and schedule of changes in total OPEB liability.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As mentioned earlier, net position may serve as a useful indicator of the City’s financial position. At the close of December 31, 2022, the City’s assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$101,946,711. The largest portion of the City’s net position, \$80,753,214 (79%), reflects its net investment in capital assets (i.e., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding. The net investment in capital assets as a percentage of net position was the same percentage as 2021. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Osage Beach’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

**City of Osage Beach, Missouri**  
**Management Discussion and Analysis**  
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The following table reflects the condensed Statement of Net Position as of December 31, 2022 and December 31, 2021:

**CITY OF OSAGE BEACH STATEMENT OF NET POSITION**

|                                       | Governmental<br>Activities |                      | Business-type<br>Activities |                      | Total                 |                      |
|---------------------------------------|----------------------------|----------------------|-----------------------------|----------------------|-----------------------|----------------------|
|                                       | 2022                       | 2021                 | 2022                        | 2021                 | 2022                  | 2021                 |
| Current and other assets              | \$ 16,388,683              | \$ 14,092,160        | \$ 8,161,688                | \$ 8,384,816         | \$ 24,550,371         | \$ 22,476,976        |
| Capital assets                        | 30,241,450                 | 30,958,777           | 53,781,944                  | 52,149,338           | 84,023,394            | 83,108,115           |
| Total assets                          | <u>46,630,133</u>          | <u>45,050,937</u>    | <u>61,943,632</u>           | <u>60,534,154</u>    | <u>108,573,765</u>    | <u>105,585,091</u>   |
| Deferred outflow s of resources:      |                            |                      |                             |                      |                       |                      |
| Deferred charge on refunding          | -                          | -                    | -                           | 64,109               | -                     | 64,109               |
| Other post employment benefits        | 68,176                     | 79,264               | 26,250                      | 23,394               | 94,426                | 102,658              |
| Total deferred outflow s of resources | <u>68,176</u>              | <u>79,264</u>        | <u>26,250</u>               | <u>87,503</u>        | <u>94,426</u>         | <u>166,767</u>       |
| Long-term debt                        | 374,434                    | 610,203              | 3,280,461                   | 6,041,796            | 3,654,895             | 6,651,999            |
| Other liabilities                     | 1,755,375                  | 1,280,479            | 759,340                     | 599,427              | 2,514,715             | 1,879,906            |
| Total liabilities                     | <u>2,129,809</u>           | <u>1,890,682</u>     | <u>4,039,801</u>            | <u>6,641,223</u>     | <u>6,169,610</u>      | <u>8,531,905</u>     |
| Deferred inflow s of resources:       |                            |                      |                             |                      |                       |                      |
| Leases                                | 351,093                    | -                    | -                           | -                    | 351,093               | -                    |
| Other post employment benefits        | 147,565                    | 78,734               | 53,212                      | 33,512               | 200,777               | 112,246              |
| Total deferred inflow s of resources  | <u>498,658</u>             | <u>78,734</u>        | <u>53,212</u>               | <u>33,512</u>        | <u>551,870</u>        | <u>112,246</u>       |
| Net position:                         |                            |                      |                             |                      |                       |                      |
| Net investment in capital assets      | 30,211,999                 | 30,744,058           | 50,541,215                  | 46,176,263           | 80,753,214            | 76,920,321           |
| Restricted                            | 9,392,105                  | 8,511,485            | 985,850                     | 1,761,831            | 10,377,955            | 10,273,316           |
| Unrestricted                          | 4,465,738                  | 3,905,242            | 6,349,804                   | 6,008,828            | 10,815,542            | 9,914,070            |
| Total net position                    | <u>\$ 44,069,842</u>       | <u>\$ 43,160,785</u> | <u>\$ 57,876,869</u>        | <u>\$ 53,946,922</u> | <u>\$ 101,946,711</u> | <u>\$ 97,107,707</u> |

The increase in governmental activities of \$909,057 (2%) is less than the 2021 increase of \$1,606,937. Expenses remained steady for the year; sales tax increased from 2021 and final ARPA funds were received by the City. Transfers to business-type activities increased \$1,063,000 for the year. The increase in business-type activities of \$3,929,947 (7%) compared to last year's increase of \$2,817,266 reflects increases in transfers from governmental activities and increases in grant revenues.

**City of Osage Beach, Missouri**  
**Management Discussion and Analysis**

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The following table reflects the revenues and expenses from the City's activities for the years ended December 31, 2022 and 2021:

**CITY OF OSAGE BEACH**  
**CHANGE IN NET POSITION**

|                                         | Governmental<br>Activities |                      | Business-type<br>Activities |                      | Total                 |                      |
|-----------------------------------------|----------------------------|----------------------|-----------------------------|----------------------|-----------------------|----------------------|
|                                         | 2022                       | 2021                 | 2022                        | 2021                 | 2022                  | 2021                 |
| Revenues:                               |                            |                      |                             |                      |                       |                      |
| Program revenues:                       |                            |                      |                             |                      |                       |                      |
| Charges for services                    | \$ 877,608                 | \$ 1,025,612         | \$ 6,659,349                | \$ 6,371,475         | \$ 7,536,957          | \$ 7,397,087         |
| Operating grants and contributions      | 469,083                    | 141,558              | 160,083                     | 282,778              | 629,166               | 424,336              |
| Capital grants and contributions        | -                          | -                    | 2,802,171                   | 2,181,638            | 2,802,171             | 2,181,638            |
| General revenues:                       |                            |                      |                             |                      |                       |                      |
| Sales taxes                             | 12,200,262                 | 11,904,761           | -                           | -                    | 12,200,262            | 11,904,761           |
| Franchise taxes                         | 968,780                    | 908,936              | -                           | -                    | 968,780               | 908,936              |
| Other taxes                             | 276,546                    | 246,403              | -                           | -                    | 276,546               | 246,403              |
| Interest earnings                       | 190,697                    | 53,446               | 71,863                      | 26,960               | 262,560               | 80,406               |
| Other revenues                          | 157,823                    | 156,983              | 171,737                     | 90,167               | 329,560               | 247,150              |
|                                         | <u>15,140,799</u>          | <u>14,437,699</u>    | <u>9,865,203</u>            | <u>8,953,018</u>     | <u>25,006,002</u>     | <u>23,390,717</u>    |
| Expenses:                               |                            |                      |                             |                      |                       |                      |
| General government                      | 2,684,719                  | 2,840,042            | -                           | -                    | 2,684,719             | 2,840,042            |
| Public safety                           | 3,585,603                  | 3,107,327            | -                           | -                    | 3,585,603             | 3,107,327            |
| Parks and recreation                    | 796,884                    | 688,281              | -                           | -                    | 796,884               | 688,281              |
| Information technology                  | 459,953                    | 385,592              | -                           | -                    | 459,953               | 385,592              |
| Streets and highways                    | 3,344,376                  | 3,510,342            | -                           | -                    | 3,344,376             | 3,510,342            |
| Interest on long-term debt              | 207                        | 2,178                | -                           | -                    | 207                   | 2,178                |
| Water and sewer                         | -                          | -                    | 6,591,431                   | 6,120,253            | 6,591,431             | 6,120,253            |
| Ambulance                               | -                          | -                    | 743,502                     | 643,214              | 743,502               | 643,214              |
| Airports                                | -                          | -                    | 1,960,323                   | 1,669,285            | 1,960,323             | 1,669,285            |
| Total expenses                          | <u>10,871,742</u>          | <u>10,533,762</u>    | <u>9,295,256</u>            | <u>8,432,752</u>     | <u>20,166,998</u>     | <u>18,966,514</u>    |
| Change in net position before transfers | 4,269,057                  | 3,903,937            | 569,947                     | 520,266              | 4,839,004             | 4,424,203            |
| Transfers                               | (3,360,000)                | (2,297,000)          | 3,360,000                   | 2,297,000            | -                     | -                    |
| Change in net position                  | 909,057                    | 1,606,937            | 3,929,947                   | 2,817,266            | 4,839,004             | 4,424,203            |
| Net position, beginning                 | 43,160,785                 | 41,553,848           | 53,946,922                  | 51,129,656           | 97,107,707            | 92,683,504           |
| Net position, ending                    | <u>\$ 44,069,842</u>       | <u>\$ 43,160,785</u> | <u>\$ 57,876,869</u>        | <u>\$ 53,946,922</u> | <u>\$ 101,946,711</u> | <u>\$ 97,107,707</u> |

**City of Osage Beach, Missouri**  
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**Governmental Activities**

Governmental activities increased the City's net position by \$909,057.

- Sales taxes increased 2.5% compared to 2021.
- Charges for services decreased 17% primarily due to decreases in building permits and court fines.
- Investment earnings increased 257%, or \$137,251, due to improved interest rates and increases in account balances.
- Administrative reimbursement charges for services increased \$48,500.
- General government overall expenses decreased \$155,323 (5%). The completion of Prewitt's Point TIF and the reduction of TIF expense of \$389,319 offset increases in other departments.

The following table shows expenses and net cost of the governmental activities for the year ended December 31, 2022. The purpose of this table is to measure gross expenses against charges for services and grants and other funding.

**CITY OF OSAGE BEACH**  
**NET COST OF GOVERNMENTAL ACTIVITIES**

|                            | Total Cost<br>of Services | Net Cost<br>of Services |
|----------------------------|---------------------------|-------------------------|
| General government         | \$ 2,684,719              | \$ (1,977,869)          |
| Public safety              | 3,585,603                 | (3,447,510)             |
| Parks and recreation       | 796,884                   | (706,284)               |
| Information technology     | 459,953                   | (459,953)               |
| Streets and highways       | 3,344,376                 | (2,933,228)             |
| Interest on long-term debt | 207                       | (207)                   |
|                            | <u>\$ 10,871,742</u>      | <u>\$ (9,525,051)</u>   |

As previously noted, expenses from governmental activities totaled \$10,871,742. However, net costs of these services were \$9,525,051. The difference represents direct revenues received from charges for services of \$877,608 and operating grants of \$469,083. Revenue covered 12% of cost in 2022 compared to 7% in 2021. Operating grants and contributions include overtime reimbursements associated with DWI programs and contributions for the City's events.

**Business-Type Activities**

Business-type activities net position increased by \$3,929,947. Total revenues increased \$912,185 (10%) and total expenses increased \$862,504 (10%) compared to the prior year. Operating grants decreased \$122,695 while capital grants and contributions increased \$620,533 over 2021. This increase is a result of the Lee C. Fine Airport apron reconstruction project beginning in 2021. Water and Sewer revenues increased \$44,274 (1%) and expenses increased \$471,178 (8%); operating loss was \$1,621,173.



**City of Osage Beach, Missouri**  
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**FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS**

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

**Governmental Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the City of Osage Beach's financial requirements.

**General Fund** – The General Fund is the main operating fund of the City. The General Fund includes legislative expenditures, General Administration, City Attorney, Municipal Court, City Treasurer, City Clerk, Building Official, Police, Communications, Parks, Economic Development, Planning, Engineering and Information Technology activities for the City. All these activities are provided to and benefit all the citizens equally and equitably. This area tends to work on the quality of life and the protection of the citizens and assets of the citizens as a group. At the end of the current fiscal year, the total fund balance of the General Fund was \$4,890,100, an increase of \$589,914 over the beginning balance of \$4,300,196. General Fund total revenues increased 2%. Sales tax, interest, and charges for services increased in 2022 but building permits decreased 47% during the year because of reduced permitting for both residential and commercial projects. The unassigned General Fund balance at year-end was \$4,680,243.

**Transportation Fund** – This fund is established pursuant to the Missouri Constitution Article IV, Section 30(a)(2) [State Gas Tax], Revised Missouri Statutes 94.745 (City ½ cent sales tax). It is used for transportation purposes within the City. This fund provides for the maintenance and expansion of transportation needs of our citizens. Included in this fund are repair and maintenance of the existing public road system and upgrades to the local transportation system. At the end of the current fiscal year, total fund balance of the Transportation Fund was \$6,059,835, an increase of \$333,599 from the beginning balance of \$5,726,236. Transportation Fund total revenues increased 13% primarily due to an increase in intergovernmental revenue from the Special Road District. Expenditures increased 24% due to increased capital outlay for the year. The largest project was Industrial Drive with a total project cost of \$1,215,304. The Transportation Fund balance was restricted for highways and streets at year-end other than the nonspendable portion of \$10,316 which related to prepaid items and \$9,919 which is invested in inventory. The restricted fund balance of \$6,039,600 reflects the City's goal to plan, save and complete construction projects and future street/sidewalk projects.

**Capital Improvement Sales Tax Fund** – This fund is established as required under the Revised Missouri Statutes 94.577. The monies collected here are from a ½ cent general sales tax. The Mayor and Board of Aldermen, by ordinance, have committed these funds to help offset the debt service cost of the water and sewer system. As of the close of the current fiscal year, the City's Capital Improvement Sales Tax Fund reported an ending fund balance of \$3,332,270, an increase of \$544,843 from the beginning balance of \$2,787,427. The Capital Improvement Sales Tax Fund balance was restricted for capital improvements/debt service at year-end. The fund balance increase was primarily due to increases in sales tax (2%); expenses/transfers to other funds were less than total revenue for the year.

**City of Osage Beach, Missouri**  
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**General Fund Budget Highlights** – Each fiscal year, the City formally adopts its budget prior to the beginning of the fiscal year. If necessary, the original budget is amended to appropriate unspent funds before the current fiscal year ends. The total original expenditure budget of \$8,390,686 was amended to \$8,428,878 during the fiscal year. On a budgetary basis, which can be found in the Required Supplementary Information, the revenues and other sources compared to expenditures and other uses, resulted in an increase of \$516,599 in fund balance. Actual revenues were greater than budgeted revenue by \$24,603. Actual expenditures were under the budgeted amount of \$1,355,572. The decline in spending was spread throughout most of the departments.

**Proprietary Funds**

**Combined Water and Sewer Fund** – The Sewer Fund was created in 1985 to account for revenues and expenses associated with the operation of the sewer system. A City water system was started in 1998 and changed the Sewer Fund into a combined fund. This fund was established under the bond ordinances to segment the operations of the combined Water and Sewer Fund from other activities of the City. The combined Water and Sewer Fund is based on a user fee system where the individuals and businesses utilizing the services pay a fee based upon a portion of the estimated cost of operation of the water and sewer utilities. This fee is subsidized by transfers in from the Capital Improvement Sales Tax Fund to offset debt service costs. At the end of the current fiscal year, total net position of the Water and Sewer Fund was \$44,662,242, an increase of \$882,683 over the beginning balance of \$43,779,559. The increase in net position is primarily due to Capital Improvement Sales Tax Fund transfers. Transfers of \$2,415,000 were \$490,000 greater than 2021. The unrestricted net position in the Water and Sewer Fund at year-end was \$5,424,559. No rate increases were approved during the year.

**Ambulance Fund** – This fund was established by a Board directive in order to track the costs of ambulance service to the citizens of Osage Beach. The City began operating an ambulance service in 1984. The fund receives its revenues from user fees. Fees are not enough to cover the cash flow of operation, nor do they cover the non-cash cost (depreciation). The differences in cash payouts are made up by transfers from the General Fund. At the end of the current fiscal year, the total net position of the Ambulance Fund was \$448,987. The unrestricted Ambulance Fund net position at year-end was \$409,578, an increase of \$189,186. Operating expenses increased 16% mainly due to personnel services (pay increases). Transfers from the General Fund of \$555,000 were necessary to maintain net position of \$197,637. No rate increases were approved during the year.

**Lee C. Fine Airport Fund** – This fund was established in 1999 by Board directive in order to track the costs of airport service to the public. The fund receives its revenues from user fees. The differences in cash payouts are made up by transfers from the General Fund or the Transportation Sales Tax Fund. At the end of the current fiscal year, the total net position balance of the Lee C. Fine Airport Fund was \$11,655,238, an increase of \$2,780,789 from the beginning balance of \$8,874,449. The net position increase is a result of the apron reconstruction project starting in 2021 and capital grants received (\$2,802,171). The unrestricted net position of the Lee C. Fine Airport Fund at year-end was \$321,246.

**Grand Glaize Airport Fund** – This fund was established in 1999 by Board directive in order to track the costs of airport services to the public. The fund receives its revenues from user fees. The differences in cash payouts are made up by transfers from the General Fund or the Transportation Fund. At the end of the current fiscal year, total net position of the Grand Glaize Airport Fund was \$1,110,402, an increase of \$68,838 from the beginning balance of \$1,041,564. The unrestricted net position of Grand Glaize Fund at year-end was \$194,421. The Transportation Sales Tax Fund transferred \$190,000 to offset the operating loss of \$121,162.

**City of Osage Beach, Missouri**  
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**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The amount invested in capital assets for the City as of December 31, 2022, was \$84,023,394, net of accumulated depreciation. This amount includes all infrastructure assets acquired during 2022 and prior years (construction in progress) street infrastructure. Capital assets increased \$915,279 during the year. This change reflects that investment in capital assets, with the assistance of grants, offset the depreciation expense in both governmental activities and business-type activities. The following chart breaks down the City's capital asset balance into various categories of assets. Additional information regarding the City's capital assets can be found in Note 5.

**CITY OF OSAGE BEACH CAPITAL ASSETS**

Capital assets, net of accumulated depreciation

|                               | Governmental<br>Activities |               | Business-type<br>Activities |               | Total         |               |
|-------------------------------|----------------------------|---------------|-----------------------------|---------------|---------------|---------------|
|                               | 2022                       | 2021          | 2022                        | 2021          | 2022          | 2021          |
| Land                          | \$ 1,854,267               | \$ 1,854,267  | \$ 897,793                  | \$ 897,793    | \$ 2,752,060  | \$ 2,752,060  |
| Construction in progress      | 1,748,949                  | 893,250       | 5,506,429                   | 2,550,741     | 7,255,378     | 3,443,991     |
| Buildings and improvements    | 8,031,812                  | 8,025,370     | 4,765,389                   | 4,765,389     | 12,797,201    | 12,790,759    |
| Machinery and equipment       | 4,752,479                  | 4,583,658     | 2,440,326                   | 2,193,811     | 7,192,805     | 6,777,469     |
| Lease assets - equipment      | 31,911                     | -             | -                           | -             | 31,911        | -             |
| Infrastructure                | 61,602,991                 | 60,512,326    | 5,426,769                   | 5,426,769     | 67,029,760    | 65,939,095    |
| Water system                  | -                          | -             | 36,603,468                  | 36,469,147    | 36,603,468    | 36,469,147    |
| Sewer system                  | -                          | -             | 62,716,188                  | 61,415,308    | 62,716,188    | 61,415,308    |
| Less accumulated depreciation | (47,780,959)               | (44,910,094)  | (64,574,418)                | (61,569,620)  | (112,355,377) | (106,479,714) |
| Total                         | \$ 30,241,450              | \$ 30,958,777 | \$ 53,781,944               | \$ 52,149,338 | \$ 84,023,394 | \$ 83,108,115 |

Major capital asset transactions during the year included the following:

- The Park Department purchased two zero-turn mowers for \$13,168 each and two metal sheds for \$3,220 each.
- The Building Department purchased a 2022 Ford F150 extended cab 4WD for \$27,707.
- Information Technology purchased two servers for \$22,027 each.

**City of Osage Beach, Missouri**  
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- The Police, 911 Communications and Ambulance Departments purchased new 911 Center radio consoles, mobile radios, and portable radios under a three-year lease to purchase at a principal cost of \$709,909. The final payment was made in 2022.
- Police Department purchased 13 Toughbook computers at a total cost of \$38,192, and two 2022 Ford Interceptors at a total cost of \$75,684.
- For Transportation projects, the City completed construction of Mace Road Phase IIB and Greenwood Circle drainage improvements. Autumn Lane, in partnership with the Special Road District, was rebuilt to city code and brought into city inventory. Total infrastructure projects totaled \$1,746,395 for the year.
- Water projects included exterior maintenance of the Swiss Village tower for \$26,350. Water meters (358) were purchased and installed. The cost of the meters was \$134,321.
- Sewer projects included multiple lift station and odor control improvements totaling \$415,911. Sewer pumps (240) and control panels, totaled \$949,747.
- Water and Sewer combined funds for SCADA improvements of \$141,860 for the year, with additional improvements to follow in 2023.
- Lee C. Fine Airport - Engineering for Apron reconstruction was completed during the year and construction is underway. Total expensed in 2022 for this project was \$3,005,425; 95% of this was reimbursed through grant funding.
- Lee C. Fine Airport purchased a 2008 Fuel Truck for \$103,550 and a zero-turn mower for \$11,400.
- Grand Glaize Airport purchased a 2000-gallon fuel tank for \$40,272. \$20,000 was paid in 2022 with the balance to be paid in 2023.

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**Debt Administration**

The gross debt on December 31, 2022, was \$3,240,451, a decrease of \$2,906,487 compared to 2022. The debt consists of Sewerage and Waterworks Revenue Bonds and a lease obligation. The final payoff year for the bonds is 2026.

**CITY OF OSAGE BEACH OUTSTANDING DEBT**

|                   |    | Outstanding Obligations    |            |                             |              |              |              |
|-------------------|----|----------------------------|------------|-----------------------------|--------------|--------------|--------------|
|                   |    | Governmental<br>Activities |            | Business-type<br>Activities |              | Total        |              |
|                   |    | 2022                       | 2021       | 2022                        | 2021         | 2022         | 2021         |
| Revenue bonds     | \$ | -                          | \$ -       | \$ 3,175,000                | \$ 5,870,000 | \$ 3,175,000 | \$ 5,870,000 |
| Lease obligations |    | 29,451                     | 218,922    | -                           | 22,016       | 29,451       | 240,938      |
| Total             | \$ | 29,451                     | \$ 218,922 | \$ 3,175,000                | \$ 5,892,016 | \$ 3,204,451 | \$ 6,110,938 |

Missouri statutes limit the amount of general obligation debt that a unit of government can issue to twenty percent of the total assessed value of taxable property located within the City's boundaries. The legal debt limit for the City of Osage Beach was \$62,103,794. Additional information regarding the City's long-term debt can be found in Note 6 of this report.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The City of Osage Beach's permit activity decreased 30% compared to 2021. The decrease was due to a large condominium project in 2021 (TopSider Condominium Complex). The 2022 activity was slightly more than the 5-year average of \$23,442,519. The Building Inspection Department issued 78 commercial permits and 88 residential permits, representing investment in our community of \$23,850,163. At the end of 2022, the City issued 1361 business and occupational licenses (up 2% from 2021).

Despite interest rates and inflation rising, the City expects continued investment into the community by new and existing businesses through various expansions as seen during 2022.

The unemployment rate for the City was 2.9% (Camden and Miller County average) on December 31, 2022, which is lower compared to last year's rate of 4.3%. This rate is slightly higher than the State of Missouri (2.7%) and lower than the national average of 3.5%.

The above factors were considered in preparing the City's budget for the 2023 fiscal year.

The City appropriated \$11,623,794 for spending in the General Fund 2023 budget. Compared to the 2022 actual of \$7,960,586, budgeted expenditures and transfers will increase 46%. Of the total appropriated in the General Fund, \$2,460,765 is budgeted for capital expenditures. The budget includes a 5% increase in sales tax revenue during the 2023 fiscal year compared to estimated revenue in 2022. Merit increases will be granted to employees in 2023 based on the Matrix Plan and employee job performance, plus a 3.75% up to 5.25% premium. The General Fund's capital expenditures include parking lot additions to both city parks, three new police vehicles with equipment, parking lot rehab, emergency exit, sidewalk repairs and six new heat pumps for City Hall, and two computer servers.

**City of Osage Beach, Missouri**  
**Management Discussion and Analysis**  
**December 31, 2022**

There are proposed utility rate increases for the Water and Sewer Fund, to take effect in May of 2023. Water rates are proposed to increase 11% and Sewer to increase 13% and are included in the 2023 Operating Budget.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide the reader with a general overview of the City's finances. Questions or requests for more information concerning any of the information provided in this report should be directed to Karri Bell, City Treasurer (kbell@osagebeach.org), City of Osage Beach, 1000 City Parkway, Osage Beach, Missouri 65065, or call (573) 302-2000, extension 1030.

## CITY OF OSAGE BEACH, MISSOURI

## Statement of Net Position

December 31, 2022

|                                        | Primary Government      |                          |                |                |
|----------------------------------------|-------------------------|--------------------------|----------------|----------------|
|                                        | Governmental Activities | Business-type Activities | Total          | Component Unit |
| <b>Assets</b>                          |                         |                          |                |                |
| Cash and investments                   | \$ 13,673,052           | \$ 6,038,256             | \$ 19,711,308  | \$ 88,400      |
| Receivables:                           |                         |                          |                |                |
| Taxes                                  | 1,818,199               | -                        | 1,818,199      | 176,940        |
| Accounts and other                     | 3,911                   | 545,636                  | 549,547        | -              |
| Leases                                 | 355,425                 | -                        | 355,425        | -              |
| Due from other governments             | 48,447                  | 229,324                  | 277,771        | -              |
| Inventories                            | 9,919                   | 290,464                  | 300,383        | -              |
| Prepays, deposits, and other assets    | 220,183                 | 72,158                   | 292,341        | -              |
| Restricted assets:                     |                         |                          |                |                |
| Cash and investments                   | 259,547                 | 985,850                  | 1,245,397      | -              |
| Capital assets:                        |                         |                          |                |                |
| Not being depreciated                  | 3,603,216               | 6,404,222                | 10,007,438     | -              |
| Being depreciated, net of depreciation | 26,638,234              | 47,377,722               | 74,015,956     | -              |
| Total assets                           | 46,630,133              | 61,943,632               | 108,573,765    | 265,340        |
| <b>Deferred Outflows of Resources</b>  |                         |                          |                |                |
| Deferred outflows - OPEB               | 68,176                  | 26,250                   | 94,426         | -              |
| Total deferred outflows of resources   | 68,176                  | 26,250                   | 94,426         | -              |
| <b>Liabilities</b>                     |                         |                          |                |                |
| Accounts payable                       | 295,257                 | 615,054                  | 910,311        | 265,340        |
| Accrued liabilities                    | 137,063                 | 69,920                   | 206,983        | -              |
| Unearned revenue                       | 1,299,662               | -                        | 1,299,662      | -              |
| Accrued interest                       | -                       | 74,366                   | 74,366         | -              |
| Payable from restricted assets:        |                         |                          |                |                |
| Customer deposits                      | 19,645                  | -                        | 19,645         | -              |
| Due to others                          | 3,748                   | -                        | 3,748          | -              |
| Long term debt:                        |                         |                          |                |                |
| Due within one year                    | 121,528                 | 1,139,077                | 1,260,605      | -              |
| Due in more than one year              | 131,607                 | 2,117,606                | 2,249,213      | -              |
| OPEB liability                         | 121,299                 | 23,778                   | 145,077        | -              |
| Total liabilities                      | 2,129,809               | 4,039,801                | 6,169,610      | 265,340        |
| <b>Deferred Inflows of Resources</b>   |                         |                          |                |                |
| Deferred inflow - leases               | 351,093                 | -                        | 351,093        | -              |
| Deferred inflows - OPEB                | 147,565                 | 53,212                   | 200,777        | -              |
| Total deferred inflows of resources    | 498,658                 | 53,212                   | 551,870        | -              |
| <b>Net Position</b>                    |                         |                          |                |                |
| Net investment in capital assets       | 30,211,999              | 50,541,215               | 80,753,214     | -              |
| Restricted :                           |                         |                          |                | -              |
| Streets and highways                   | 6,059,835               | -                        | 6,059,835      | -              |
| Debt service                           | 227,924                 | 985,850                  | 1,213,774      | -              |
| Capital improvements                   | 3,104,346               | -                        | 3,104,346      | -              |
| Unrestricted                           | 4,465,738               | 6,349,804                | 10,815,542     | -              |
| Total net position                     | \$ 44,069,842           | \$ 57,876,869            | \$ 101,946,711 | \$ -           |

See accompanying notes to the basic financial statements

**CITY OF OSAGE BEACH, MISSOURI**  
**Statement of Activities**  
**For the Year Ended December 31, 2022**

| <b>Functions/Programs</b>        | <b>Program Revenues</b> |                             |                                           |                                         | <b>Net (Expense) Revenue and Changes in Net Position</b> |                                 |                | <b>Component Unit</b> |
|----------------------------------|-------------------------|-----------------------------|-------------------------------------------|-----------------------------------------|----------------------------------------------------------|---------------------------------|----------------|-----------------------|
|                                  | <b>Expenses</b>         | <b>Charges for Services</b> | <b>Operating Grants and Contributions</b> | <b>Capital Grants and Contributions</b> | <b>Governmental Activities</b>                           | <b>Business-Type Activities</b> | <b>Total</b>   |                       |
| <b>Primary government:</b>       |                         |                             |                                           |                                         |                                                          |                                 |                |                       |
| <b>Governmental activities</b>   |                         |                             |                                           |                                         |                                                          |                                 |                |                       |
| General government               | \$ 2,684,719            | \$ 668,658                  | \$ 38,192                                 | \$ -                                    | \$ (1,977,869)                                           | \$ -                            | \$ (1,977,869) | \$ -                  |
| Public safety                    | 3,585,603               | 121,920                     | 16,173                                    | -                                       | (3,447,510)                                              | -                               | (3,447,510)    | -                     |
| Parks and recreation             | 796,884                 | 87,030                      | 3,570                                     | -                                       | (706,284)                                                | -                               | (706,284)      | -                     |
| Information and technology       | 459,953                 | -                           | -                                         | -                                       | (459,953)                                                | -                               | (459,953)      | -                     |
| Streets and highways             | 3,344,376               | -                           | 411,148                                   | -                                       | (2,933,228)                                              | -                               | (2,933,228)    | -                     |
| Interest on long-term debt       | 207                     | -                           | -                                         | -                                       | (207)                                                    | -                               | (207)          | -                     |
| Total governmental activities    | 10,871,742              | 877,608                     | 469,083                                   | -                                       | (9,525,051)                                              | -                               | (9,525,051)    | -                     |
| <b>Business-type activities</b>  |                         |                             |                                           |                                         |                                                          |                                 |                |                       |
| Water/Sewer                      | 6,591,431               | 4,728,857                   | 160,083                                   | -                                       | -                                                        | (1,702,491)                     | (1,702,491)    | -                     |
| Ambulance                        | 743,502                 | 362,817                     | -                                         | -                                       | -                                                        | (380,685)                       | (380,685)      | -                     |
| Airports                         | 1,960,323               | 1,567,675                   | -                                         | 2,802,171                               | -                                                        | 2,409,523                       | 2,409,523      | -                     |
| Total business-type activities   | 9,295,256               | 6,659,349                   | 160,083                                   | 2,802,171                               | -                                                        | 326,347                         | 326,347        | -                     |
| Total primary government         | \$ 20,166,998           | \$ 7,536,957                | \$ 629,166                                | \$ 2,802,171                            | (9,525,051)                                              | 326,347                         | (9,198,704)    | -                     |
| <b>Component Unit</b>            |                         |                             |                                           |                                         |                                                          |                                 |                |                       |
| Tax Increment Financing District | \$ 1,134,081            | \$ -                        | \$ -                                      | \$ -                                    |                                                          |                                 |                | (1,134,081)           |

## General revenues:

## Taxes:

|                                  |               |               |                |           |
|----------------------------------|---------------|---------------|----------------|-----------|
| County road taxes                | 70,898        | -             | 70,898         | -         |
| Sales taxes                      | 12,200,262    | -             | 12,200,262     | -         |
| Franchise taxes                  | 968,780       | -             | 968,780        | -         |
| Motor vehicle and gas taxes      | 205,648       | -             | 205,648        | -         |
| Intergovernmental activity taxes | -             | -             | -              | 1,134,081 |
| Unrestricted investment earnings | 190,697       | 71,863        | 262,560        | -         |
| Other                            | 157,823       | 171,737       | 329,560        | -         |
| Transfers                        | (3,360,000)   | 3,360,000     | -              | -         |
| Total general revenues           | 10,434,108    | 3,603,600     | 14,037,708     | 1,134,081 |
| Change in net position           | 909,057       | 3,929,947     | 4,839,004      | -         |
| Net position, beginning of year  | 43,160,785    | 53,946,922    | 97,107,707     | -         |
| Net position, end of year        | \$ 44,069,842 | \$ 57,876,869 | \$ 101,946,711 | \$ -      |

See accompanying notes to the basic financial statements



**CITY OF OSAGE BEACH, MISSOURI**  
**Balance Sheet - Governmental Funds**  
**December 31, 2022**

|                                      | General             | Transportation<br>Sales Tax | Capital<br>Improvement<br>Sales Tax | Total<br>Governmental<br>Funds |
|--------------------------------------|---------------------|-----------------------------|-------------------------------------|--------------------------------|
| <b>Assets</b>                        |                     |                             |                                     |                                |
| Cash and investments                 | \$ 5,076,240        | \$ 5,910,101                | \$ 2,686,711                        | \$ 13,673,052                  |
| Receivables:                         |                     |                             |                                     |                                |
| Taxes                                | 947,707             | 435,280                     | 435,212                             | 1,818,199                      |
| Intergovernmental                    | -                   | 48,447                      | -                                   | 48,447                         |
| Accounts and other                   | 3,911               | -                           | -                                   | 3,911                          |
| Leases                               | 355,425             | -                           | -                                   | 355,425                        |
| Inventories                          | -                   | 9,919                       | -                                   | 9,919                          |
| Prepaid items                        | 209,867             | 10,316                      | -                                   | 220,183                        |
| Restricted cash and investments      | 31,623              | -                           | 227,924                             | 259,547                        |
| Total assets                         | <u>\$ 6,624,773</u> | <u>\$ 6,414,063</u>         | <u>\$ 3,349,847</u>                 | <u>\$ 16,388,683</u>           |
| <b>Liabilities</b>                   |                     |                             |                                     |                                |
| Accounts payable                     | \$ 137,208          | \$ 140,472                  | \$ 17,577                           | \$ 295,257                     |
| Accrued liabilities                  | 123,977             | 13,086                      | -                                   | 137,063                        |
| Unearned revenue                     | 1,098,992           | 200,670                     | -                                   | 1,299,662                      |
| Payable from restricted assets:      |                     |                             |                                     |                                |
| Due to others                        | 3,748               | -                           | -                                   | 3,748                          |
| Bail bond deposits                   | 3,645               | -                           | -                                   | 3,645                          |
| Building deposits                    | 16,000              | -                           | -                                   | 16,000                         |
| Total liabilities                    | <u>1,383,570</u>    | <u>354,228</u>              | <u>17,577</u>                       | <u>1,755,375</u>               |
| <b>Deferred inflows of resources</b> |                     |                             |                                     |                                |
| Unavailable revenues - leases        | <u>351,093</u>      | <u>-</u>                    | <u>-</u>                            | <u>351,093</u>                 |
| <b>Fund balances:</b>                |                     |                             |                                     |                                |
| Nonspendable:                        |                     |                             |                                     |                                |
| Inventories                          | -                   | 9,919                       | -                                   | 9,919                          |
| Prepaid items                        | 209,867             | 10,316                      | -                                   | 220,183                        |
| Restricted:                          |                     |                             |                                     |                                |
| Debt service                         | -                   | -                           | 227,924                             | 227,924                        |
| Streets and highways                 | -                   | 6,039,600                   | -                                   | 6,039,600                      |
| Capital improvements                 | -                   | -                           | 3,104,346                           | 3,104,346                      |
| Unassigned                           | 4,680,243           | -                           | -                                   | 4,680,243                      |
| Total fund balance                   | <u>4,890,110</u>    | <u>6,059,835</u>            | <u>3,332,270</u>                    | <u>14,282,215</u>              |
| Total liabilities and fund balances  | <u>\$ 6,624,773</u> | <u>\$ 6,414,063</u>         | <u>\$ 3,349,847</u>                 | <u>\$ 16,388,683</u>           |

**CITY OF OSAGE BEACH, MISSOURI**  
**Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position**  
**December 31, 2022**

|                                     |    |            |
|-------------------------------------|----|------------|
| Fund balances of governmental funds | \$ | 14,282,215 |
|-------------------------------------|----|------------|

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

|                                                                                                                                                |  |            |
|------------------------------------------------------------------------------------------------------------------------------------------------|--|------------|
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental fund statements. |  | 30,241,450 |
|------------------------------------------------------------------------------------------------------------------------------------------------|--|------------|

|                                                                                                                                                                                   |  |          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------|
| Deferred outflows and inflows related to OPEB activity are not required to be reported in the governmental funds but are required to be reported in the statement of net position |  | (79,389) |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------|

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:

|                                           |    |                          |
|-------------------------------------------|----|--------------------------|
| Accrued compensated absences              |    | (223,684)                |
| Other post employment benefit obligations |    | (121,299)                |
| Lease liability                           |    | (29,451)                 |
| Net position of governmental activities   | \$ | <u><u>44,069,842</u></u> |

**CITY OF OSAGE BEACH, MISSOURI**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balances - Governmental Funds**  
**For the Year Ended December 31, 2022**

|                                                 | General             | Transportation<br>Sales Tax | Capital<br>Improvement<br>Sales Tax | Total<br>Governmental<br>Funds |
|-------------------------------------------------|---------------------|-----------------------------|-------------------------------------|--------------------------------|
| <b>Revenues:</b>                                |                     |                             |                                     |                                |
| Taxes                                           |                     |                             |                                     |                                |
| Sales                                           | \$ 6,143,133        | \$ 3,028,697                | \$ 3,028,432                        | \$ 12,200,262                  |
| Franchise                                       | 968,780             | -                           | -                                   | 968,780                        |
| Motor vehicle fuel and license                  | -                   | 205,648                     | -                                   | 205,648                        |
| County road taxes                               | -                   | 70,898                      | -                                   | 70,898                         |
| Charges for services                            | 720,500             | -                           | -                                   | 720,500                        |
| Licenses, fines, permits and fees               | 424,257             | 2,850                       | -                                   | 427,107                        |
| Intergovernmental                               | 48,865              | 411,148                     | -                                   | 460,013                        |
| Interest                                        | 75,409              | 91,519                      | 23,769                              | 190,697                        |
| Rental income                                   | 73,315              | -                           | -                                   | 73,315                         |
| Contributions                                   | 3,570               | -                           | -                                   | 3,570                          |
| Miscellaneous                                   | 68,427              | 21,582                      | -                                   | 90,009                         |
| Total Revenues                                  | <u>8,526,256</u>    | <u>3,832,342</u>            | <u>3,052,201</u>                    | <u>15,410,799</u>              |
| <b>Expenditures:</b>                            |                     |                             |                                     |                                |
| Current:                                        |                     |                             |                                     |                                |
| General government                              | 2,440,995           | -                           | -                                   | 2,440,995                      |
| Public safety                                   | 3,395,415           | -                           | -                                   | 3,395,415                      |
| Parks and recreation                            | 504,921             | -                           | -                                   | 504,921                        |
| Information and technology                      | 459,719             | -                           | -                                   | 459,719                        |
| Streets and highways                            | -                   | 1,186,666                   | -                                   | 1,186,666                      |
| Capital improvements                            | -                   | -                           | 92,358                              | 92,358                         |
| Capital outlay:                                 |                     |                             |                                     |                                |
| Projects and equipment                          | 385,096             | -                           | -                                   | 385,096                        |
| Streets and highways                            | -                   | 1,925,417                   | -                                   | 1,925,417                      |
| Debt service:                                   |                     |                             |                                     |                                |
| Principal                                       | 217,072             | 107                         | -                                   | 217,179                        |
| Interest and fiscal charges                     | 2,368               | 17                          | -                                   | 2,385                          |
| Total Expenditures                              | <u>7,405,586</u>    | <u>3,112,207</u>            | <u>92,358</u>                       | <u>10,610,151</u>              |
| Excess of Revenues Over<br>(Under) Expenditures | 1,120,670           | 720,135                     | 2,959,843                           | 4,800,648                      |
| <b>Other financing sources (uses):</b>          |                     |                             |                                     |                                |
| Transfers out                                   | (555,000)           | (390,000)                   | (2,415,000)                         | (3,360,000)                    |
| Lease proceeds                                  | 24,244              | 3,464                       | -                                   | 27,708                         |
| Total Other Financing Sources (Uses)            | <u>(530,756)</u>    | <u>(386,536)</u>            | <u>(2,415,000)</u>                  | <u>(3,332,292)</u>             |
| Net change in fund balances                     | 589,914             | 333,599                     | 544,843                             | 1,468,356                      |
| Fund balances, beginning of year                | <u>4,300,196</u>    | <u>5,726,236</u>            | <u>2,787,427</u>                    | <u>12,813,859</u>              |
| Fund balances, end of year                      | <u>\$ 4,890,110</u> | <u>\$ 6,059,835</u>         | <u>\$ 3,332,270</u>                 | <u>\$ 14,282,215</u>           |

See accompanying notes to the basic financial statements

**CITY OF OSAGE BEACH, MISSOURI**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances -**  
**Governmental Funds to the Statement of Activities**  
**For the Year Ended December 31, 2022**

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

|                                                                                                                                                                                                                                                                       |                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Net change in fund balances - total governmental funds                                                                                                                                                                                                                | \$ 1,468,356             |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.                                                      |                          |
| Capital outlay costs in excess of capitalization threshold                                                                                                                                                                                                            | 2,229,715                |
| Depreciation                                                                                                                                                                                                                                                          | (2,950,686)              |
| Disposal of capital assets                                                                                                                                                                                                                                            | (559)                    |
| The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. |                          |
| Principal payments and adjustments on long-term debt                                                                                                                                                                                                                  | 217,179                  |
| Changes in accrued interest expense                                                                                                                                                                                                                                   | 2,178                    |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.                                                                                   |                          |
| Change in compensated absences and net OPEB liability                                                                                                                                                                                                                 | <u>(29,418)</u>          |
| Change in net position of governmental activities                                                                                                                                                                                                                     | <u><u>\$ 909,057</u></u> |

**CITY OF OSAGE BEACH, MISSOURI**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2022**

|                                                                | Water and Sewer<br>Fund | Ambulance<br>Fund | Lee C. Fine<br>Fund  | Grand Glaize<br>Fund | Total                |
|----------------------------------------------------------------|-------------------------|-------------------|----------------------|----------------------|----------------------|
| <b>Assets</b>                                                  |                         |                   |                      |                      |                      |
| Current assets:                                                |                         |                   |                      |                      |                      |
| Cash and investments                                           | \$ 5,290,044            | \$ 352,598        | \$ 218,720           | \$ 176,894           | \$ 6,038,256         |
| Accounts receivables (net of allowances<br>for uncollectibles) | 406,720                 | 80,247            | 58,644               | 25                   | 545,636              |
| Intergovernmental                                              | -                       | -                 | 229,324              | -                    | 229,324              |
| Inventories                                                    | 198,453                 | -                 | 69,983               | 22,028               | 290,464              |
| Prepaid items                                                  | 45,861                  | 7,518             | 10,734               | 8,045                | 72,158               |
| Total current assets                                           | <u>5,941,078</u>        | <u>440,363</u>    | <u>587,405</u>       | <u>206,992</u>       | <u>7,175,838</u>     |
| Noncurrent assets:                                             |                         |                   |                      |                      |                      |
| Restricted cash and investments                                | 985,850                 | -                 | -                    | -                    | 985,850              |
| Capital assets                                                 |                         |                   |                      |                      |                      |
| Non-depreciable                                                | 552,250                 | -                 | 5,486,429            | 365,543              | 6,404,222            |
| Depreciable, net                                               | <u>40,940,312</u>       | <u>39,409</u>     | <u>5,847,563</u>     | <u>550,438</u>       | <u>47,377,722</u>    |
| Total noncurrent assets                                        | <u>42,478,412</u>       | <u>39,409</u>     | <u>11,333,992</u>    | <u>915,981</u>       | <u>54,767,794</u>    |
| Total assets                                                   | <u>48,419,490</u>       | <u>479,772</u>    | <u>11,921,397</u>    | <u>1,122,973</u>     | <u>61,943,632</u>    |
| <b>Deferred Outflow of Resources</b>                           |                         |                   |                      |                      |                      |
| Deferred outflows - OPEB                                       | <u>12,166</u>           | <u>2,352</u>      | <u>9,448</u>         | <u>2,284</u>         | <u>26,250</u>        |
| <b>Liabilities</b>                                             |                         |                   |                      |                      |                      |
| Current liabilities:                                           |                         |                   |                      |                      |                      |
| Accounts payable                                               | 369,408                 | 4,876             | 239,793              | 977                  | 615,054              |
| Accrued liabilities                                            | 39,293                  | 14,024            | 10,579               | 6,024                | 69,920               |
| Accrued interest payable                                       | 74,366                  | -                 | -                    | -                    | 74,366               |
| Compensated absences                                           | 35,797                  | 7,445             | 3,381                | 2,454                | 49,077               |
| Bonds payable                                                  | <u>1,090,000</u>        | <u>-</u>          | <u>-</u>             | <u>-</u>             | <u>1,090,000</u>     |
| Total current liabilities:                                     | <u>1,608,864</u>        | <u>26,345</u>     | <u>253,753</u>       | <u>9,455</u>         | <u>1,898,417</u>     |
| Non-current liabilities:                                       |                         |                   |                      |                      |                      |
| Bonds payable                                                  | 2,117,606               | -                 | -                    | -                    | 2,117,606            |
| OPEB liability                                                 | <u>5,444</u>            | <u>2,845</u>      | <u>13,774</u>        | <u>1,715</u>         | <u>23,778</u>        |
| Total non-current liabilities                                  | <u>2,123,050</u>        | <u>2,845</u>      | <u>13,774</u>        | <u>1,715</u>         | <u>2,141,384</u>     |
| Total liabilities                                              | <u>3,731,914</u>        | <u>29,190</u>     | <u>267,527</u>       | <u>11,170</u>        | <u>4,039,801</u>     |
| <b>Deferred Inflows of Resources</b>                           |                         |                   |                      |                      |                      |
| Deferred inflows - OPEB                                        | <u>37,500</u>           | <u>3,947</u>      | <u>8,080</u>         | <u>3,685</u>         | <u>53,212</u>        |
| <b>Net position</b>                                            |                         |                   |                      |                      |                      |
| Net investment in capital assets                               | 38,251,833              | 39,409            | 11,333,992           | 915,981              | 50,541,215           |
| Restricted net position for:                                   |                         |                   |                      |                      |                      |
| Debt service                                                   | 985,850                 | -                 | -                    | -                    | 985,850              |
| Unrestricted                                                   | <u>5,424,559</u>        | <u>409,578</u>    | <u>321,246</u>       | <u>194,421</u>       | <u>6,349,804</u>     |
| Total net position                                             | <u>\$ 44,662,242</u>    | <u>\$ 448,987</u> | <u>\$ 11,655,238</u> | <u>\$ 1,110,402</u>  | <u>\$ 57,876,869</u> |

See accompanying notes to the basic financial statements

**CITY OF OSAGE BEACH, MISSOURI**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2022**

|                                           | Water and Sewer<br>Fund | Ambulance<br>Fund | Lee C. Fine<br>Fund  | Grand Glaize<br>Fund | Total                |
|-------------------------------------------|-------------------------|-------------------|----------------------|----------------------|----------------------|
| <b>Operating revenues:</b>                |                         |                   |                      |                      |                      |
| Charges for services                      | \$ 4,728,857            | \$ 362,817        | \$ 1,207,240         | \$ 178,228           | \$ 6,477,142         |
| Rental income                             | -                       | -                 | 115,884              | 66,323               | 182,207              |
| Total operating revenues                  | <u>4,728,857</u>        | <u>362,817</u>    | <u>1,323,124</u>     | <u>244,551</u>       | <u>6,659,349</u>     |
| <b>Operating expenses:</b>                |                         |                   |                      |                      |                      |
| Costs of sales and services               | 981,342                 | 35,899            | 906,738              | 147,041              | 2,071,020            |
| Administration                            | 462,564                 | 91,897            | 50,118               | 21,642               | 626,221              |
| Personnel services                        | 1,195,378               | 560,246           | 246,905              | 151,044              | 2,153,573            |
| Repairs and maintenance                   | 916,108                 | 12,274            | 26,241               | 12,001               | 966,624              |
| Insurance                                 | 97,614                  | 13,370            | 13,653               | 8,670                | 133,307              |
| Depreciation and amortization             | 2,697,024               | 29,816            | 350,955              | 25,315               | 3,103,110            |
| Total operating expenses                  | <u>6,350,030</u>        | <u>743,502</u>    | <u>1,594,610</u>     | <u>365,713</u>       | <u>9,053,855</u>     |
| Operating income (loss)                   | <u>(1,621,173)</u>      | <u>(380,685)</u>  | <u>(271,486)</u>     | <u>(121,162)</u>     | <u>(2,394,506)</u>   |
| <b>Nonoperating revenues (expenses):</b>  |                         |                   |                      |                      |                      |
| Interest and investment earnings          | 71,863                  | -                 | -                    | -                    | 71,863               |
| Interest expense and fiscal charges       | (206,068)               | -                 | -                    | -                    | (206,068)            |
| Non-operating grants and contributions    | 160,083                 | -                 | -                    | -                    | 160,083              |
| Gain (loss) on disposal of capital assets | (35,333)                | -                 | -                    | -                    | (35,333)             |
| Miscellaneous revenue                     | 98,311                  | 23,322            | 50,104               | -                    | 171,737              |
| Total nonoperating revenues (expenses)    | <u>88,856</u>           | <u>23,322</u>     | <u>50,104</u>        | <u>-</u>             | <u>162,282</u>       |
| Loss before capital grants and transfers  | (1,532,317)             | (357,363)         | (221,382)            | (121,162)            | (2,232,224)          |
| Capital grants                            | -                       | -                 | 2,802,171            | -                    | 2,802,171            |
| Transfers in                              | 2,415,000               | 555,000           | 200,000              | 190,000              | 3,360,000            |
| Change in net position                    | <u>882,683</u>          | <u>197,637</u>    | <u>2,780,789</u>     | <u>68,838</u>        | <u>3,929,947</u>     |
| Total net position, beginning of year     | 43,779,559              | 251,350           | 8,874,449            | 1,041,564            | 53,946,922           |
| Total net position, end of year           | <u>\$ 44,662,242</u>    | <u>\$ 448,987</u> | <u>\$ 11,655,238</u> | <u>\$ 1,110,402</u>  | <u>\$ 57,876,869</u> |

**CITY OF OSAGE BEACH, MISSOURI**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2022**

|                                                                                                   | Water and Sewer<br>Fund | Ambulance<br>Fund   | Lee C. Fine<br>Fund | Grand Glaize<br>Funds | Total               |
|---------------------------------------------------------------------------------------------------|-------------------------|---------------------|---------------------|-----------------------|---------------------|
| Cash flows from operating activities:                                                             |                         |                     |                     |                       |                     |
| Receipts from customers and others                                                                | \$ 4,969,926            | \$ 381,572          | \$ 1,156,001        | \$ 244,547            | \$ 6,752,046        |
| Payments for goods and services                                                                   | (2,044,441)             | (104,782)           | (907,798)           | (182,678)             | (3,239,699)         |
| Payments on behalf of employees for services                                                      | (1,155,210)             | (559,281)           | (240,194)           | (151,980)             | (2,106,665)         |
| Payments for interfund services used                                                              | (337,500)               | (49,000)            | (46,000)            | (18,000)              | (450,500)           |
| Net cash provided by (used in) operating activities                                               | <u>1,432,775</u>        | <u>(331,491)</u>    | <u>(37,991)</u>     | <u>(108,111)</u>      | <u>955,182</u>      |
| Cash flows from noncapital financing activities:                                                  |                         |                     |                     |                       |                     |
| Transfers in (out)                                                                                | <u>2,415,000</u>        | <u>555,000</u>      | <u>200,000</u>      | <u>190,000</u>        | <u>3,360,000</u>    |
| Net cash flows provided by (used in) noncapital financing activities                              | <u>2,415,000</u>        | <u>555,000</u>      | <u>200,000</u>      | <u>190,000</u>        | <u>3,360,000</u>    |
| Cash flows from capital and related financing activities:                                         |                         |                     |                     |                       |                     |
| Acquisition and construction of capital assets                                                    | (1,620,051)             | (16,251)            | (3,050,638)         | (20,000)              | (4,706,940)         |
| Capital grants                                                                                    | -                       | -                   | 2,802,171           | -                     | 2,802,171           |
| Principal paid on capital debt                                                                    | (2,700,000)             | (22,016)            | -                   | -                     | (2,722,016)         |
| Interest and fees paid on capital debt                                                            | (314,946)               | (223)               | -                   | -                     | -                   |
| Net cash flows provided by (used in) capital and related financing activities                     | <u>(4,634,997)</u>      | <u>(38,490)</u>     | <u>(248,467)</u>    | <u>(20,000)</u>       | <u>(4,626,785)</u>  |
| Cash flows from investing activities                                                              |                         |                     |                     |                       |                     |
| Interest received                                                                                 | <u>71,863</u>           | <u>-</u>            | <u>-</u>            | <u>-</u>              | <u>71,863</u>       |
| Net change in money market mutual funds and guaranteed investment contracts                       | <u>1,414,896</u>        | <u>-</u>            | <u>-</u>            | <u>-</u>              | <u>1,414,896</u>    |
| Net cash provided by (used in) investing activities                                               | <u>1,486,759</u>        | <u>-</u>            | <u>-</u>            | <u>-</u>              | <u>1,486,759</u>    |
| Net increase (decrease) in cash and cash equivalents                                              | <u>699,537</u>          | <u>185,019</u>      | <u>(86,458)</u>     | <u>61,889</u>         | <u>1,175,156</u>    |
| Cash and equivalents, beginning of year                                                           | <u>4,362,583</u>        | <u>167,579</u>      | <u>305,178</u>      | <u>115,005</u>        | <u>4,950,345</u>    |
| Cash and equivalents, end of year                                                                 | <u>5,062,120</u>        | <u>352,598</u>      | <u>218,720</u>      | <u>176,894</u>        | <u>6,125,501</u>    |
| Investments                                                                                       | <u>1,213,774</u>        | <u>-</u>            | <u>-</u>            | <u>-</u>              | <u>1,213,774</u>    |
| Total cash and investments reported on the Statement of Net Position                              | <u>\$ 6,275,894</u>     | <u>\$ 352,598</u>   | <u>\$ 218,720</u>   | <u>\$ 176,894</u>     | <u>\$ 7,024,106</u> |
| Cash and investments reported on the Statement of Net Position                                    |                         |                     |                     |                       |                     |
| Cash and investments                                                                              | \$ 5,290,044            | \$ 352,598          | \$ 218,720          | \$ 176,894            | \$ 6,038,256        |
| Restricted cash and investments                                                                   | 985,850                 | -                   | -                   | -                     | 985,850             |
| Total cash and investments                                                                        | <u>\$ 6,275,894</u>     | <u>\$ 352,598</u>   | <u>\$ 218,720</u>   | <u>\$ 176,894</u>     | <u>\$ 7,024,106</u> |
| Reconciliation of operating income (loss) to net cash provided by (used in) operating activities: |                         |                     |                     |                       |                     |
| Operating income (loss)                                                                           | \$ (1,621,173)          | \$ (380,685)        | \$ (271,486)        | \$ (121,162)          | \$ (2,394,506)      |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operations:    |                         |                     |                     |                       |                     |
| Depreciation and amortization                                                                     | 2,697,024               | 29,816              | 350,955             | 25,315                | 3,103,110           |
| Miscellaneous revenues                                                                            | 98,311                  | 23,322              | 50,104              | -                     | 171,737             |
| Non-operating grants and contributions                                                            | 160,083                 | -                   | -                   | -                     | 160,083             |
| Change in accounts receivable                                                                     | (17,325)                | (4,567)             | (217,227)           | (4)                   | (239,123)           |
| Changes in inventory                                                                              | (45,974)                | -                   | (22,482)            | (10,832)              | (79,288)            |
| Changes in prepaid items                                                                          | (3,203)                 | (1,665)             | (4,448)             | (4,054)               | (13,370)            |
| Changes in accounts payable and accrued liabilities                                               | 163,237                 | 1,941               | 75,199              | 2,289                 | 242,666             |
| Changes in OPEB and related deferred outflows and inflows                                         | 1,795                   | 347                 | 1,394               | 337                   | 3,873               |
| Total adjustments                                                                                 | <u>3,053,948</u>        | <u>49,194</u>       | <u>233,495</u>      | <u>13,051</u>         | <u>3,349,688</u>    |
| Net cash provided by (used in) operating activities                                               | <u>\$ 1,432,775</u>     | <u>\$ (331,491)</u> | <u>\$ (37,991)</u>  | <u>\$ (108,111)</u>   | <u>\$ 955,182</u>   |

See accompanying notes to the basic financial statements

**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
December 31, 2022

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

*A. Reporting Entity*

The City of Osage Beach, Missouri (the City) was incorporated in 1959 and covers an area of approximately ten square miles in Camden and Miller Counties, Missouri. The City is governed by an elected Mayor and an elected six-member Board of Aldermen, who in turn appoint a City Administrator, City Clerk, Police Chief, Building Official, City Treasurer, City Planner, City Engineer and City Attorney. The City provides services to its more than four thousand residents in many areas including: law enforcement, water and sewer services, ambulance, airports, and economic development. These services do not include education, which is provided by separate governmental entities.

The basic financial statements of the City include all of the funds relevant to the operations of the City. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the City that have been determined not to be component units as defined by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. Financially accountable means the primary government is able to impose its will or the component unit may provide financial benefits or impose a financial burden on the primary government. In addition, component units can be other organizations for which the nature and significance of the relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading if excluded.

As required by generally accepted accounting principles, the City has evaluated the above criteria to determine whether any other entity meets the definition of a component unit and must be included in these financial statements. The Tax Increment Financing District (the District) is responsible for encouraging development of commercial enterprises in the District. The members of the District's governing board are appointed by various political subdivisions which levy taxes in the District. The City is financially accountable for the District as the City appoints a voting majority to the District's governing board and is able to impose its will on the organization through approval or rejection of plans and projects recommended by the District's governing board.

The District is presented as a discretely presented component unit in the basic financial statements. The District maintains only one fund, a governmental fund type, and does not issue separately prepared financial statements.

*B. Fund Accounting*

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the City. The effect of interfund activities has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties.



**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
December 31, 2022

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

Separate fund financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements. Each individual fund of the City is considered to be a major fund.

The City uses funds to report its financial position and results of its operations in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary and fiduciary. The City has no fiduciary funds.

The City reports the following major governmental funds:

General Fund – This fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Transportation Sales Tax Fund – This special revenue fund accounts for funds provided from a one-half of one percent sales tax restricted as to use for ongoing maintenance and construction of streets.

Capital Improvement Sales Tax Fund – This special revenue fund accounts for funds provided by a one-half of one percent sales tax restricted as to use to subsidize debt service for the water and sewer systems. In addition, this fund may be used in the future for other capital projects, as voter approved.

The City reports the following major proprietary funds:

Water and Sewer Fund – This enterprise fund accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and collection.

Ambulance Fund – This enterprise fund accounts for the operation of the City's ambulance response service.

Lee C. Fine and Grand Glaize Funds – These enterprise funds account for the operation of the City's two airports.

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

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
December 31, 2022

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60-days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, interest and principal on general long-term debt are recognized when due.

Sales tax, franchise tax, interest, and revenues from other governmental units associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

All proprietary funds are accounted for using the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. The economic resource measurement focus concerns determining costs as a means of maintaining the capital investment and management control. Revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds.

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

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

Sometimes the City will fund outlays for a particular purpose from both restricted (i.e. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

*D. Budgets*

Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. Annual appropriated budgets are adopted for all governmental fund types on the modified accrual basis. All annual appropriations lapse at year-end.

*E. Pooled Cash and Cash Equivalents*

The City maintains a cash money-market pool that is used by all funds. Interest income is allocated to each fund in proportion to each fund's ownership of the pool each month. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of three months or less when purchased are considered to be cash equivalents. Because a statement of cash flows is prepared only for proprietary funds under generally accepted accounting principles, cash and cash equivalents are distinguished only for those funds. Investments are stated at fair value, determined by quoted market prices. State statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, collateralized certificates of deposit and the State Treasurer's Investment Pool.

**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
December 31, 2022

*F. Receivables*

Receivables consist primarily of taxes, franchise fees, interest, and water and sewer charges. They are shown net of estimated uncollectible amounts.

*G. Lease Arrangements*

The City implemented Government Accounting Standards Board (GASB) Statement No. 87, Leases, effective for the year ended December 31, 2022. The statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of the City's financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The Statement establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use and underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the City's leasing activities.

*H. Inventories*

Inventories, which consist of airport fuel, materials, and supplies, are recorded on the purchases method and are stated at cost using the first-in, first-out method.

*I. Prepaid Items*

Prepaid items represent the payment of insurance premiums and other information technology related services for coverage that benefits more than one fiscal period. The premium amount is being amortized over the policy period following the consumption method.

*J. Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In the governmental fund statements, capital assets are charged to expenditures as purchased and capitalized in the proprietary fund statements. All capital assets are valued at historical cost or estimated historical cost if the actual historical cost is not available. Donated capital assets are valued at their acquisition value on the date donated.

Capital assets are defined by the City as assets with an initial individual cost of \$2,000 or more and an estimated useful life in excess of five years. Additions or improvements and other capital outlays that significantly extend the useful life of an asset or that significantly increase the efficiency or capacity of an asset are capitalized. Other costs, such as capital outlays incurred for repairs and maintenance, are expensed as incurred.

**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
December 31, 2022

Depreciation on exhaustible assets is recorded as an allocated expense in the statement of activities with accumulated depreciation reflected in the statement of net position. Depreciation is provided on the straight-line basis over the following estimated useful lives:

|                                          |               |
|------------------------------------------|---------------|
| Buildings and improvements               | 20 – 40 years |
| Office furniture, fixture, and equipment | 5 – 10 years  |
| Transportation equipment                 | 5 years       |
| Sewage collection systems                | 20 – 40 years |
| Treatment plant                          | 40 years      |
| Water systems                            | 40 years      |
| Infrastructure – streets/roads           | 20 – 25 years |

The cost of assets disposed or sold, and the related amounts of accumulated depreciation, are eliminated from the accounts in the year of disposal or sale and any resulting gain or loss is reflected in the basic financial statements.

Fully depreciated capital assets are included in the capital assets accounts until their disposal or sale.

*K. Compensated Absences*

It is the City's policy to permit employees to accumulate earned but unused vacation and personal leave benefits. All unused vacation must be used within one year. Employees that leave the City in good standing after ten (10) years of service and have accrued more than six (6) weeks (240 hours) of personal leave may convert their personal leave hours to 401A retirement dollars based on the following vesting schedule. The personal leave conversion for personnel employed with the City is limited to 25% for ten (10) years through fourteen (14) years of service, 50% for (15) years through nineteen (19) years of service, and 75% for twenty (20) years of service or more, subject to a maximum convertible amount of \$10,000. The conversion amount cannot exceed the maximum contribution to 401(a) plan for the calendar year. All vacation and personal leave benefits are accrued when incurred in the government-wide and proprietary fund financial statements. The liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of an employee resignation or retirements.

*L. Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualify for reporting in this category, which is the deferred outflows related to other post-employment benefits (OPEB) resulting from assumption changes in calculating the City's OPEB liability. Deferred outflows of resources are reported in the government-wide and proprietary fund statements of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualifies for reporting in this category. The first one is leases receivable which will recognize inflow of resources in future periods over the term of the leases are reported in the government-wide and governmental fund statements. The second item is the deferred inflow related to other post-employment benefit plan contributions reported in the government-wide and proprietary fund statements.

**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
December 31, 2022

*M. Long-Term Obligations*

General long-term obligations consist of the non-current portion of bonds payable, other post-employment benefits, and other long-term liabilities. In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are expensed as incurred.

In the governmental fund financial statements, general long-term obligations are not reported as liabilities because they do not require the use of current resources. Governmental fund types recognize bond premiums and discounts during the current period. The face amount of the debt issued is reported as other financing sources while discounts on debt issuance are reported as other financing uses. Principal repayments are reported as debt service expenditures.

*N. Equity*

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

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

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

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

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

Unassigned – This consists of amounts that are available for any purpose and can only be reported in the General Fund. However, in governmental funds other than the General Fund, it may be necessary to report a negative unassigned fund balance in that fund if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to these purposes.

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

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

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

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

**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
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*O. Estimates*

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

**2. LEGAL COMPLIANCE - BUDGET**

The City's policy is to prepare the operating budgets in accordance with U.S. generally accepted accounting principles. The City prepared budgets for all governmental fund types for the year ended December 31, 2022. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1) Prior to January 1, the City Administrator submits to the Board of Aldermen a proposed operating budget for the fiscal period commencing January 1. The operating budget includes proposed expenditures and the means of financing them.
- 2) The City utilizes multiple public budget workshops that the public is invited to attend and make comments. The proposed budget is available for public inspection prior to the budget workshops.
- 3) Prior to December 31, the budget is legally enacted through passage of an ordinance.
- 4) The City Administrator is authorized to transfer budgeted amounts within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Aldermen.
- 5) All appropriations lapse at year-end.

The reported budgetary data represents the final approved budget after amendments as adopted by the Board of Aldermen. The budget was amended during the year.

**3. CASH AND INVESTMENTS**

Deposits

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

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

The City maintains a cash and investment pool which is available for use by all funds for the purpose of increasing income through investment activities. Interest is allocated to the various funds based on average cash or investment balances. The pool includes money market funds and certificates of deposit. Each fund type's portion of this pool is displayed on the statement of financial position as "Cash and investments" under each fund's caption.

**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
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A reconciliation of cash and investments as shown on the government-wide statement of net position is as follows:

|                                               |                             |
|-----------------------------------------------|-----------------------------|
| Cash on hand                                  | \$ 3,575                    |
| Demand deposits                               | 9,261,168                   |
| Certificates of deposits                      | 2,924,000                   |
| Local Government Investment Pool (MOSIP)      | 7,554,188                   |
| Restricted cash and investments held in trust | <u>1,213,774</u>            |
| Total cash and investments                    | <u><u>\$ 20,956,705</u></u> |

**Government-wide Statement of Net Position**

|                                 | Primary Government          |                            |                             |
|---------------------------------|-----------------------------|----------------------------|-----------------------------|
|                                 | Governmental Activities     | Business-type Activities   | Total                       |
| Cash and investments            | \$ 13,673,052               | \$ 6,038,256               | \$ 19,711,308               |
| Restricted cash and investments | <u>259,547</u>              | <u>985,850</u>             | <u>1,245,397</u>            |
| Total cash and investments      | <u><u>\$ 13,932,599</u></u> | <u><u>\$ 7,024,106</u></u> | <u><u>\$ 20,956,705</u></u> |

*Investments*

The City had the following investments as of December 31:

|                                          | Investment Maturities (in years) |                    |                    | Fair/Carrying Value        |
|------------------------------------------|----------------------------------|--------------------|--------------------|----------------------------|
|                                          | Less than 1                      | 1-5                | Over 5             |                            |
| Investments:                             |                                  |                    |                    |                            |
| Local Government Investment Pool (MOSIP) | \$ 7,554,188                     | \$ -               | \$ -               | \$ 7,554,188               |
| Money market mutual funds held in trust  | <u>1,213,774</u>                 | <u>-</u>           | <u>-</u>           | <u>1,213,774</u>           |
| Total investments                        | <u><u>\$ 8,767,962</u></u>       | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 8,767,962</u></u> |

*Custodial Credit Risk*

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. For deposits, the City follows state statutes which require pledged collateral with a fair value equal to 100% of the funds on deposit, less insured amounts. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City's policy is to collateralize all deposits and repurchase agreements with securities held by the financial institution's agent and in the City's name but does not limit the holdings of any one counterparty.

**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
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*Credit Risk*

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is measured using credit quality ratings of investments in debt securities as described by nationally recognized rating agencies such as Standard & Poor’s and Moody’s. State statutes authorize the City to invest in obligations of the U.S. Treasury, and federal agencies and instrumentalities; certificates of deposit issued by Missouri banks; and repurchase agreements. The City has no investment policy that would further limit its investment choice. The total Local Government Investment Pool (MOSIP) is rated AAAM by Standard and Poors.

*Interest Rate Risk*

Interest rate risk – Interest rate risk is the risk that the fair values of investments will be adversely affected by a change in interest rates. The City does not have a formal interest rate risk policy. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk. The total Local Government Investment Pool (MOSIP) maturities are less than 9 months.

*Fair Value Measurements*

The City categorizes its fair value measurements within the fair value hierarchy established by general accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted in active markets for identical assets; Level 2 inputs are significant other observable inputs such as third party pricing services for identical assets; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of December 31, 2022:

| Description                              | Total               | Level 1             | Level 2     | Level 3     |
|------------------------------------------|---------------------|---------------------|-------------|-------------|
| Measured at fair value:                  |                     |                     |             |             |
| Local government investment pool (MOSIP) | \$ 7,554,188        | \$ 7,554,188        | \$ -        | \$ -        |
| Money market mutual funds                | 1,213,774           | 1,213,774           | -           | -           |
| Total investments                        | <u>\$ 8,767,962</u> | <u>\$ 8,767,962</u> | <u>\$ -</u> | <u>\$ -</u> |



**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
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**4. RECEIVABLES**

Receivables, net are composed of the following at December 31, 2022:

|                             | <b>Primary Government</b> |                      |              |                  |
|-----------------------------|---------------------------|----------------------|--------------|------------------|
|                             | <b>Governmental</b>       | <b>Business-type</b> |              | <b>Component</b> |
|                             | <b>Activities</b>         | <b>Activities</b>    | <b>Total</b> | <b>Unit</b>      |
| Taxes receivable            | \$ 1,818,199              | \$ -                 | \$ 1,818,199 | \$ 176,940       |
| Accounts receivable         | 3,911                     | 616,670              | 620,581      | -                |
|                             | 1,822,110                 | 616,670              | 2,438,780    | 176,940          |
| Allowance for uncollectible | -                         | (71,034)             | (71,034)     | -                |
| Receivables, net            | \$ 1,822,110              | \$ 545,636           | \$ 2,367,746 | \$ 176,940       |

**5. LEASE RECEIVABLES**

During the year ended December 31, 2022, the City implemented Government Accounting Standards Board No. 87, Leases (GASB 87). Under GASB 87, a lessor is required to recognize a lease receivable and a deferred inflow of resources at the commencement of the lease term. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflows of resources are measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that related to future periods. Additional information for each lease receivable is as follows:

In July 2020 the City entered into a 5-year renewable lease with AT&T Mobility Corporation (AT&T). Under the lease, AT&T pays the City \$35,271 annually for the right to place attachments on a water tower owned by City. There are no variable components in the lease. AT&T has the option to renew the term of the lease for four additional five-year terms by sending written notice of renewal to the City no later than 60 days prior to the expiration of each lease term. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the lessee's incremental interest rate. At December 31, 2022 the lease receivable balance was \$238,963.

In July 2021 the City entered into a 5-year renewable lease with T-Mobile USA, Inc. (T-Mobile). Under the lease, T-Mobile pays the City \$33,581 annually for the right to place attachments on a water tower owned by City. There are no variable components in the lease. T-Mobile has the option to renew the term of the lease for four additional five-year terms by sending written notice of renewal to the City no later than 60 days prior to the expiration of each lease term. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3%, which is the lessee's incremental interest rate. At December 31, 2022 the lease receivable balance was \$116,462.

For the year ended December 31, 2022, the City recognized \$57,255 of lease revenue and \$11,597 of interest revenue under the leases.

**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
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The City's leases receivable activity for the year ended December 31, 2022, is as follows:

| Lease Description       | Balance<br>January 1,<br>2022 | Additions   | Retirements      | Balance<br>December<br>31, 2022 | Current          |
|-------------------------|-------------------------------|-------------|------------------|---------------------------------|------------------|
| Tower leases            | \$ 412,680                    | \$ -        | \$ 57,255        | \$ 355,425                      | \$ 58,996        |
| Total leases receivable | <u>\$ 412,680</u>             | <u>\$ -</u> | <u>\$ 57,255</u> | <u>\$ 355,425</u>               | <u>\$ 58,996</u> |

**6. CAPITAL ASSETS**

|                                             | December 31,<br>2021 | Additions        | Retirements    | December 31,<br>2022 |
|---------------------------------------------|----------------------|------------------|----------------|----------------------|
| <b>Governmental activities:</b>             |                      |                  |                |                      |
| Capital assets, not being depreciated       |                      |                  |                |                      |
| Land                                        | \$ 1,854,267         | \$ -             | \$ -           | \$ 1,854,267         |
| Construction in progress                    | 893,250              | 1,662,533        | 806,834        | 1,748,949            |
| Total capital assets, not being depreciated | <u>2,747,517</u>     | <u>1,662,533</u> | <u>806,834</u> | <u>3,603,216</u>     |
| Capital assets, being depreciated           |                      |                  |                |                      |
| Buildings and improvements                  | 8,025,370            | 6,442            | -              | 8,031,812            |
| Machinery and equipment                     | 4,583,658            | 249,201          | 80,380         | 4,752,479            |
| Right-of-use assets - equipment             | 4,203                | 27,708           | -              | 31,911               |
| Infrastructure                              | 60,512,326           | 1,090,665        | -              | 61,602,991           |
| Total capital assets being depreciated      | <u>73,125,557</u>    | <u>1,374,016</u> | <u>80,380</u>  | <u>74,419,193</u>    |
| Less accumulated depreciation for:          |                      |                  |                |                      |
| Buildings and improvements                  | 5,018,404            | 237,489          | -              | 5,255,893            |
| Machinery and equipment                     | 3,588,331            | 311,057          | 79,821         | 3,819,567            |
| Right-of-use assets - equipment             | -                    | 2,551            | -              | 2,551                |
| Infrastructure                              | 36,303,359           | 2,399,589        | -              | 38,702,948           |
| Total accumulated depreciation              | <u>44,910,094</u>    | <u>2,950,686</u> | <u>79,821</u>  | <u>47,780,959</u>    |
| Total capital assets being depreciated, net | <u>28,215,463</u>    |                  |                | <u>26,638,234</u>    |
| Governmental activities capital assets, net | <u>\$ 30,962,980</u> |                  |                | <u>\$ 30,241,450</u> |

**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
December 31, 2022

|                                              | December 31,<br>2021 | Additions | Retirements | December 31,<br>2022 |
|----------------------------------------------|----------------------|-----------|-------------|----------------------|
| <b>Business-type Activities:</b>             |                      |           |             |                      |
| Capital assets, not being depreciated        |                      |           |             |                      |
| Land                                         | \$ 897,793           | \$ -      | \$ -        | \$ 897,793           |
| Construction in progress                     | 2,550,741            | 2,955,688 | -           | 5,506,429            |
| Total capital assets, not being depreciated  | 3,448,534            | 2,955,688 | -           | 6,404,222            |
| Capital assets, being depreciated            |                      |           |             |                      |
| Buildings and improvements                   | 4,765,389            | -         | -           | 4,765,389            |
| Equipment                                    | 2,193,811            | 280,026   | 33,511      | 2,440,326            |
| Airport infrastructure                       | 5,426,769            | -         | -           | 5,426,769            |
| Water system, tower and lines                | 36,469,147           | 134,321   | -           | 36,603,468           |
| Sewage collection system and treatment plant | 61,415,308           | 1,401,014 | 100,134     | 62,716,188           |
| Total capital assets being depreciated       | 110,270,424          | 1,815,361 | 133,645     | 111,952,140          |
| Less accumulated depreciation for:           |                      |           |             |                      |
| Buildings and improvements                   | 2,141,613            | 111,207   | -           | 2,252,820            |
| Equipment                                    | 1,688,427            | 129,005   | 33,511      | 1,783,921            |
| Airport infrastructure                       | 1,086,552            | 265,259   | -           | 1,351,811            |
| Water system, tower and lines                | 16,879,594           | 949,102   | -           | 17,828,696           |
| Sewage collection system and treatment plant | 39,773,434           | 1,648,537 | 64,801      | 41,357,170           |
| Total accumulated depreciation               | 61,569,620           | 3,103,110 | 98,312      | 64,574,418           |
| Total capital assets being depreciated, net  | 48,700,804           |           |             | 47,377,722           |
| Business-type activities capital assets, net | <u>\$ 52,149,338</u> |           |             | <u>\$ 53,781,944</u> |

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

**Governmental Activities:**

|                                                        |                     |
|--------------------------------------------------------|---------------------|
| General government                                     | \$ 231,914          |
| Public safety                                          | 174,651             |
| Parks and recreation                                   | 291,482             |
| Streets and highways                                   | 2,252,639           |
| Total depreciation expense for Governmental activities | <u>\$ 2,950,686</u> |

**Business-type Activities:**

|                                                          |                     |
|----------------------------------------------------------|---------------------|
| Water/Sewer                                              | \$ 2,697,024        |
| Ambulance                                                | 29,816              |
| Airports                                                 | 376,270             |
| Total depreciation expense for Business-type activities: | <u>\$ 3,103,110</u> |

**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
December 31, 2022

**7. LONG-TERM DEBT**

|                                | <b>Beginning<br/>Balance</b> | <b>Additions</b> | <b>Retirements</b> | <b>Ending<br/>Balance</b> | <b>Amounts Due<br/>in One Year</b> |
|--------------------------------|------------------------------|------------------|--------------------|---------------------------|------------------------------------|
| <b>Primary Government:</b>     |                              |                  |                    |                           |                                    |
| Governmental activities        |                              |                  |                    |                           |                                    |
| Compensated absences **        | \$ 204,325                   | \$ 33,128        | \$ 13,769          | \$ 223,684                | \$ 114,654                         |
| Finance lease                  | 214,719                      | -                | 214,719            | -                         | -                                  |
| Lease liability                | 4,203                        | 27,708           | 2,460              | 29,451                    | 6,874                              |
| Total governmental activities  | 423,247                      | 60,836           | 230,948            | 253,135                   | 121,528                            |
| Business-type activities       |                              |                  |                    |                           |                                    |
| Bonds payable                  | 5,875,000                    | -                | 2,700,000          | 3,175,000                 | 1,090,000                          |
| Bond premium                   | 81,059                       | -                | 48,453             | 32,606                    | -                                  |
| Compensated absences           | 31,969                       | 24,974           | 7,866              | 49,077                    | 49,077                             |
| Finance lease                  | 22,016                       | -                | 22,016             | -                         | -                                  |
| Total business-type activities | 6,010,044                    | 24,974           | 2,778,335          | 3,256,683                 | 1,139,077                          |
| Total Primary Government       | \$ 6,433,291                 | \$ 85,810        | \$ 3,009,283       | \$ 3,509,818              | \$ 1,260,605                       |

\*\* Compensated absences are generally liquidated by the General Fund.

The State Constitution permits a city, by vote of two-thirds of the voting electorate, to incur general obligation indebtedness for "city purposes" not to exceed 10% of the assessed value of taxable tangible property and to incur additional general obligation indebtedness not to exceed, in the aggregate, an additional 10% of the assessed value of taxable tangible property, for the purpose of acquiring rights-of-way, construction, extending and improving streets and avenues and/or sanitary or storm wastewater systems, and purchasing or constructing waterworks, electric or other light plants, provided that the total general obligation indebtedness of the City does not exceed 20% of the assessed valuation of taxable property.

Based on the assessed valuation as of January 1, 2022, of \$310,518,968, the constitutional total general obligation debt limit and general obligation debt margin of \$62,103,794.

*Finance Lease Obligation*

The City has entered into finance lease agreement for the acquisition of radio equipment. The lease agreement required three annual payments of \$239,136 including interest at 1.014% with the final payment on January 15, 2022.

*Lease liabilities*

As a result of implementation of GASB 87, \$4,203 in lease liabilities for leases of office equipment has been added to the beginning balance presented in the table above. As these leases are offset by an equal amount of right-of-use asset, the City does not report a restatement of beginning net position for the implementation of GASB 87.

Lease liabilities represent the City's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of the expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The term of the leases is 60 months, at interest rates from 2.0% to 3.0% and with monthly payments varying from \$139 to \$498. The lease term may include options to extend or terminate the lease when it is reasonably certain that the City will exercise that option.

**City of Osage Beach, Missouri**  
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The City recognizes payments for short-term leases with a lease term of 12 months or less as expenses as incurred. These leases are not included as lease liabilities or right-of-use leases assets on the statement of net position.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2022 were as follows:

| Year  | Principal        | Interest        | Total            |
|-------|------------------|-----------------|------------------|
| 2023  | \$ 6,874         | \$ 771          | \$ 7,645         |
| 2024  | 6,368            | 581             | 6,949            |
| 2025  | 5,564            | 410             | 5,974            |
| 2026  | 5,734            | 241             | 5,975            |
| 2027  | 4,911            | 68              | 4,979            |
| Total | <u>\$ 29,451</u> | <u>\$ 2,071</u> | <u>\$ 31,522</u> |

*Bonds Payable – State Revolving Loans*

In 2002, 2003, 2005, and 2007, the City issued, \$24,585,000 (Series 2002B), \$6,075,000 (Series 2003B), \$4,950,000 (Series 2005C), and \$2,550,000 (Series 2007A) in State Environmental Improvement and Energy Resources Authority Water Pollution Revenue Bonds and Public Drinking Water Bonds for the purpose of financing construction of certain wastewater treatment, sanitary sewerage or water facilities and costs associated with the issuance of the bonds. The Series 2002B bonds were retired in 2022. In connection with the issuance of these bonds, the City participates in a revolving loan program established by the Missouri Department of Natural Resources (DNR). The State of Missouri manages and invests the bond proceeds on behalf of the City. As the City incurs approved expenditures, DNR reimburses the City for the expenditures from the construction escrow fund. Additionally, an amount (83.33% of which is federal funding) representing 70% of the construction costs is deposited into a bond reserve fund in the City's name and is held as a guarantee against the outstanding bond obligation. Interest earned from this reserve fund can be used by the City to fund interest payments on the revenue bonds. A portion of the reserve fund is transferred back to the State as principal payments are made on the revenue bonds. The costs of operation and maintenance of the wastewater treatment and sewerage facilities and the debt service are payable from operating revenues.

The City has pledged future utility customer revenues and capital improvement sales tax collections, net of current specified operating expenses, to repay the revenue bonds. Proceeds from the bonds provided financing for the construction of a new water system and expansion of sewerage facilities. The bonds are payable from utility customer net revenues and capital improvement sales tax net collections and are payable through 2026. Net revenues available for debt service are not to be less than 110% of the amount required to be paid annually of principal and interest. Net revenues including transfers for 2022 are over 120% of the annual principal and interest payments made in 2022. The total principal and interest remaining to be paid on the bonds is \$3,423,759. Principal and interest paid for the current year and total net revenues were \$2,906,068 and \$3,490,851, respectively.

**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
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Bonds payable are comprised of the following individual issues:

|                       | Original<br>Amount | Interest<br>Rate | Final<br>Maturity<br>Date | Balance<br>December 31,<br>2022 |
|-----------------------|--------------------|------------------|---------------------------|---------------------------------|
| 2003B, Drinking Water | \$ 6,075,000       | 2%-5.25%         | 1/1/2024                  | \$ 1,550,000                    |
| 2005C, Clean Water    | 4,950,000          | 3%-5.25%         | 7/1/2025                  | 890,000                         |
| 2007A, Drinking Water | 2,550,000          | 4%-4.75%         | 1/1/2026                  | 735,000                         |
|                       |                    |                  |                           | <u>\$ 3,175,000</u>             |

Annual debt service requirements to maturity are as follows:

| Year Ending<br>December 31 | Principal           | Interest          | Total               |
|----------------------------|---------------------|-------------------|---------------------|
| 2023                       | \$ 1,090,000        | \$ 129,896        | \$ 1,219,896        |
| 2024                       | 1,330,000           | 73,290            | 1,403,290           |
| 2025                       | 450,000             | 31,838            | 481,838             |
| 2026                       | 305,000             | 13,735            | 318,735             |
| Total                      | <u>\$ 3,175,000</u> | <u>\$ 248,759</u> | <u>\$ 3,423,759</u> |

## 8. INTERFUND TRANSACTIONS

Interfund balances and transfers between governmental funds are not included in the government-wide statement of net position or the government-wide statement of activities. A summary of interfund transfers for the year ended December 31, 2022, follows:

| Transfers In:                      |                     |                   |                             |                              |                     |
|------------------------------------|---------------------|-------------------|-----------------------------|------------------------------|---------------------|
|                                    | Water/Sewer<br>Fund | Ambulance<br>Fund | Lee C. Fine<br>Airport Fund | Grand Glaize<br>Airport Fund | Total               |
| <b>Transfers Out:</b>              |                     |                   |                             |                              |                     |
| General fund                       | \$ -                | \$ 555,000        | \$ -                        | \$ -                         | \$ 555,000          |
| Transportation sales tax fund      | -                   | -                 | 200,000                     | 190,000                      | 390,000             |
| Capital improvement sales tax fund | <u>2,415,000</u>    | <u>-</u>          | <u>-</u>                    | <u>-</u>                     | <u>2,415,000</u>    |
|                                    | <u>\$ 2,415,000</u> | <u>\$ 555,000</u> | <u>\$ 200,000</u>           | <u>\$ 190,000</u>            | <u>\$ 3,360,000</u> |

The purpose of the transfer from the General Fund to the Ambulance Fund is to subsidize the operations of this fund. The purpose of the transfer from the Transportation Fund to the Lee C. Fine Airport Fund and the Grand Glaize Airport Fund is to subsidize the operations of these funds. The purpose of the transfer from the Capital Improvement Sales Tax Fund to the Water/Sewer Fund is to subsidize the payment of this fund's bonds.

**City of Osage Beach, Missouri**  
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*Interfund Charges for Support Services*

Interfund charges for support services paid to the General Fund for the year ended December 31, 2022 were as follows:

|                           |                   |
|---------------------------|-------------------|
| Transportation Fund       | \$ 270,000        |
| Water/Sewer Fund          | 337,500           |
| Ambulance Fund            | 49,000            |
| Lee C. Fine Airport Fund  | 46,000            |
| Grand Glaize Airport Fund | 18,000            |
|                           | <u>\$ 720,500</u> |

**9. COMMITMENTS AND CONTINGENCIES**

*A. 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; workman's compensation; liability, crime, and employee errors and omissions; and natural disasters. The City purchases commercial insurance to provide coverage for general liability, property damage, and workers' compensation. Settled claims have not exceeded this commercial insurance coverage in any of the past three years.

*B. Litigation*

The City is involved in lawsuits arising in the ordinary course of activities, including claims regarding construction contract issues, personal injury and discriminatory personnel practices, property condemnation proceedings, and suits contesting the legality of certain taxes. While these cases may have future financial effect, management, based on advice of counsel, believes that their ultimate outcome will not be material to the basic financial statements.

*C. Contract Commitments*

The City has entered into contractual commitments related to various projects and improvements. Outstanding commitments totaled approximately \$790,000 as of December 31, 2022.

*D. Tax Increment Financing*

On December 16, 2010, the Board of Aldermen approved the Dierbergs Osage Beach Tax Increment Financing Plan for a shopping center. This center consists of a Dierbergs Market, Dicks Sporting Goods, Bed Bath & Beyond and other retail stores. In 2011, the City issued Series 2011, \$5,100,000 Tax Increment Financing Notes (Dierbergs Osage Beach Project). The Series 2011 notes represent special, limited obligations of the City, payable solely from the incremental sales and real estate taxes generated by Dierbergs redevelopment area. The City functions as a collecting agent for the taxes, which are then passed through to the bond trustee. As the City is not liable for this debt beyond remitting all collected taxes, it is not recorded on the statement of net position as of December 31, 2022. The notes bear interest at 6.5% with final maturity on December 15, 2033. The outstanding balance at December 31, 2022, was \$2,712,666. The annual debt service repayments of the Series 2011 TIF notes are the combined amounts of economic activity taxes and payments in lieu of taxes collected by the special allocation fund. The Series 2011 notes terminate December 15, 2033, whether or not the principal and interest have been paid in full.

**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
December 31, 2022

On February 18, 2016, the City entered into a TIF agreement with Arrowhead Development Group, LLC. Under this agreement, the City will reimburse the developer on a pay-as-you-go method with funds generated by the TIF project. The Agreement will redevelop the 226-acre site of the former Dogwood Hills Golf Course. It provides flexibility for the developer with eight separate project areas for a mixed-use development to be built over the next several years. The agreement provides for a TIF incentive to the developer to promote a \$386,731,340 project when all 8 projects are completed. The total amount of the TIF reimbursement request is \$55,835,595, which is 14.5% of the total project costs. One half (50%) of the new real estate and sales taxes generated by the development shall be passed through to the taxing districts. To date, the Arrowhead Senior Living Community is complete and open for business. This facility provides skilled nursing home and assisted living options. As of December 31, 2022 approved project costs total \$4,698,993 and accrued interest is \$1,676,623.

On September 21, 2017, the City entered into a TIF agreement with TSG Osage Beach, LLC. Under this agreement, the City will reimburse the developer on a pay-as-you-go method with funds generated by the TIF project. The Osage Beach Commons TIF Plan will redevelop the 13.71-acre site consisting of the Golden Door motel, the closed Jake's Steak and Fish restaurant and two abandoned single-family homes. The Plan proposes a \$30,500,000 project. The approved reimbursement is \$4,550,000, which is 14.9% of the total project costs. One half (50%) of the new real estate and sales taxes generated by the development shall be passed through to the taxing districts. In August 2022, Hobby Lobby opened for business. In 2022, the City issued Series 2022, \$4,550,000 Tax Increment Financing Notes (Osage Beach Commons Redevelopment Area). The Series 2022 notes represent special, limited obligations of the City, payable solely from the incremental sales and real estate taxes generated by Osage Beach Commons redevelopment area. The City functions as a collecting agent for the taxes, which are then passed through to the bond trustee. As the City is not liable for this debt beyond remitting all collected taxes, it is not recorded on the statement of net position as of December 31, 2022. The notes bear interest at 6 to 6.5% with final maturity on August 4, 2045. The outstanding balance at December 31, 2022 was \$4,550,000. The annual debt service repayments of the 2022 TIF notes are the combined amounts of economic activity taxes and payments in lieu of taxes collected by the special allocation fund. The notes terminate August 4, 2045, whether or not the principal and accrued interest have been paid in full.

## **10. INTERGOVERNMENTAL REVENUE**

The City receives significant financial assistance from numerous federal, state, and local governmental agencies in the form of grants. Federal grants and assistance awards made on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlement occurs. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements or the individual fund-types included herein or on the overall financial position of the City as of December 31, 2022.

## **11. PENSION PLAN**

### *Plan Description*

The City, by a resolution of the Board of Aldermen, created a defined contribution, single employer, retirement plan under Internal Revenue Code Section 401 for the employees of the City. The Board of Aldermen can amend the plan at their discretion. The City appointed Mission Square Retirement to administer the plan. The plan is available to all full-time employees of the City. Employees are fully vested in contributions made on their behalf after 5 years.



**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
December 31, 2022

Plan Funding

The City contributes 6% of eligible employee wages. Employees are not required to contribute to the plan; however, effective July 1, 2019, the City provides a match of up to an additional 1% when employees contribute up to 1%. The City contributed \$323,938 to the plan for the year ended December 31, 2022.

**12. OTHER POST EMPLOYMENT BENEFITS (OPEB)**

General Information About the Plan

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

Plan Description and Benefits Provided

In addition to providing the pension benefits described in Note 11, the City provides full-time employees that retire after 10-years of service the opportunity for continuation of medical and dental insurance coverage offered through the Midwest Public Risk (MPR), a public entity risk pool. The City provides retiree healthcare benefits through MPR, which is an insurance pool comprised of approximately 59 entity members. MPR functions as an agent multiple-employer plan.

Retirees who elect to continue coverage in the medical and dental plans offered through MPR are required to pay a contribution until the employee becomes eligible for Medicare. Since the retirees pay the same premium as active employees each year, the City share of any premium cost is determined on the basis of a blended rate or implicit rate subsidy calculation. The implicit rate subsidy is the difference between what the retiree actually pays, and the age adjusted amount he or she would have paid for the full cost of the benefit. The benefits and benefit levels are governed by City policy and the MPR trust agreement.

The City maintains a trust arrangement with MPR to collect premiums and pay claims and administrative costs. This trust arrangement does not qualify as an "OPEB Plan" and is not treated as holding assets in order to offset GASB 75 liabilities. However, GASB requires that the "Plan" determine the valuation interest rate (or discount rate) based on expected return of the MPR Health and Dental Fund since it is used to pay retiree claims. The Plan is not accounted for as a trust fund since an irrevocable trust has not been established. There is no stand-alone financial report for the Plan.

Retirees Covered by Benefit Terms

At July 1, 2021, there are no benefit recipients enrolled in the Plan for the City.

Funding Policy

The City does not pay retiree benefits directly; they are paid implicitly over time through employer subsidization of active premiums that would be lower if retirees were not part of the experience group.

Annual OPEB Costs and Total OPEB Liability

The City's total OPEB liability was measured as of December 31, 2021, and the total OPEB liability was determined by an actuarial valuation as of July 1, 2021.

**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
December 31, 2022

Actuarial Assumptions

The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                                                           |                                                                                                                                           |
|-----------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| Discount rate                                             | 2.04% as of the measurement date; 1.96%<br>for the prior year                                                                             |
| Medical/Rx cost trend (and retiree<br>contribution trend) | 7.50% for 2022 fiscal year, decreasing by .25% through<br>2023 and .25% per year to an ultimate rate of 4.50%<br>for 2033 and later years |
| Salary scale                                              | 4.0% per year                                                                                                                             |

Mortality rates were based on the Society of Actuaries Pub-2010 Public Retirement Plans Headcount-Weighted General and Public Safety Mortality Tables using Scale MP-202g0 Full Generational Improvement.

In order to determine the municipal bond rate, the actuarial valuation uses the average of the published yields from the S&P Municipal Bond 20-year High Grade and the Fidelity GO AA-20 Years indexes. The selected average rates are 1.96% and 2.04% as of the beginning and end of the valuation year, respectively.

Change in the Total OPEB Liability

|                                                      | Total OPEB<br>Liability |
|------------------------------------------------------|-------------------------|
| Beginning of year                                    | \$ 227,908              |
| Changes for the year:                                |                         |
| Service costs                                        | 17,088                  |
| Interest                                             | 4,802                   |
| Difference between actual<br>and expected experience | (69,714)                |
| Changes in assumptions and other inputs              | (35,007)                |
| Benefit payments, net of contributions               | -                       |
| Net changes                                          | (82,831)                |
| End of year                                          | <u>\$ 145,077</u>       |

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

The following presents the Total OPEB Liability of the City, calculated using the discount rate of 2.04%, as well as what the City's Total OPEB Liability would be using a discount rate that is 1 percentage point lower (1.04%) or one percentage point higher (3.04%) than the current rate.

|                      | 1% Decrease<br>1.04% | Discount Rate<br>2.04% | 1% Increase<br>3.04% |
|----------------------|----------------------|------------------------|----------------------|
| Total OPEB Liability | <u>\$ 159,547</u>    | <u>\$ 145,077</u>      | <u>\$ 131,715</u>    |

**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
December 31, 2022

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates*

The following presents the Total OPEB Liability of the City, calculated using a valued based healthcare cost trend assumption, as well as what the City's Total OPEB Liability would be using a healthcare cost rate that is 1 percentage point lower or one percentage point higher than the current rate.

|                      | 1% Decrease | Current Trend<br>Rate | 1% Increase |
|----------------------|-------------|-----------------------|-------------|
| Total OPEB Liability | \$ 125,296  | \$ 145,077            | \$ 168,810  |

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

For the year ended December 31, 2022, the City recognized OPEB benefit of \$13,932. The City reported deferred outflows and (inflows) related to OPEB from the following sources:

|                                                       | Deferred<br>Outflow of<br>Resources | Deferred<br>Inflows of<br>Resources |
|-------------------------------------------------------|-------------------------------------|-------------------------------------|
| Differences between expected<br>and actual experience | \$ 42,451                           | \$ 134,482                          |
| Changes in assumptions                                | 51,975                              | 66,295                              |
| Total                                                 | \$ 94,426                           | \$ 200,777                          |

Amounts reported as deferred outflows (inflows) of resources related to OPEB will be recognized as a reduction of OPEB expense as follows:

| Fiscal Year Ending | Amount       |
|--------------------|--------------|
| 2023               | \$ (7,958)   |
| 2024               | (7,958)      |
| 2025               | (7,958)      |
| 2026               | (7,958)      |
| 2027               | (7,958)      |
| 2028 Thereafter    | (66,561)     |
| Total              | \$ (106,351) |

The following table summarizes the City's OPEB reporting:

|                             | Total OPEB<br>Liability | Deferred<br>Outflow of<br>Resources | Deferred<br>Inflows of<br>Resources |
|-----------------------------|-------------------------|-------------------------------------|-------------------------------------|
| Governmental activities: ** | \$ 121,299              | \$ 68,176                           | \$ 147,565                          |
| Business-type activities:   | 23,778                  | 26,250                              | 53,212                              |
| Total                       | \$ 145,077              | \$ 94,426                           | \$ 200,777                          |

\*\* OPEB liability generally liquidated by the General Fund

**City of Osage Beach, Missouri**  
Notes to the Basic Financial Statements  
December 31, 2022

**13. JONT VENTURE**

On August 5, 1981, the City agreed to a joint partnership with City of Lake Ozark of a Sewage Treatment Plant (STP). The Board administering the STP consists of eight members, four from each city. Amounts to be billed to each city are based upon usage billed at identical rate structures. Costs of operation and maintenance are split proportionately between the two cities. For the year ended December 31, 2022, the City paid \$464,991 for its share of STP expenses. A separate audit is performed on this entity, and a copy may be reviewed at the City of Lake Ozark or City of Osage Beach City Hall.

**14. TAX ABATEMENTS**

Pursuant to the Real Property Tax Increment Allocation Act, Sections 99.800 through 99.865, RSMo, as amended (the TIF Act), cities and counties (governments) may adopt a redevelopment plan (TIF plan) that provides for the redevelopment of a “blighted area,” “conservation area” or “economic development area” located within the boundaries of the government to encourage increased property valuations. The Osage Beach Tax Increment Financing District (TIF District), a component unit of the City, recommends the designation of blighted areas, the redevelopment plan, and the developer, and the City has final approval. All of the TIF plans approved to date have been for the development of retail centers in blighted areas within the City by approved developers.

In general, once approved, the City enters into a development contract with the developer covering the development project, including ad valorem taxes, property tax abatements, and sales taxes. There are no provisions for recapture since the taxes abated are for property development and used to fund the project and service debt. Under these contracts, the governments in the TIF District grant two types of tax abatements:

- Sales tax abatements of 50 percent of the total additional revenue from taxes, penalties and interest which are imposed by the City or taxing districts and which are generated by economic activities within the areas of the TIF over the amount generated in the year before the TIF plan was adopted. The City sales taxes abated under the agreements totaled \$369,443 in 2022.
- Property tax abatements attributable to the increase in assessed value of the property of property in the TIF district over the assessed value of the property before the development. Property taxes abated under the agreements totaled \$164,325 in 2022.

**15. SUBSEQUENT EVENTS**

Events that have occurred subsequent to December 31, 2022, have been evaluated through June 7, 2023, which is the date the financial statements were available to be issued. No subsequent events were identified that required adjustment to or disclosure in the financial statements.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF OSAGE BEACH, MISSOURI**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**General Fund**  
**For the Year Ended December 31, 2022**

|                                        | <u>Original</u>     | <u>Final</u>        |                     | <b>Variance with</b> |
|----------------------------------------|---------------------|---------------------|---------------------|----------------------|
|                                        | <b>Budget</b>       | <b>Budget</b>       | <b>Actual</b>       | <b>Final Budget</b>  |
|                                        |                     |                     |                     | <b>Positive</b>      |
|                                        |                     |                     |                     | <b>(Negative)</b>    |
| <b>Revenues:</b>                       |                     |                     |                     |                      |
| Taxes                                  |                     |                     |                     |                      |
| Sales                                  | \$ 5,500,000        | \$ 5,500,000        | \$ 6,143,133        | \$ 643,133           |
| Franchise                              | 959,000             | 959,000             | 968,780             | 9,780                |
| Charges for services                   | 696,000             | 696,000             | 720,500             | 24,500               |
| Licenses, fines, permits and fees      | 594,620             | 594,620             | 424,257             | (170,363)            |
| Intergovernmental                      | 484,266             | 522,458             | 48,865              | (473,593)            |
| Interest                               | 30,000              | 30,000              | 75,409              | 45,409               |
| Rental income                          | 77,000              | 77,000              | 73,315              | (3,685)              |
| Contributions                          | 5,000               | 5,000               | 3,570               | (1,430)              |
| Miscellaneous                          | 44,800              | 44,800              | 68,427              | 23,627               |
| Total Revenues                         | <u>8,390,686</u>    | <u>8,428,878</u>    | <u>8,526,256</u>    | <u>97,378</u>        |
| <b>Expenditures:</b>                   |                     |                     |                     |                      |
| Current:                               |                     |                     |                     |                      |
| General government                     | 2,585,253           | 2,661,203           | 2,440,995           | 220,208              |
| Public safety                          | 3,596,505           | 3,596,505           | 3,395,415           | 201,090              |
| Parks and recreation                   | 573,273             | 591,773             | 504,921             | 86,852               |
| Information and technology             | 496,130             | 507,180             | 459,719             | 47,461               |
| Capital outlay:                        |                     |                     |                     |                      |
| Projects and equipment                 | 1,149,408           | 1,187,600           | 385,096             | 802,504              |
| Debt Service:                          |                     |                     |                     |                      |
| Principal                              | 214,719             | 214,719             | 217,072             | (2,353)              |
| Interest and fiscal charges            | 2,178               | 2,178               | 2,368               | (190)                |
| Total Expenditures                     | <u>8,617,466</u>    | <u>8,761,158</u>    | <u>7,405,586</u>    | <u>1,355,572</u>     |
| Excess of Revenues Over                |                     |                     |                     |                      |
| (Under) Expenditures                   | (226,780)           | (332,280)           | 1,120,670           | 1,452,950            |
| <b>Other financing sources (uses):</b> |                     |                     |                     |                      |
| Transfers in                           | 404,300             | 404,300             | -                   | 404,300              |
| Transfers out                          | (555,000)           | (555,000)           | (555,000)           | -                    |
| Total Other Financing Sources (Uses)   | <u>(150,700)</u>    | <u>(150,700)</u>    | <u>(530,756)</u>    | <u>404,300</u>       |
| Net change in fund balances            | (377,480)           | (482,980)           | 589,914             | 1,048,650            |
| Fund balances, beginning of year       | <u>4,300,196</u>    | <u>4,300,196</u>    | <u>4,300,196</u>    | <u>-</u>             |
| Fund balances, end of year             | <u>\$ 3,922,716</u> | <u>\$ 3,817,216</u> | <u>\$ 4,890,110</u> | <u>\$ 1,048,650</u>  |

**CITY OF OSAGE BEACH, MISSOURI**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**Transportation Sales Tax Fund**  
**For the Year Ended December 31, 2022**

|                                        | <u>Original</u>            | <u>Final</u>               |                            | <b>Variance with</b>       |
|----------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
|                                        | <b>Budget</b>              | <b>Budget</b>              | <b>Actual</b>              | <b>Final Budget</b>        |
|                                        |                            |                            |                            | <b>Positive</b>            |
|                                        |                            |                            |                            | <b>(Negative)</b>          |
| <b>Revenues:</b>                       |                            |                            |                            |                            |
| Taxes                                  |                            |                            |                            |                            |
| Sales                                  | \$ 2,650,000               | \$ 2,650,000               | \$ 3,028,697               | \$ 378,697                 |
| Motor vehicle fuel and license         | 188,000                    | 188,000                    | 205,648                    | 17,648                     |
| County road taxes                      | 70,000                     | 70,000                     | 70,898                     | 898                        |
| Licenses, fines, permits and fees      | 100                        | 100                        | 2,850                      | 2,750                      |
| Intergovernmental                      | 879,809                    | 883,784                    | 411,148                    | (472,636)                  |
| Interest                               | 35,000                     | 35,000                     | 91,519                     | 56,519                     |
| Miscellaneous                          | 2,125                      | 2,125                      | 21,582                     | 19,457                     |
| Total Revenues                         | <u>3,825,034</u>           | <u>3,829,009</u>           | <u>3,832,342</u>           | <u>3,333</u>               |
| <b>Expenditures:</b>                   |                            |                            |                            |                            |
| Current:                               |                            |                            |                            |                            |
| Streets and highways                   | 2,110,441                  | 2,131,324                  | 1,186,666                  | 944,658                    |
| Capital outlay:                        |                            |                            |                            |                            |
| Streets and highways                   | <u>2,343,316</u>           | <u>2,644,062</u>           | <u>1,925,417</u>           | <u>718,645</u>             |
| Total Expenditures                     | <u>4,453,757</u>           | <u>4,775,386</u>           | <u>3,112,207</u>           | <u>1,663,179</u>           |
| Excess of Revenues Over                |                            |                            |                            |                            |
| (Under) Expenditures                   | (628,723)                  | (946,377)                  | 720,135                    | 1,666,512                  |
| <b>Other financing sources (uses):</b> |                            |                            |                            |                            |
| Transfers out                          | <u>(355,000)</u>           | <u>(390,000)</u>           | <u>(390,000)</u>           | <u>-</u>                   |
| Total Other Financing Sources (Uses)   | <u>(355,000)</u>           | <u>(390,000)</u>           | <u>(386,536)</u>           | <u>-</u>                   |
| Net change in fund balances            | (983,723)                  | (1,336,377)                | 333,599                    | 1,666,512                  |
| Fund balances, beginning of year       | <u>5,726,236</u>           | <u>5,726,236</u>           | <u>5,726,236</u>           | <u>-</u>                   |
| Fund balances, end of year             | <u><u>\$ 4,742,513</u></u> | <u><u>\$ 4,389,859</u></u> | <u><u>\$ 6,059,835</u></u> | <u><u>\$ 1,666,512</u></u> |

**CITY OF OSAGE BEACH, MISSOURI**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**Capitol Improvement Sales Tax Fund**  
**For the Year Ended December 31, 2022**

|                                        | <u>Original</u>            | <u>Final</u>               |                            | <b>Variance with</b>     |
|----------------------------------------|----------------------------|----------------------------|----------------------------|--------------------------|
|                                        | <b>Budget</b>              | <b>Budget</b>              | <b>Actual</b>              | <b>Final Budget</b>      |
|                                        |                            |                            |                            | <b>Positive</b>          |
|                                        |                            |                            |                            | <b>(Negative)</b>        |
| <b>Revenues:</b>                       |                            |                            |                            |                          |
| Taxes                                  |                            |                            |                            |                          |
| Sales                                  | \$ 2,650,000               | \$ 2,650,000               | \$ 3,028,432               | \$ 378,432               |
| Interest                               | 5,000                      | 5,000                      | 23,769                     | 18,769                   |
| Total Revenues                         | <u>2,655,000</u>           | <u>2,655,000</u>           | <u>3,052,201</u>           | <u>397,201</u>           |
| <b>Expenditures:</b>                   |                            |                            |                            |                          |
| Current:                               |                            |                            |                            |                          |
| Capital improvements                   | 80,000                     | 80,000                     | 92,358                     | (12,358)                 |
| Total Expenditures                     | <u>80,000</u>              | <u>80,000</u>              | <u>92,358</u>              | <u>(12,358)</u>          |
| Excess of Revenues Over                |                            |                            |                            |                          |
| (Under) Expenditures                   | 2,575,000                  | 2,575,000                  | 2,959,843                  | 384,843                  |
| <b>Other financing sources (uses):</b> |                            |                            |                            |                          |
| Transfers out                          | (2,819,300)                | (2,819,300)                | (2,415,000)                | 404,300                  |
| Total Other Financing Sources (Uses)   | <u>(2,819,300)</u>         | <u>(2,819,300)</u>         | <u>(2,415,000)</u>         | <u>404,300</u>           |
| Net change in fund balances            | (244,300)                  | (244,300)                  | 544,843                    | 789,143                  |
| Fund balances, beginning of year       | <u>2,787,427</u>           | <u>2,787,427</u>           | <u>2,787,427</u>           | <u>-</u>                 |
| Fund balances, end of year             | <u><u>\$ 2,543,127</u></u> | <u><u>\$ 2,543,127</u></u> | <u><u>\$ 3,332,270</u></u> | <u><u>\$ 789,143</u></u> |



**CITY OF OSAGE BEACH**  
**Required Supplementary Information**  
**Notes to the Budgetary Comparison Schedules**  
  
**For the Year Ended December 31, 2022**

**Budgetary Information**

The City's policy is to prepare the operating budgets in accordance with U.S. generally accepted accounting principles. The City prepared budgets for all governmental fund types for the year ended December 31, 2022.

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

- 1) Prior to January 1, the City Administrator submits to the Board of Aldermen a proposed operating budget for the fiscal period commencing January 1. The operating budget includes proposed expenditures and the means of financing them.
- 2) The City utilizes multiple public budget workshops that the public is invited to attend and make comments. The proposed budget is available for public inspection prior to the budget workshops.
- 3) Prior to December 31, the budget is legally enacted through passage of an ordinance.
- 4) The City Administrator is authorized to transfer budgeted amounts within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Aldermen.
- 5) All appropriations lapse at year-end.

The primary basis of budgetary control is at the fund level. The budget was amended during the year.

**CITY OF OSAGE BEACH**  
**Required Supplementary Information**  
**Schedule of Changes in Total OPEB Liability**  
**and Related Ratios\***

|                                                   | <u>2022</u>       | <u>2021</u>       | <u>2020</u>       | <u>2019</u>       | <u>2018</u>       |
|---------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total OPEB Liability                              |                   |                   |                   |                   |                   |
| Service costs                                     | \$ 17,088         | \$ 13,878         | \$ 21,831         | \$ 25,801         | \$ 21,414         |
| Interest                                          | 4,802             | 6,170             | 10,246            | 9,637             | 8,865             |
| Changes in benefit terms                          | -                 | -                 | (47,896)          | (41,089)          | -                 |
| Difference between actual and expected            | (69,714)          | 44,154            | (87,184)          | 6,281             | -                 |
| Changes in assumptions                            | (35,007)          | (26,843)          | 40,410            | (14,699)          | 29,473            |
| Contributions - employer                          | -                 | (2,500)           | (1,900)           | (2,000)           | (1,000)           |
| Net changes in total OPEB liability               | (82,831)          | 34,859            | (64,493)          | (16,069)          | 58,752            |
| Total OPEB liability - beginning of year          | 227,908           | 193,049           | 257,542           | 273,611           | 214,859           |
| Total OPEB liability - end of year                | <u>\$ 145,077</u> | <u>\$ 227,908</u> | <u>\$ 193,049</u> | <u>\$ 257,542</u> | <u>\$ 273,611</u> |
| Covered employee payroll**                        | \$ 3,676,607      | \$ 4,280,151      | \$ 4,280,151      | \$ 4,162,388      | \$ 4,162,388      |
| OPEB liability as a percentage of covered payroll | 3.95%             | 5.32%             | 4.51%             | 6.19%             | 6.57%             |

\* GASB 75 requires presentation of ten years. As of December 31, 2022, only five years were available.

\*\* Covered employee payroll is annualized pay based on amounts as of July 1 of the actuarial valuation date

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

## **STATISTICAL SECTION**

***(Unaudited)***

The statistical data “relate to the physical, economic, social, and political characteristics of the City.” Its design is to provide “a broader and more complete understanding of the City and its financial affairs than is possible from the financial statements, notes, and supporting schedules presented in the Financial Section

**CITY OF OSAGE BEACH, MISSOURI**

TABLE 1

NET ASSETS BY COMPONENT  
LAST TEN FISCAL YEARS  
*(accrual basis of accounting)*

|                                           | FISCAL YEAR          |                      |                      |                      |                      |                      |                      |                      |                      |                       |
|-------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
|                                           | 2013                 | 2014                 | 2015                 | 2016                 | 2017                 | 2018                 | 2019                 | 2020                 | 2021                 | 2022                  |
| Governmental Activities:                  |                      |                      |                      |                      |                      |                      |                      |                      |                      |                       |
| Net investment in capital assets          | \$ 40,750,125        | \$ 39,307,279        | \$ 37,653,615        | \$ 37,500,016        | \$ 36,556,436        | \$ 34,915,470        | \$ 33,323,963        | \$ 31,935,925        | \$ 30,744,058        | \$ 30,211,999         |
| Restricted                                | 5,499,168            | 6,010,852            | 6,931,150            | 6,502,607            | 6,927,365            | 6,476,810            | 6,468,528            | 6,956,620            | 8,511,485            | 9,392,105             |
| Unrestricted                              | 3,308,811            | 3,530,536            | 3,231,106            | 3,113,136            | 2,371,532            | 2,497,536            | 2,657,049            | 2,661,303            | 3,905,242            | 4,465,738             |
| Total governmental activities net assets  | <u>\$ 49,558,104</u> | <u>\$ 48,848,667</u> | <u>\$ 47,815,871</u> | <u>\$ 47,115,759</u> | <u>\$ 45,855,333</u> | <u>\$ 43,889,816</u> | <u>\$ 42,449,540</u> | <u>\$ 41,553,848</u> | <u>\$ 43,160,785</u> | <u>\$ 44,069,842</u>  |
| Business-type activities:                 |                      |                      |                      |                      |                      |                      |                      |                      |                      |                       |
| Net investment in capital assets          | \$ 34,434,359        | \$ 35,337,942        | \$ 36,016,361        | \$ 36,440,536        | \$ 38,703,040        | \$ 39,492,176        | \$ 41,716,841        | \$ 42,824,908        | \$ 46,176,263        | \$ 50,541,215         |
| Restricted                                | 2,806,768            | 2,895,805            | 2,945,442            | 3,004,278            | 3,211,266            | 3,256,225            | 4,049,043            | 3,737,033            | 4,347,991            | 985,850               |
| Unrestricted                              | 5,537,936            | 5,791,462            | 5,448,395            | 5,415,198            | 4,989,257            | 5,493,317            | 4,427,973            | 4,567,715            | 3,422,668            | 6,349,804             |
| Total business-type activities net assets | <u>\$ 42,779,063</u> | <u>\$ 44,025,209</u> | <u>\$ 44,410,198</u> | <u>\$ 44,860,012</u> | <u>\$ 46,903,563</u> | <u>\$ 48,241,718</u> | <u>\$ 50,193,857</u> | <u>\$ 51,129,656</u> | <u>\$ 53,946,922</u> | <u>\$ 57,876,869</u>  |
| Primary government:                       |                      |                      |                      |                      |                      |                      |                      |                      |                      |                       |
| Net investment in capital assets          | \$ 75,184,484        | \$ 74,645,221        | \$ 73,669,976        | \$ 73,940,552        | \$ 75,259,476        | \$ 74,407,646        | \$ 75,040,804        | \$ 74,760,833        | \$ 76,920,321        | \$ 80,753,214         |
| Restricted                                | 8,305,936            | 8,906,657            | 9,876,592            | 9,506,885            | 10,138,631           | 9,733,035            | 10,517,571           | 10,693,653           | 12,859,476           | 10,377,955            |
| Unrestricted                              | 8,846,747            | 9,321,998            | 8,679,501            | 8,528,334            | 7,360,789            | 7,990,853            | 7,085,022            | 7,229,018            | 7,327,910            | 10,815,542            |
| Total primary government net assets       | <u>\$ 92,337,167</u> | <u>\$ 92,873,876</u> | <u>\$ 92,226,069</u> | <u>\$ 91,975,771</u> | <u>\$ 92,758,896</u> | <u>\$ 92,131,534</u> | <u>\$ 92,643,397</u> | <u>\$ 92,683,504</u> | <u>\$ 97,107,707</u> | <u>\$ 101,946,711</u> |

## CITY OF OSAGE BEACH, MISSOURI

TABLE 2

CHANGES IN NET ASSETS  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

|                                                 | FISCAL YEAR   |               |               |               |               |               |               |               |               |               |
|-------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                                                 | 2013          | 2014          | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          | 2021          | 2022          |
| <b>Expenses</b>                                 |               |               |               |               |               |               |               |               |               |               |
| Governmental Activities:                        |               |               |               |               |               |               |               |               |               |               |
| General government                              | \$ 2,795,702  | \$ 2,652,546  | \$ 2,780,408  | \$ 2,908,660  | \$ 2,986,937  | \$ 2,934,961  | \$ 3,046,105  | \$ 3,260,006  | \$ 2,840,042  | \$ 2,684,719  |
| Public Safety                                   | 3,091,649     | 2,978,236     | 3,052,006     | 3,143,046     | 3,081,476     | 3,141,925     | 3,151,724     | 3,135,205     | 3,107,327     | 3,585,603     |
| Park and Recreation                             | 458,198       | 529,212       | 494,456       | 610,252       | 614,335       | 669,858       | 703,750       | 678,970       | 688,281       | 796,884       |
| Information Technology                          | 331,982       | 328,665       | 429,671       | 381,851       | 527,030       | 492,477       | 497,578       | 414,131       | 385,592       | 459,953       |
| Streets and Highways                            | 2,967,447     | 3,613,537     | 3,354,035     | 3,536,724     | 3,679,606     | 4,296,076     | 4,462,090     | 4,294,964     | 3,794,342     | 3,344,376     |
| Interest on Long-term debt                      | -             | -             | -             | -             | -             | -             | -             | 4,624         | 2,178         | 207           |
| Total governmental activities expenses          | 9,644,978     | 10,102,196    | 10,110,576    | 10,580,533    | 10,889,384    | 11,535,297    | 11,861,247    | 11,787,900    | 10,817,762    | 10,871,742    |
| Business-type activities:                       |               |               |               |               |               |               |               |               |               |               |
| Water/Sewer                                     | 6,384,114     | 6,005,376     | 6,510,125     | 6,684,891     | 6,452,884     | 6,020,462     | 6,195,699     | 5,575,081     | 6,120,253     | 6,591,431     |
| Ambulance                                       | 549,256       | 550,425       | 559,263       | 599,568       | 585,358       | 584,394       | 565,495       | 601,478       | 643,214       | 743,502       |
| Airports                                        | 1,267,451     | 1,152,138     | 1,136,262     | 1,217,135     | 1,147,180     | 1,555,938     | 1,343,250     | 1,256,281     | 1,669,285     | 1,960,323     |
| Total business-type activities expenses         | 8,200,821     | 7,707,939     | 8,205,650     | 8,501,594     | 8,185,422     | 8,160,794     | 8,104,444     | 7,432,840     | 8,432,752     | 9,295,256     |
| Total primary government expenses               | \$ 17,845,799 | \$ 17,810,135 | \$ 18,316,226 | \$ 19,082,127 | \$ 19,074,806 | \$ 19,696,091 | \$ 19,965,691 | \$ 19,220,740 | \$ 19,250,514 | \$ 20,166,998 |
| <b>Program Revenues</b>                         |               |               |               |               |               |               |               |               |               |               |
| Governmental Activities:                        |               |               |               |               |               |               |               |               |               |               |
| Charges for services:                           |               |               |               |               |               |               |               |               |               |               |
| General Government                              | \$ 766,581    | \$ 387,775    | \$ 408,614    | \$ 459,750    | \$ 541,529    | \$ 587,451    | \$ 542,430    | \$ 953,868    | \$ 1,039,948  | \$ 668,658    |
| Public Safety                                   | 231,185       | 243,122       | 252,439       | 210,874       | 203,491       | 200,900       | 217,882       | 193,810       | 173,849       | 121,920       |
| Parks and recreation                            | 4,059         | 7,122         | 18,650        | 32,749        | 33,735        | 40,009        | 69,266        | 80,520        | 95,815        | 87,030        |
| Streets and highways                            | 7             | -             | -             | -             | -             | -             | 90            | -             | -             | -             |
| Operating grants and contributions              | 80,180        | 10,588        | 21,004        | 25,322        | 54,362        | 21,630        | 40,474        | 140,274       | 141,558       | 469,083       |
| Capital grants and contributions                | 13,134,610    | 663,157       | 177,439       | 709,092       | 362,027       | 297,555       | 467,738       | -             | -             | -             |
| Total governmental activities program revenues  | 14,216,622    | 1,311,764     | 878,146       | 1,437,787     | 1,195,144     | 1,147,545     | 1,337,880     | 1,368,472     | 1,451,170     | 1,346,691     |
| Business-type activities:                       |               |               |               |               |               |               |               |               |               |               |
| Charges for services:                           |               |               |               |               |               |               |               |               |               |               |
| Water/Sewer                                     | 3,813,025     | 4,040,992     | 3,926,031     | 4,202,405     | 4,341,405     | 4,440,524     | 4,608,839     | 4,452,533     | 4,684,582     | 4,728,857     |
| Ambulance                                       | 178,696       | 213,254       | 221,469       | 235,158       | 253,263       | 278,392       | 287,692       | 297,860       | 344,730       | 362,817       |
| Airports                                        | 916,094       | 921,421       | 935,702       | 899,751       | 863,039       | 1,029,284     | 1,015,032     | 934,777       | 1,342,163     | 1,567,675     |
| Operating grants and contributions              | 712,858       | 661,112       | 622,627       | 537,637       | 487,820       | 428,331       | 365,840       | 406,287       | 282,778       | 160,083       |
| Capital grants and contributions                | 429,451       | 706,897       | 372,655       | 622,107       | 1,782,273     | 582,118       | 1,541,717     | 255,137       | 2,181,638     | 2,802,171     |
| Total business-type activities program revenues | 6,050,124     | 6,543,676     | 6,078,484     | 6,497,058     | 7,727,800     | 6,758,649     | 7,819,120     | 6,346,594     | 8,835,891     | 9,621,603     |
| Total primary government program revenues       | \$ 20,266,746 | \$ 7,855,440  | \$ 6,956,630  | \$ 7,934,845  | \$ 8,922,944  | \$ 7,906,194  | \$ 9,157,000  | \$ 7,715,066  | \$ 10,287,061 | \$ 10,968,294 |

## CITY OF OSAGE BEACH, MISSOURI

TABLE 2

CHANGES IN NET ASSETS  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

|                                                           | FISCAL YEAR   |                |                 |                 |                 |                 |                 |                 |                |                |
|-----------------------------------------------------------|---------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|----------------|
|                                                           | 2013          | 2014           | 2015            | 2016            | 2017            | 2018            | 2019            | 2020            | 2021           | 2022           |
| Net (expense)/revenue                                     |               |                |                 |                 |                 |                 |                 |                 |                |                |
| Governmental activities                                   | \$ 4,571,644  | \$ (8,790,432) | \$ (9,232,430)  | \$ (9,142,746)  | \$ (9,694,240)  | \$ (10,387,752) | \$ (10,523,367) | \$ (10,419,428) | \$ (9,366,592) | \$ (9,525,051) |
| Business-type activities                                  | (2,150,697)   | (1,164,263)    | (2,127,166)     | (2,004,536)     | (457,622)       | (1,402,145)     | (285,324)       | (1,086,246)     | 403,139        | 326,347        |
| Total primary government net expenses                     | \$ 2,420,947  | \$ (9,954,695) | \$ (11,359,596) | \$ (11,147,282) | \$ (10,151,862) | \$ (11,789,897) | \$ (10,808,691) | \$ (11,505,674) | \$ (8,963,453) | \$ (9,198,704) |
| <b>General Revenues and Other Changes in Net Position</b> |               |                |                 |                 |                 |                 |                 |                 |                |                |
| Governmental Activities:                                  |               |                |                 |                 |                 |                 |                 |                 |                |                |
| Taxes                                                     |               |                |                 |                 |                 |                 |                 |                 |                |                |
| County road taxes                                         | \$ 69,622     | \$ 67,902      | \$ 69,887       | \$ 70,833       | \$ 70,477       | \$ 70,470       | \$ 70,500       | \$ 72,584       | \$ 59,833      | \$ 70,898      |
| Sales taxes                                               | 8,745,521     | 9,065,925      | 9,157,986       | 9,424,674       | 9,428,003       | 9,476,784       | 9,518,981       | 10,012,688      | 11,904,761     | 12,200,262     |
| Franchise taxes                                           | 941,599       | 952,678        | 993,059         | 943,737         | 938,888         | 1,063,470       | 982,803         | 869,076         | 908,936        | 968,780        |
| Motor vehicle fuel & license                              | 157,635       | 164,069        | 170,674         | 172,097         | 175,551         | 175,814         | 177,206         | 170,788         | 186,570        | 205,648        |
| Unrestricted investment earnings                          | 50,401        | 36,444         | 22,338          | 38,010          | 55,480          | 112,734         | 182,526         | 131,373         | 53,446         | 190,697        |
| Other income                                              | 79,236        | 63,338         | 156,215         | 118,731         | 168,335         | 99,593          | 162,075         | 126,227         | 156,983        | 157,823        |
| Gain (loss) on sale of capital assets                     | 543           | 85,639         | 14,475          | 10,052          | 28,080          | 2,861           | -               | -               | -              | -              |
| Transfers                                                 | (2,308,000)   | (2,355,000)    | (2,385,000)     | (2,335,500)     | (2,431,000)     | (2,602,000)     | (2,011,000)     | (1,859,000)     | (2,297,000)    | (3,360,000)    |
| Total governmental activities                             | 7,736,557     | 8,080,995      | 8,199,634       | 8,442,634       | 8,433,814       | 8,399,726       | 9,083,091       | 9,523,736       | 10,973,529     | 10,434,108     |
| Business-type activities                                  |               |                |                 |                 |                 |                 |                 |                 |                |                |
| Unrestricted investment earnings                          | 49,346        | 32,889         | 20,061          | 28,409          | 55,940          | 120,127         | 170,154         | 95,217          | 26,960         | 71,863         |
| Other income                                              | 4,460         | 13,620         | 51,013          | 87,415          | 12,174          | 27,610          | 56,309          | 67,828          | 90,167         | 171,737        |
| Gain (loss) on sale of capital assets                     | 3,883         | 8,900          | 56,081          | 3,026           | 2,059           | 2,487           | -               | -               | -              | -              |
| Transfers                                                 | 2,308,000     | 2,355,000      | 2,385,000       | 2,335,500       | 2,431,000       | 2,602,000       | 2,011,000       | 1,859,000       | 2,297,000      | 3,360,000      |
| Total business-type activities                            | 2,365,689     | 2,410,409      | 2,512,155       | 2,454,350       | 2,501,173       | 2,752,224       | 2,237,463       | 2,022,045       | 2,414,127      | 3,603,600      |
| Total primary government                                  | \$ 10,102,246 | \$ 10,491,404  | \$ 10,711,789   | \$ 10,896,984   | \$ 10,934,987   | \$ 11,151,950   | \$ 11,320,554   | \$ 11,545,781   | \$ 13,387,656  | \$ 14,037,708  |
| <b>Change in net position</b>                             |               |                |                 |                 |                 |                 |                 |                 |                |                |
| Governmental activities                                   | \$ 12,308,201 | \$ (709,437)   | \$ (1,032,796)  | \$ (700,112)    | \$ (1,260,426)  | \$ (1,988,026)  | \$ (1,440,276)  | \$ (895,692)    | \$ 1,606,937   | \$ 909,057     |
| Business-type activities                                  | 214,992       | 1,246,146      | 384,989         | 449,814         | 2,043,551       | 1,350,079       | 1,952,139       | 935,799         | 2,817,266      | 3,929,947      |
| Total primary government                                  | \$ 12,523,193 | \$ 536,709     | \$ (647,807)    | \$ (250,298)    | \$ 783,125      | \$ (637,947)    | \$ 511,863      | \$ 40,107       | \$ 4,424,203   | \$ 4,839,004   |

**CITY OF OSAGE BEACH, MISSOURI**

TABLE 3

**FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**  
*(modified accrual basis of accounting)*

|                                    | FISCAL YEAR  |              |               |              |              |              |              |              |               |               |
|------------------------------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|
|                                    | 2013         | 2014         | 2015          | 2016         | 2017         | 2018         | 2019         | 2020         | 2021          | 2022          |
| General Fund                       |              |              |               |              |              |              |              |              |               |               |
| Nonspendable                       | \$ -         | \$ 71,107    | \$ 95,007     | \$ 134,056   | \$ 140,773   | \$ 188,793   | \$ 189,502   | \$ 189,270   | \$ 203,163    | \$ 209,867    |
| Unassigned                         | 3,467,352    | 3,274,396    | 3,295,348     | 3,116,070    | 2,496,023    | 2,613,199    | 2,672,073    | 2,848,993    | 4,097,033     | 4,680,243     |
| Total General Fund                 | 3,467,352    | 3,345,503    | 3,390,355     | 3,250,126    | 2,636,796    | 2,801,992    | 2,861,575    | 3,038,263    | 4,300,196     | 4,890,110     |
| All Other Governmental Funds       |              |              |               |              |              |              |              |              |               |               |
| Nonspendable                       | -            | 5,726        | 6,548         | 30,811       | 18,243       | 39,691       | 24,051       | 22,657       | 19,591        | 20,235        |
| Restricted                         | 2,499,168    | 6,010,852    | 6,931,150     | 6,502,607    | 6,927,365    | 6,488,943    | 6,468,528    | 6,938,297    | 8,494,072     | 9,371,870     |
| Unassigned                         | -            | -            | -             | -            | -            | (58,000)     | -            | -            | -             | -             |
| Total all other governmental funds | 2,499,168    | 6,016,578    | 6,937,698     | 6,533,418    | 6,945,608    | 6,470,634    | 6,492,579    | 6,960,954    | 8,513,663     | 9,392,105     |
| Total governmental funds           | \$ 5,966,520 | \$ 9,362,081 | \$ 10,328,053 | \$ 9,783,544 | \$ 9,582,404 | \$ 9,272,626 | \$ 9,354,154 | \$ 9,999,217 | \$ 12,813,859 | \$ 14,282,215 |

**CITY OF OSAGE BEACH, MISSOURI**

TABLE 4

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)**

|                                                                        | FISCAL YEAR        |                    |                    |                     |                     |                     |                    |                     |                     |                     |
|------------------------------------------------------------------------|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|--------------------|---------------------|---------------------|---------------------|
|                                                                        | 2013               | 2014               | 2015               | 2016                | 2017                | 2018                | 2019               | 2020                | 2021                | 2022                |
| <b>Revenues</b>                                                        |                    |                    |                    |                     |                     |                     |                    |                     |                     |                     |
| Taxes                                                                  | \$ 9,914,377       | \$ 10,250,574      | \$ 10,391,606      | \$ 10,611,341       | \$ 10,612,919       | \$ 10,798,671       | \$ 10,749,490      | \$ 11,125,136       | \$ 13,060,100       | \$ 13,445,588       |
| Licenses, fines, permits                                               | 522,520            | 443,419            | 467,703            | 431,873             | 488,755             | 513,760             | 529,668            | 460,199             | 637,613             | 427,107             |
| Intergovernmental                                                      | 209,925            | 322,940            | 522,477            | 690,410             | 528,690             | 317,141             | 440,347            | 194,590             | 134,699             | 460,013             |
| Interest                                                               | 50,401             | 36,444             | 22,338             | 38,010              | 55,480              | 112,734             | 182,526            | 131,375             | 53,446              | 190,697             |
| Rental income                                                          |                    |                    |                    |                     |                     |                     |                    |                     |                     | 73,315              |
| Contributions                                                          |                    |                    |                    |                     |                     | 2,044               | 10,569             | 2,980               | 6,859               | 3,570               |
| Charges for services                                                   | 479,312            | 194,600            | 212,000            | 271,500             | 290,000             | 314,600             | 300,000            | 768,000             | 672,000             | 720,500             |
| Miscellaneous                                                          | 79,236             | 63,338             | 162,765            | 133,939             | 174,545             | 99,593              | 162,075            | 126,224             | 156,982             | 90,009              |
| <b>Total Revenues</b>                                                  | <b>11,255,771</b>  | <b>11,311,315</b>  | <b>11,778,889</b>  | <b>12,177,073</b>   | <b>12,150,389</b>   | <b>12,158,543</b>   | <b>12,374,675</b>  | <b>12,808,504</b>   | <b>14,721,699</b>   | <b>15,410,799</b>   |
| <b>Expenditures</b>                                                    |                    |                    |                    |                     |                     |                     |                    |                     |                     |                     |
| General Government                                                     | 2,517,947          | 2,397,258          | 2,457,995          | 2,314,939           | 2,433,501           | 2,318,283           | 2,433,719          | 2,999,207           | 2,613,417           | 2,440,995           |
| Public Safety                                                          | 2,973,390          | 2,859,619          | 2,885,675          | 2,941,372           | 2,942,362           | 3,011,840           | 3,058,748          | 2,871,156           | 2,895,780           | 3,395,415           |
| Park and Recreation                                                    | 250,501            | 253,983            | 253,021            | 300,587             | 300,815             | 372,684             | 388,854            | 367,461             | 385,047             | 504,921             |
| Information Technology                                                 | 272,124            | 282,989            | 333,231            | 319,004             | 455,477             | 443,009             | 442,920            | 414,333             | 385,214             | 459,719             |
| Streets and Highways                                                   | 919,711            | 1,152,841          | 797,661            | 939,140             | 1,109,614           | 1,943,542           | 1,858,479          | 1,172,456           | 1,110,084           | 1,186,666           |
| Capital outlay                                                         | 1,364,162          | 1,707,908          | 1,716,624          | 3,581,775           | 2,710,928           | 1,781,789           | 2,087,294          | 2,049,056           | 1,585,447           | 2,229,715           |
| Debt Service                                                           |                    |                    |                    |                     |                     |                     |                    |                     |                     |                     |
| Interest and fees                                                      | -                  | -                  | -                  | -                   | -                   | -                   | -                  | 290                 | 4,334               | 2,385               |
| Principal                                                              | -                  | -                  | -                  | -                   | -                   | -                   | -                  | 216,606             | 212,562             | 217,179             |
| <b>Total Expenditures</b>                                              | <b>8,297,835</b>   | <b>8,654,598</b>   | <b>8,444,207</b>   | <b>10,396,817</b>   | <b>9,952,697</b>    | <b>9,871,147</b>    | <b>10,270,014</b>  | <b>10,090,565</b>   | <b>9,191,885</b>    | <b>10,436,995</b>   |
| Excess of revenues<br>over(under) expenditures                         | 2,957,936          | 2,656,717          | 3,334,682          | 1,780,256           | 2,197,692           | 2,287,396           | 2,104,661          | 2,717,939           | 5,529,814           | 4,973,804           |
| <b>Other financing sources (uses)</b>                                  |                    |                    |                    |                     |                     |                     |                    |                     |                     |                     |
| Transfers in                                                           | -                  | 150,000            | 175,000            | 34,000              | -                   | -                   | 112,566            | 95,566              | -                   | -                   |
| Transfers out                                                          | (2,308,000)        | (2,505,000)        | (2,560,000)        | (2,369,500)         | (2,431,000)         | (2,602,000)         | (2,123,566)        | (1,954,566)         | (2,297,000)         | (3,360,000)         |
| Lease proceeds                                                         | -                  | -                  | -                  | -                   | -                   | -                   | -                  | 643,887             | -                   | 27,708              |
| Sale of Capital Assets                                                 | 3,545              | 93,844             | 16,290             | 10,735              | 32,168              | 4,826               | -                  | -                   | -                   | -                   |
| <b>Total other financing sources (uses)</b>                            | <b>(2,304,455)</b> | <b>(2,261,156)</b> | <b>(2,368,710)</b> | <b>(2,324,765)</b>  | <b>(2,398,832)</b>  | <b>(2,597,174)</b>  | <b>(2,011,000)</b> | <b>(1,215,113)</b>  | <b>(2,297,000)</b>  | <b>(3,332,292)</b>  |
| <b>Net Change in Fund Balance</b>                                      | <b>\$ 653,481</b>  | <b>\$ 395,561</b>  | <b>\$ 965,972</b>  | <b>\$ (544,509)</b> | <b>\$ (201,140)</b> | <b>\$ (309,778)</b> | <b>\$ 93,661</b>   | <b>\$ 1,502,826</b> | <b>\$ 3,232,814</b> | <b>\$ 1,641,512</b> |
| <b>Debt service as a percentage of<br/>    noncapital expenditures</b> | <b>0.00%</b>       | <b>0.00%</b>       | <b>0.00%</b>       | <b>0.00%</b>        | <b>0.00%</b>        | <b>0.00%</b>        | <b>0.00%</b>       | <b>2.70%</b>        | <b>2.85%</b>        | <b>2.68%</b>        |



**CITY OF OSAGE BEACH, MISSOURI**

TABLE 5

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE  
LAST TEN YEARS  
*(accrual basis of accounting)*

| FISCAL<br>YEAR | COUNTY<br>ROAD<br>TAX | SALES<br>TAX | FRANCHISE<br>TAX | MOTOR<br>VEHICLE<br>FUEL & LICENSE<br>TAX | TOTAL        |
|----------------|-----------------------|--------------|------------------|-------------------------------------------|--------------|
| 2013           | \$ 69,622             | \$ 8,745,521 | \$ 941,599       | \$ 157,635                                | \$ 9,914,377 |
| 2014           | 67,902                | 9,065,925    | 952,678          | 164,069                                   | 10,250,574   |
| 2015           | 69,887                | 9,157,986    | 993,059          | 170,674                                   | 10,391,606   |
| 2016           | 70,833                | 9,424,674    | 943,737          | 172,097                                   | 10,611,341   |
| 2017           | 70,477                | 9,428,003    | 938,888          | 175,551                                   | 10,612,919   |
| 2018           | 70,470                | 9,488,917    | 1,063,470        | 175,814                                   | 10,798,671   |
| 2019           | 70,500                | 9,518,981    | 982,803          | 177,206                                   | 10,749,490   |
| 2020           | 72,584                | 10,012,688   | 869,076          | 170,788                                   | 11,125,136   |
| 2021           | 59,833                | 11,904,761   | 908,936          | 186,570                                   | 13,060,100   |
| 2022           | 70,898                | 12,200,262   | 968,780          | 205,648                                   | 13,445,588   |

**CITY OF OSAGE BEACH, MISSOURI**

TABLE 6

**DIRECT AND OVERLAPPING SALES TAX RATES  
LAST TEN YEARS**

| <b>FISCAL<br/>YEAR</b> | <b>CITY<br/>DIRECT<br/>RATE</b> | <b>STATE<br/>SALES TAX<br/>RATE</b> | <b>CAMDEN<br/>COUNTY<br/>RATE</b> | <b>MILLER<br/>COUNTY<br/>RATE</b> | <b>MILLER CO.<br/>AMBULANCE<br/>RATE</b> | <b>TDD<br/>PREWITT<br/>RATE</b> | <b>TDD<br/>OSAGE STAT.<br/>RATE</b> | <b>TDD<br/>DIERBERGS<br/>RATE</b> | <b>CID<br/>ARROWHEAD<br/>RATE</b> | <b>CID<br/>OB COMMONS<br/>RATE</b> |
|------------------------|---------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|------------------------------------------|---------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|
| 2013                   | 2%                              | 4.225%                              | 1.25%                             | 1%                                | 0.5%                                     | 1%                              | 0.75%                               | 1%                                | 0%                                | 0%                                 |
| 2014                   | 2%                              | 4.225%                              | 1.25%                             | 1%                                | 0.5%                                     | 1%                              | 0.75%                               | 1%                                | 0%                                | 0%                                 |
| 2015                   | 2%                              | 4.225%                              | 1.25%                             | 1%                                | 0.5%                                     | 1%                              | 0.75%                               | 1%                                | 0%                                | 0%                                 |
| 2016                   | 2%                              | 4.225%                              | 1.25%                             | 1%                                | 0.5%                                     | 1%                              | 0.75%                               | 1%                                | 1%                                | 0%                                 |
| 2017                   | 2%                              | 4.225%                              | 1.25%                             | 1%                                | 0.5%                                     | 1%                              | 0.75%                               | 1%                                | 1%                                | 0%                                 |
| 2018                   | 2%                              | 4.225%                              | 1.25%                             | 1%                                | 0.5%                                     | 1%                              | 0.75%                               | 1%                                | 1%                                | 0%                                 |
| 2019                   | 2%                              | 4.225%                              | 1.25%                             | 1%                                | 0.5%                                     | 1%                              | 0.75%                               | 1%                                | 1%                                | 0%                                 |
| 2020                   | 2%                              | 4.225%                              | 1.25%                             | 1%                                | 0.5%                                     | 1%                              | 0.75%                               | 1%                                | 1%                                | 0%                                 |
| 2021                   | 2%                              | 4.225%                              | 1.25%                             | 1.375%                            | 0.5%                                     | 1%                              | 0.75%                               | 1%                                | 1%                                | 0%                                 |
| 2022                   | 2%                              | 4.225%                              | 1.50%                             | 1.375%                            | 0.5%                                     | 1%                              | 0.75%                               | 1%                                | 1%                                | 1%                                 |

**CITY OF OSAGE BEACH, MISSOURI**

TABLE 7

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS**

| FISCAL<br>YEAR | BUSINESS-TYPE<br>ACTIVITIES  |            | TOTAL<br>PRIMARY<br>GOVERNMENT | POPULATION | PER<br>CAPITA | % OF PER CAPITA<br>INCOME OF OSAGE<br>BEACH RESIDENTS<br>WITHIN CAMDEN CTY | % OF PER CAPITA<br>INCOME OF OSAGE<br>BEACH RESIDENTS<br>WITHIN MILLER CTY |    |
|----------------|------------------------------|------------|--------------------------------|------------|---------------|----------------------------------------------------------------------------|----------------------------------------------------------------------------|----|
|                | WATER/SEWER<br>REVENUE BONDS |            |                                |            |               |                                                                            |                                                                            |    |
| 2013           | \$                           | 26,577,951 | \$                             | 26,577,951 | 4,563         | \$ 5,825                                                                   | 4%                                                                         | 4% |
| 2014           |                              | 24,195,839 |                                | 24,195,839 | 4,395         | 5,505                                                                      | 4%                                                                         | 4% |
| 2015           |                              | 22,123,728 |                                | 22,123,728 | 4,477         | 4,942                                                                      | 3%                                                                         | 3% |
| 2016           |                              | 19,751,616 |                                | 19,751,616 | 4,471         | 4,418                                                                      | 3%                                                                         | 3% |
| 2017           |                              | 17,269,504 |                                | 17,269,504 | 4,857         | 3,556                                                                      | 2%                                                                         | 2% |
| 2018           |                              | 14,692,394 |                                | 14,692,394 | 4,909         | 2,993                                                                      | 2%                                                                         | 2% |
| 2019           |                              | 12,000,281 |                                | 12,000,281 | 5,080         | 2,362                                                                      | 1%                                                                         | 1% |
| 2020           |                              | 9,035,000  |                                | 9,035,000  | 4,923         | 1,835                                                                      | 1%                                                                         | 1% |
| 2021           |                              | 5,870,000  |                                | 5,870,000  | 4,917         | 1,194                                                                      | 0%                                                                         | 1% |
| 2022           |                              | 3,175,000  |                                | 3,175,000  | 4,917         | 646                                                                        | 0%                                                                         | 0% |

**Notes:**

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

See Schedule of Demographic and Economic Statistics for personal income and population data.

Personal income and per capita personal income not available for the City of Osage Beach; county information was utilized.

Osage Beach population is in both Camden and Miller County but the exact division of population is unknown.

Population data listed is based on estimates from the U.S. Census Bureau.

**CITY OF OSAGE BEACH, MISSOURI**

TABLE 8

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN YEARS**

| <u>FISCAL<br/>YEAR</u> | <u>GENERAL<br/>OBLIGATION<br/>BONDS</u> | <u>PERCENTAGE OF<br/>SALES TAX<br/>RECEIVED</u> | <u>PER<br/>CAPITA</u> |
|------------------------|-----------------------------------------|-------------------------------------------------|-----------------------|
| 2013                   | \$ -                                    | 0.00%                                           | \$ -                  |
| 2014                   | -                                       | 0.00%                                           | -                     |
| 2015                   | -                                       | 0.00%                                           | -                     |
| 2016                   | -                                       | 0.00%                                           | -                     |
| 2017                   | -                                       | 0.00%                                           | -                     |
| 2018                   | -                                       | 0.00%                                           | -                     |
| 2019                   | -                                       | 0.00%                                           | -                     |
| 2020                   | -                                       | 0.00%                                           | -                     |
| 2021                   | -                                       | 0.00%                                           | -                     |
| 2022                   | -                                       | 0.00%                                           | -                     |

**Note:**

Details regarding the City's outstanding debt can be found in the notes to the financial statements.  
See Schedule of Demographic and Economic Statistics for personal income and population data.

Sales tax received for each year is in the schedule Governmental Activities Tax Revenue by  
source for the City.

**CITY OF OSAGE BEACH, MISSOURI**

TABLE 9

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

As of December 31, 2022

| NAME OF GOVERNMENTAL UNIT            | LONG-TERM DEBT<br>OUTSTANDING | PERCENTAGE<br>APPLICABLE TO<br>CITY OF OSAGE BEACH <sup>1</sup> | AMOUNT<br>APPLICABLE TO<br>CITY OF OSAGE BEACH |
|--------------------------------------|-------------------------------|-----------------------------------------------------------------|------------------------------------------------|
| City of Osage Beach                  | \$ -                          | 100%                                                            | \$ -                                           |
| Camdenton R-III School District      | 54,610,000                    | 16%                                                             | 8,737,600                                      |
| School of the Osage R-II             | 52,975,000                    | 4%                                                              | 2,119,000                                      |
| Osage Beach Fire Protection District | -                             | 53%                                                             | -                                              |
| Total direct and overlapping debt    | <u>\$ 107,585,000</u>         |                                                                 | <u>\$ 10,856,600</u>                           |

**Sources:** Debt outstanding data provided by Camden County, Miller County, Camdenton School District, School of the Osage School District and the Osage Beach Fire Protection District.

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

<sup>1</sup> The percentage of overlapping debt applicable is estimated using student population of both of the school districts and land area located inside or out of the Osage Beach Fire District.

**CITY OF OSAGE BEACH, MISSOURI**

TABLE 10

**LEGAL DEBT MARGIN INFORMATION  
LAST TEN YEARS**

|                                                                     | 2013         | 2014         | 2015         | 2016         | 2017         | 2018         | 2019         | 2020         | 2021         | 2022         |
|---------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Debt Limit                                                          | \$55,091,515 | \$57,307,294 | \$57,728,809 | \$57,258,506 | \$57,153,052 | \$58,416,054 | \$58,575,726 | \$58,882,312 | \$61,079,152 | \$62,103,794 |
| Total Net debt applicable to limit                                  | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            |
| Legal debt margin                                                   | \$55,091,515 | \$57,307,294 | \$57,728,809 | \$57,258,506 | \$57,153,052 | \$58,416,054 | \$58,575,726 | \$58,882,312 | \$61,079,152 | \$62,103,794 |
| Total net debt applicable to limit<br>as a percentage of debt limit | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        |

**Legal Debt Margin Calculation for Fiscal Year 2022**

|                                          |               |
|------------------------------------------|---------------|
| Total Assessed Value                     | \$310,518,968 |
| Debt limit (20% of total assessed value) | 62,103,794    |
| Debt applicable to limit:                | -             |
| Legal debt margin                        | \$62,103,794  |

Under Article VI, Sections 26(b) and 26(c) of the Missouri Constitution, the City by a vote of 2/3 of the qualified electors thereof, may incur general obligation bonded indebtedness for City purposes in an amount not to exceed 10% of the assessed valuation of taxable intangible property within the City as asserted by the last complete assessment for state or county purposes. Under Section 26 (d) of said Article VI, the city may incur general obligation indebtedness not exceeding in the aggregate an additional 10% of the aforesaid assessed valuation for the purpose of acquiring rights of way, constructing and improving sanitary or storm sewer systems; and under Section 26 (e) of said article VI, additional general obligation indebtedness may be incurred for purchasing or constructing water-works electric or other light plants to be owned exclusively by the City, provided that the general obligation indebtedness of the City shall not exceed 20% of the assessed valuation.

**CITY OF OSAGE BEACH, MISSOURI**

TABLE 11

WATER/SEWER FUND  
PLEDGED REVENUE COVERAGE  
LAST TEN FISCAL YEARS

| FISCAL<br>YEAR | OPERATING<br>REVENUE <sup>2</sup> | DIRECT<br>OPERATING<br>EXPENSE <sup>3</sup> | NET<br>REVENUE<br>AVAILABLE<br>FOR DEBT<br>SERVICE | DEBT SERVICE REQUIREMENTS |              |              | COVERAGE<br>RATIO | CAPT. IMPROV.<br>TRANSFER <sup>1</sup> |
|----------------|-----------------------------------|---------------------------------------------|----------------------------------------------------|---------------------------|--------------|--------------|-------------------|----------------------------------------|
|                |                                   |                                             |                                                    | PRINCIPAL <sup>4</sup>    | INTEREST     | TOTAL        |                   |                                        |
| 2013           | \$ 4,583,572                      | \$ 2,615,319                                | \$ 1,968,253                                       | \$ 1,945,000              | \$ 1,243,608 | \$ 3,188,608 | 61.73%            | \$ 1,925,000                           |
| 2014           | 4,763,887                         | 2,312,994                                   | 2,450,893                                          | 2,030,000                 | 1,134,410    | 3,164,410    | 77.45%            | 1,925,000                              |
| 2015           | 4,568,719                         | 2,698,936                                   | 1,869,783                                          | 2,200,000                 | 1,049,403    | 3,249,403    | 57.54%            | 1,935,000                              |
| 2016           | 4,740,042                         | 3,003,538                                   | 1,736,504                                          | 2,300,000                 | 893,275      | 3,193,275    | 54.38%            | 1,935,000                              |
| 2017           | 4,829,225                         | 2,883,252                                   | 1,945,973                                          | 2,410,000                 | 786,633      | 3,196,633    | 60.88%            | 1,935,000                              |
| 2018           | 4,868,855                         | 2,581,076                                   | 2,287,779                                          | 2,505,000                 | 656,049      | 3,161,049    | 72.37%            | 2,200,000                              |
| 2019           | 4,974,679                         | 2,909,989                                   | 2,064,690                                          | 2,620,000                 | 519,658      | 3,139,658    | 65.76%            | 1,400,000                              |
| 2020           | 4,754,962                         | 2,498,868                                   | 2,256,094                                          | 2,740,000                 | 442,611      | 3,182,611    | 70.89%            | 1,400,000                              |
| 2021           | 4,958,360                         | 3,117,149                                   | 1,841,211                                          | 3,165,000                 | 273,478      | 3,438,478    | 53.55%            | 1,925,000                              |
| 2022           | 4,728,857                         | 3,653,006                                   | 1,075,851                                          | 2,700,000                 | 206,068      | 2,906,068    | 37.02%            | 2,415,000                              |

<sup>1</sup> The Water/Sewer Fund Deficit is subsidized by Capital Improvement Fund transfers.

<sup>2</sup> Operating Revenue includes investment income & DNR interest subsidy.

<sup>3</sup> Excludes depreciation expense.

<sup>4</sup> Principal balance found in notes of audit, #7 Long-Term Debt

# CITY OF OSAGE BEACH, MISSOURI

TABLE 12

## DEMOGRAPHIC STATISTICS LAST TEN YEARS

| FISCAL<br>YEAR | Population <sup>1</sup> | Personal Income <sup>2</sup><br>of Osage Beach<br>Residents within<br>Camden County* | Personal Income <sup>2</sup><br>of Osage Beach<br>Residents within<br>Miller County * | Per Capita<br>Personal Income <sup>2</sup><br>Camden County | Per Capita<br>Personal Income <sup>2</sup><br>Miller County | Unemployment<br>Rate <sup>3</sup><br>Camden County | Unemployment<br>Rate <sup>3</sup><br>Miller County |
|----------------|-------------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
| 2013           | 4,563                   | 151,674                                                                              | 141,828                                                                               | 33,240                                                      | 31,082                                                      | 9.4%                                               | 8.8%                                               |
| 2014           | 4,395                   | 155,328                                                                              | 144,201                                                                               | 35,342                                                      | 32,810                                                      | 8.3%                                               | 7.8%                                               |
| 2015           | 4,477                   | 167,435                                                                              | 154,165                                                                               | 37,399                                                      | 34,435                                                      | 6.7%                                               | 6.1%                                               |
| 2016           | 4,471                   | 168,351                                                                              | 153,540                                                                               | 37,654                                                      | 34,341                                                      | 5.9%                                               | 5.2%                                               |
| 2017           | 4,857                   | 191,427                                                                              | 170,517                                                                               | 39,413                                                      | 35,107                                                      | 4.8%                                               | 4.4%                                               |
| 2018           | 4,909                   | 197,527                                                                              | 179,970                                                                               | 40,238                                                      | 36,661                                                      | 4.3%                                               | 3.7%                                               |
| 2019           | 5,080                   | 215,835                                                                              | 192,146                                                                               | 42,487                                                      | 37,824                                                      | 4.5%                                               | 3.7%                                               |
| 2020           | 4,923                   | 227,192                                                                              | 203,740                                                                               | 46,149                                                      | 41,385                                                      | 7.1%                                               | 6.2%                                               |
| 2021           | 4,917                   | 264,432                                                                              | 213,937                                                                               | 53,779                                                      | 43,510                                                      | 4.7%                                               | 3.9%                                               |
| 2022           | 4,917                   | 264,432                                                                              | 213,937                                                                               | 53,779                                                      | 43,510                                                      | 3.2%                                               | 2.5%                                               |

### Sources:

<sup>1</sup>U.S. Census Bureau (estimates updated July 1st of each year)

<sup>2</sup> U.S. Bureau of Economic Analysis

<sup>3</sup> U.S. Bureau of Labor Statistics (percentage calculated on an annual average)

Reflects revised inputs, estimations, and new statewide controls

### Notes:

\* Denotes numbers expressed in thousands

Personal income and per capita personal income not available for Osage Beach so county information was utilized.

Osage Beach population is in both Camden and Miller Counties but the exact division of population is unknown.

Population data listed is based on estimates from the U.S. Census Bureau.



**CITY OF OSAGE BEACH, MISSOURI**

TABLE 13

**PRINCIPAL EMPLOYERS  
CURRENT AND NINE YEARS AGO**

| <u>Employer</u>                                           | <u>2022</u>      |             |                                                    | <u>2013</u>      |             |                                                    |
|-----------------------------------------------------------|------------------|-------------|----------------------------------------------------|------------------|-------------|----------------------------------------------------|
|                                                           | <u>Employees</u> | <u>Rank</u> | <u>Percentage<br/>of Total City<br/>Employment</u> | <u>Employees</u> | <u>Rank</u> | <u>Percentage<br/>of Total City<br/>Employment</u> |
| <sup>1</sup> Lake Regional Health System                  | 1396             | 1           | 28.39%                                             | 1100             | 2           | 24.11%                                             |
| <sup>2</sup> Camdenton R-III School District              | 715              | 2           | 14.54%                                             | 677              | 3           | 14.84%                                             |
| Hy-Vee                                                    | 344              | 3           | 7.00%                                              | 435              | 5           | 9.53%                                              |
| <sup>3</sup> Margaritaville Resort (previously Tan-Tar-A) | 330              | 4           | 6.71%                                              | 560              | 4           | 12.27%                                             |
| <sup>2</sup> School of the Osage R-II School District     | 316              | 5           | 6.43%                                              | 250              | 7           | 5.48%                                              |
| Wal-Mart Supercenter                                      | 239              | 6           | 4.86%                                              | 430              | 6           | 9.42%                                              |
| <sup>4</sup> Osage Beach Outlet Marketplace               | 200              | 7           | 4.07%                                              | 800-1200         | 1           | 21.92%                                             |
| City of Osage Beach                                       | 125              | 8           | 2.54%                                              | 127              |             | 2.78%                                              |
| Dierbergs                                                 | 123              | 9           | 2.50%                                              |                  |             |                                                    |
| <sup>5</sup> Central Bank of Lake of the Ozarks           | 118              | 10          | 2.40%                                              | 165              | 8           | 3.62%                                              |
| Target                                                    | 107              |             | 2.18%                                              | 150              | 10          | 3.29%                                              |
| Lowe's Home Improvement                                   |                  |             |                                                    | 152              | 9           | 3.33%                                              |

**Sources:**

Lake of the Ozarks Council of Local Governments and employer representatives

**Notes:**

All numbers include both full time and part time employment.

<sup>1</sup>Employee totals represent the hospital and clinics which include some clinics outside Osage Beach city limits.

<sup>2</sup>Employee totals represent entire School District which includes some schools outside Osage Beach city limits.

<sup>3</sup>Employer is not located within Osage Beach city limits.

<sup>4</sup>Employee totals are estimates comprised from the various stores within the mall.

<sup>5</sup>Employee totals represent all Central Bank locations of which three locations are within Osage Beach city limits.

**CITY OF OSAGE BEACH, MISSOURI**

TABLE 14

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS**

| Function/Program                    | 2013          | 2014          | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          | 2021          | 2022          |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>General Government</b>           |               |               |               |               |               |               |               |               |               |               |
| City Administrator                  | 2.00          | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          |
| City Clerk <sup>1</sup>             | 3.00          | 3.00          | 3.00          | 3.00          | 4.00          | 3.00          | 3.00          | 2.00          | 1.50          | 1.50          |
| City Treasurer <sup>1</sup>         | 4.00          | 4.00          | 4.00          | 4.00          | 4.00          | 5.00          | 5.00          | 5.00          | 4.50          | 4.00          |
| Municipal Court                     | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          |
| City Attorney                       | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          |
| Building Inspection <sup>1</sup>    | 3.00          | 3.00          | 3.00          | 2.50          | 3.50          | 3.50          | 3.50          | 3.50          | 2.50          | 3.50          |
| Building Maintenance <sup>3</sup>   | 0.00          | 0.00          | 0.00          | 0.50          | 0.73          | 0.73          | 0.73          | 0.73          | 0.73          | 0.73          |
| Parks & Recreation                  | 3.00          | 3.00          | 3.00          | 4.00          | 5.96          | 5.23          | 5.46          | 5.73          | 5.73          | 6.00          |
| Human Resources <sup>1</sup>        | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.00          | 1.50          |
| Planning Department <sup>1</sup>    | 2.25          | 2.00          | 2.00          | 1.50          | 1.50          | 1.50          | 1.50          | 1.50          | 1.50          | 1.50          |
| Information Technology              | 2.00          | 2.00          | 2.00          | 2.50          | 3.00          | 3.00          | 3.00          | 1.00          | 1.00          | 1.00          |
| Engineering Department <sup>2</sup> | 4.75          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 6.25          | 3.25          | 1.00          |
| Economic Development                | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 0.00          | 1.00          |
| <b>Police</b>                       |               |               |               |               |               |               |               |               |               |               |
| Law Enforcement                     | 29.00         | 30.00         | 30.00         | 30.00         | 30.46         | 28.73         | 28.00         | 29.00         | 28.00         | 28.00         |
| 911 Center                          | 11.00         | 11.00         | 11.00         | 11.00         | 11.00         | 11.00         | 11.00         | 11.00         | 11.00         | 11.00         |
| <b>Public Works<sup>2</sup></b>     |               |               |               |               |               |               |               |               |               |               |
| Transportation <sup>1</sup>         | 10.30         | 10.00         | 10.00         | 10.00         | 11.00         | 10.83         | 11.80         | 10.04         | 8.77          | 8.31          |
| Water <sup>1</sup>                  | 5.30          | 7.00          | 7.00          | 7.00          | 8.00          | 7.83          | 7.83          | 7.04          | 6.08          | 6.33          |
| Sewer <sup>1</sup>                  | 8.40          | 10.00         | 10.00         | 10.00         | 10.50         | 10.33         | 10.34         | 9.31          | 9.08          | 11.32         |
| <b>Ambulance</b>                    | 6.00          | 6.00          | 7.00          | 8.00          | 7.95          | 7.95          | 7.95          | 7.95          | 7.63          | 7.95          |
| <b>Airport</b>                      |               |               |               |               |               |               |               |               |               |               |
| Lee C. Fine <sup>1</sup>            | 3.60          | 3.60          | 3.60          | 3.60          | 4.33          | 4.33          | 4.33          | 4.33          | 4.33          | 4.67          |
| Grand Glaize <sup>1</sup>           | 2.40          | 2.40          | 2.40          | 2.40          | 3.13          | 3.13          | 3.13          | 3.13          | 3.13          | 3.46          |
| <b>Total</b>                        | <b>103.00</b> | <b>103.00</b> | <b>104.00</b> | <b>106.00</b> | <b>115.06</b> | <b>112.09</b> | <b>112.57</b> | <b>113.51</b> | <b>104.73</b> | <b>107.77</b> |

**Source:** Annual Budget

**Notes:**

<sup>1</sup>Some employees' wages are split between different departments.

<sup>2</sup>In 2014, the City integrated the Engineering Department into Public Works. In 2020, the Engineering Department was separated back out from Public Work.  
In 2022, the City dissolved the Engineering Dept. and began contracting out Engineering Services.

<sup>3</sup>In 2016, a part-time Building Maintenance position was added.

## CITY OF OSAGE BEACH, MISSOURI

TABLE 15

OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS

| Function                                                 | 2013    | 2014    | 2015    | 2016    | 2017    | 2018    | 2019    | 2020    | 2021    | 2022    |
|----------------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>Police</b>                                            |         |         |         |         |         |         |         |         |         |         |
| Incident Reports                                         | 1,464   | 1,660   | 1,832   | 1,851   | 1,752   | 1,554   | 1,615   | 1,382   | 1,462   | 1,518   |
| Traffic Violations                                       | 1,783   | 1,856   | 2,145   | 1,975   | 1,968   | 1,748   | 1,612   | 996     | 768     | 1,036   |
| Traffic Warnings                                         | 2,507   | 2,099   | 2,307   | 2,348   | 2,547   | 2,349   | 2,019   | 1,452   | 1,104   | 2,027   |
| <b>911 Center</b>                                        |         |         |         |         |         |         |         |         |         |         |
| Number of Calls Answered <sup>1</sup>                    | 21,160  | 21,458  | 20,859  | 21,463  | 44,459  | 42,913  | 40,640  | 37,678  | 36,232  | 33,667  |
| <b>Ambulance</b>                                         |         |         |         |         |         |         |         |         |         |         |
| Calls for service                                        | 812     | 777     | 1,000   | 995     | 1,024   | 1,014   | 1,102   | 1,057   | 1,260   | 1,300   |
| <b>Building</b>                                          |         |         |         |         |         |         |         |         |         |         |
| Permits                                                  |         |         |         |         |         |         |         |         |         |         |
| Residential                                              | 67      | 77      | 70      | 49      | 75      | 80      | 99      | 100     | 95      | 88      |
| Commercial                                               | 72      | 73      | 71      | 76      | 81      | 86      | 92      | 52      | 94      | 78      |
| <b>Licensing</b>                                         |         |         |         |         |         |         |         |         |         |         |
| Business License                                         | 649     | 659     | 635     | 628     | 625     | 631     | 642     | 556     | 550     | 597     |
| Contractor License                                       | 473     | 514     | 470     | 401     | 419     | 424     | 459     | 583     | 706     | 704     |
| Liquor License                                           | 78      | 77      | 74      | 69      | 67      | 73      | 85      | 68      | 70      | 75      |
| <b>Water</b>                                             |         |         |         |         |         |         |         |         |         |         |
| Total Water Sold<br>(thousands of gallons)               | 306,699 | 318,395 | 314,987 | 333,138 | 330,431 | 340,449 | 316,777 | 328,740 | 344,138 | 344,543 |
| <b>Wastewater</b>                                        |         |         |         |         |         |         |         |         |         |         |
| Average Daily Sewage Treatment<br>(thousands of gallons) | 1,006   | 1,176   | 1,320   | 1,304   | 1,358   | 1,364   | 1,381   | 1,278   | 1,105   | 1,064   |
| <b>Airports</b>                                          |         |         |         |         |         |         |         |         |         |         |
| Lee C. Fine Airport                                      |         |         |         |         |         |         |         |         |         |         |
| Number of Take Offs & Landings                           | 4,721   | 4,522   | 5,023   | 4,863   | 4,971   | 5,138   | 5,261   | 5,633   | 6,622   | 5,393   |
| Grand Glaize Airport                                     |         |         |         |         |         |         |         |         |         |         |
| Number of Take Offs & Landings                           | 2,348   | 2,129   | 2,431   | 2,768   | 3,130   | 2,726   | 3,029   | 2,912   | 3,483   | 3,190   |
| <b>Recycling</b>                                         |         |         |         |         |         |         |         |         |         |         |
| Waste Oil (gallons)                                      | 551     | 634     | 1,029   | 2,427   | 863     | 1,330   | 2,618   | 2,239   | 2,752   | 1,528   |
| White Goods (pounds) <sup>2</sup>                        | 8,500   | 5,168   | 5,620   | 7,860   | 9,080   | 2,740   | 2,800   | -       | -       | -       |

**Sources:** Various City Government Departments**Notes:**

<sup>1</sup>Number of Calls represents both emergency and non-emergency calls. In 2005, the Osage Beach 911 Center was extended to include calls for Lake Ozark Fire & Ambulance. Due to contract expiration in early 2016, Osage Beach 911 ceased taking calls for Lake Ozark Fire & Ambulance.

<sup>2</sup>White Goods Recycling was stopped in 2020 due to the COVID-19 pandemic and has not been reinstated to date.

## CITY OF OSAGE BEACH, MISSOURI

TABLE 16

CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS

| Function                                | 2013   | 2014   | 2015   | 2016   | 2017   | 2018   | 2019   | 2020   | 2021   | 2022   |
|-----------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Public Safety</b>                    |        |        |        |        |        |        |        |        |        |        |
| Police:                                 |        |        |        |        |        |        |        |        |        |        |
| Stations                                | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      |
| Patrol Units                            | 21     | 21     | 21     | 22     | 22     | 22     | 21     | 21     | 18     | 17     |
| Ambulance Protection:                   |        |        |        |        |        |        |        |        |        |        |
| Number of Vehicles                      | 2      | 2      | 2      | 2      | 2      | 2      | 2      | 2      | 2      | 2      |
| <b>Highways and Streets</b>             |        |        |        |        |        |        |        |        |        |        |
| Miles of Streets <sup>1</sup>           | 44.65  | 44.65  | 45.45  | 45.92  | 45.92  | 45.92  | 46.20  | 46.20  | 113.37 | 113.49 |
| Miles of Sidewalks <sup>2</sup>         | 6.87   | 7.33   | 7.33   | 8.83   | 9.59   | 9.59   | 9.79   | 10.70  | 10.70  | 20.43  |
| Number of Street Lights                 | 638    | 638    | 640    | 640    | 671    | 671    | 675    | 689    | 689    | 703    |
| <b>Parks and Recreation</b>             |        |        |        |        |        |        |        |        |        |        |
| Park Acreage                            | 106    | 106    | 106    | 106    | 106    | 106    | 106    | 106    | 106    | 106    |
| Number of Parks                         | 2      | 2      | 2      | 2      | 2      | 2      | 2      | 2      | 2      | 2      |
| <b>Water</b>                            |        |        |        |        |        |        |        |        |        |        |
| Water Mains (linear miles) <sup>3</sup> | 246.84 | 246.84 | 248.15 | 249.00 | 249.00 | 249.00 | 249.21 | 249.41 | 249.41 | 93.79  |
| Fire Hydrants                           | 983    | 983    | 994    | 994    | 994    | 994    | 998    | 999    | 999    | 1000   |
| Wells                                   | 10     | 10     | 10     | 7      | 7      | 7      | 7      | 8      | 8      | 7      |
| Water Towers                            | 4      | 4      | 4      | 4      | 4      | 4      | 4      | 4      | 4      | 4      |
| <b>Sewer</b>                            |        |        |        |        |        |        |        |        |        |        |
| Sewer Lines (linear miles) <sup>4</sup> | 149.95 | 150.95 | 151.94 | 152.02 | 152.39 | 152.96 | 153.01 | 153.01 | 152.90 | 166.20 |
| Pump Stations <sup>5</sup>              | 1,224  | 1,229  | 1,239  | 1,242  | 1,237  | 1,240  | 1,242  | 1,254  | 1,262  | 1,306  |

**Sources:** Various City Government Departments**Notes:**

Due to advancements in technology, software, and staffing, various audits were performed (starting in FY2021 and ongoing) that resulted in adjusted statistics.

<sup>1</sup>Starting in FY2021, began calculating lane miles versus linear miles.<sup>2</sup>Starting in FY2022, began calculating both asphalt and concrete pedestrian pathways versus just concrete.<sup>3</sup>Starting in FY2022, began calculating only water mains 6" or greater.<sup>4</sup>Starting in FY2022, began calculating both gravity and pressure lines.<sup>5</sup>Starting in FY2022, began calculating both grinder and lift stations.