

**NEW ISSUE – BANK QUALIFIED
BOOK-ENTRY ONLY**

MOODY’S RATING: Aa1
See “BOND RATING” herein.

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is (1) excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax and (2) exempt from income taxation by the State of Missouri. The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. See “TAX MATTERS” in this Official Statement.



\$4,905,000
CITY OF WEBSTER GROVES, MISSOURI
GENERAL OBLIGATION BONDS
SERIES 2026

Dated: Date of Issuance

Due: March 1, as shown on the inside cover

The General Obligation Bonds, Series 2026 (the “Bonds”), will be issued by the City of Webster Groves, Missouri (the “City”), for the purpose of providing funds to pay (1) the costs of acquiring, constructing, improving, furnishing and equipping various park and recreational facilities throughout the City, and (2) the costs of issuing the Bonds, as further described herein under the caption “**PLAN OF FINANCING.**”

Principal of the Bonds is payable annually as set forth on the inside cover of this Official Statement, commencing on March 1, 2028. Interest on the Bonds is payable semiannually on each March 1 and September 1, commencing on March 1, 2027, by check, draft or electronic transfer (subject to the conditions described herein) to the persons who are the registered owners of the Bonds as of the close of business on the fifteenth day of the month preceding the applicable interest payment date.

The Bonds are subject to redemption prior to maturity as described herein. See the caption “**THE BONDS – Redemption Provisions**” herein.

THE BONDS AND INTEREST THEREON WILL CONSTITUTE GENERAL OBLIGATIONS OF THE CITY, PAYABLE FROM AD VALOREM TAXES THAT MAY BE LEVIED WITHOUT LIMITATION AS TO RATE OR AMOUNT UPON ALL OF THE TAXABLE TANGIBLE PROPERTY, REAL AND PERSONAL, WITHIN THE TERRITORIAL LIMITS OF THE CITY. See the caption “**SECURITY FOR THE BONDS.**”

See inside cover for maturities, principal amounts, interest rates, prices and CUSIP numbers.

The Bonds are offered when, as and if issued by the City and accepted by the Underwriter, subject to the approval of validity by Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel to the City, and subject to certain other conditions. Bond Counsel will also pass on certain matters relating to this Official Statement. Stifel, Nicolaus & Company, Incorporated, is serving as municipal advisor to the City in connection with the issuance of the Bonds. It is expected that the Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York, on or about July 21, 2026.

The date of this Official Statement is July __, 2026.

\$4,905,000
CITY OF WEBSTER GROVES, MISSOURI
GENERAL OBLIGATION BONDS
SERIES 2026

MATURITY SCHEDULE*

Base CUSIP: 948016**

SERIAL BONDS

<u>Maturity</u> <u>(March 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>CUSIP**</u>
2028	\$220,000			
2029	390,000			
2030	200,000			
2031	205,000			
2032	220,000			
2033	225,000			
2034	240,000			
2035	255,000			
2036	265,000			
2037	280,000			
2038	295,000			
2039	310,000			
2040	325,000			
2041	340,000			
2042	360,000			
2043	375,000			
2044	400,000			

* Preliminary; subject to change.

** CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (“CGS”) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. CUSIP data herein is provided by CGS. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers are provided for convenience of reference only. None of the City, its agents, or counsel, assumes responsibility for the accuracy of such numbers. The CUSIP number for a specific maturity is subject to change after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding, in whole or in part, or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

CITY OF WEBSTER GROVES, MISSOURI

4 E. Lockwood
Webster Groves, Missouri 63119
(314) 963-5300

ELECTED OFFICIALS

Laura Arnold, *Mayor*
Karen Alexander, *Councilmember*
Jamie Hasemeier, *Councilmember*
Kevin Mitchell, *Councilmember*
Emily Hixson Shepherd, *Councilmember*
Emerson Smith, *Councilmember*
Leanne Waugh, *Councilmember*

ADMINISTRATIVE OFFICIALS

Scott Davis, *Interim City Manager*
David Bookless, *Deputy City Manager – Community Vitality*
Katie Nakazono, *City Clerk*
Gregory Donovan, *Director of Finance and Workforce Services*
Sinan Alpaslan, *Director of Public Works*
John Wagner, *Director of Planning and Development*
James Boyd, *Director of Parks and Recreation*
Vincent Acevez, *Police Chief*
John Bradley, *Fire Chief*

CITY ATTORNEY

Bruntrager & Billings, P.C.
St. Louis, Missouri

BOND AND DISCLOSURE COUNSEL

Gilmore & Bell, P.C.
St. Louis, Missouri

MUNICIPAL ADVISOR

Stifel, Nicolaus & Company, Incorporated
St. Louis, Missouri

PAYING AGENT

BOKF, N.A.
St. Louis, Missouri

REGARDING USE OF THIS OFFICIAL STATEMENT

THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY STATE SECURITIES OR "BLUE SKY" LAWS. THE BONDS ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION.

The information set forth herein has been obtained from the City and other sources that are deemed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the City.

No dealer, broker, salesperson or any other person has been authorized by the City or the Underwriter to give any information or make any representations, other than those contained in this Official Statement, in connection with the offering of the Bonds, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any state in which it is unlawful for such person to make such offer, solicitation or sale. The information herein is subject to change without notice, and neither the delivery of this Official Statement nor the sale of any of the Bonds hereunder shall under any circumstances create any implication that there has been no change in the affairs of the City or the other matters described herein since the date hereof.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

SUMMARY STATEMENT

This Summary Statement is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to the more complete and detailed information contained in the entire Official Statement, including the cover page and appendix hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement.

- Issuer:** City of Webster Groves, Missouri.
- Issue:** The Bonds consist of \$4,905,000 aggregate principal amount of General Obligation Bonds, Series 2026.
- Dated Date:** The Bonds are dated as of the date of original issuance and delivery thereof.
- Interest Due:** Interest on the Bonds is payable from the date thereof or the most recent date to which interest has been paid and is payable semiannually on March 1 and September 1 in each year, beginning March 1, 2027.
- Principal Due:** Principal is payable on March 1 in the years and in the principal amounts set forth on the inside cover page hereof, subject to redemption and payment prior to maturity.
- Redemption:** At the option of the City, the Bonds or portions thereof maturing on and after March 1, 2036, may be called for redemption and payment prior to their stated maturities on and after March 1, 2035, in whole or in part, at any time and in such amounts for each stated maturity as shall be determined by the District, at the redemption price of 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.
- Security:** The Bonds will constitute general obligations of the City and will be payable as to both principal and interest from ad valorem taxes, which may be levied without limitation as to rate or amount upon all taxable tangible property, real and personal, within the territorial limits of the City.
- Ratings:** Moody's Investors Service, Inc. has assigned the Bonds a rating of "Aa1" based on Moody's evaluation of the creditworthiness of the City.
- Paying Agent:** BOKF, N.A., St. Louis, Missouri.
- Delivery:** The Bonds are expected to be delivered on or about July 21, 2026.

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OFFICIAL STATEMENT
CITY OF WEBSTER GROVES, MISSOURI
\$4,905,000
GENERAL OBLIGATION BONDS
SERIES 2026

INTRODUCTION

The following introductory information is subject in all respects to more complete information contained elsewhere in this Official Statement. The order and placement of materials in this Official Statement, including the appendices hereto, are not to be deemed to be a determination of relevance, materiality or relative importance, and this Official Statement, including the cover page and appendices, should be considered in its entirety. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

General

This Official Statement, including the cover page and appendices hereto, is furnished to prospective purchasers in connection with the offering and sale of \$4,905,000 aggregate principal amount of General Obligation Bonds, Series 2026 (the **“Bonds”**), by the City of Webster Groves, Missouri (the **“City”**). The issuance and sale of the Bonds are authorized by an ordinance of the City Council of the City expected to be adopted on July 7, 2026 (the **“Ordinance”**). *All capitalized terms used herein and not otherwise defined herein have the meanings assigned to those terms in the Ordinance.*

Authorization and Purpose of the Bonds

On April 2, 2024, the voters of the City approved the issuance of general obligation bonds in the amount of \$22,100,000. The Bonds represent the second and final series of bonds authorized by the voters. The Bonds are being issued for the purpose of providing funds to pay (1) the costs of acquiring, constructing, improving, furnishing and equipping various park and recreational facilities throughout the City (the **“Project”**) and (2) the costs of issuing the Bonds. See the section herein captioned **“PLAN OF FINANCING.”**

Security for the Bonds

The Bonds will constitute general obligations of the City and will be payable as to both principal and interest from ad valorem taxes, which may be levied without limitation as to rate or amount upon all taxable tangible property, real and personal, within the territorial limits of the City. See the section herein captioned **“SECURITY FOR THE BONDS.”**

Continuing Disclosure

The City has covenanted in a Continuing Disclosure Undertaking dated as of July 1, 2026 (the **“Continuing Disclosure Undertaking”**) to provide certain financial information and operating data relating to the City and to provide notices of the occurrence of certain enumerated events relating to the Bonds. The Continuing Disclosure Undertaking was entered into by the City to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission (the **“Rule”**). See the section herein captioned **“CONTINUING DISCLOSURE UNDERTAKING”** and the proposed form of the Continuing Disclosure Undertaking, which is included as *Appendix C*.

THE BONDS

General

The Bonds are being issued in the aggregate principal amount of \$4,905,000. The Bonds are dated as of the date of original issuance and delivery thereof. Principal is payable on March 1 in the years and in the principal amounts set forth on the inside cover page hereof, subject to redemption and payment prior to maturity, upon the terms and conditions described under the section herein captioned **“THE BONDS – Redemption Provisions.”** Interest on the Bonds is calculated at the rates per annum set forth on the inside cover page, computed on the basis of a 360-day year of twelve 30-day months. The Bonds shall consist of fully-registered bonds in denominations of \$5,000 or any integral multiple thereof. Interest on the Bonds is payable from the date thereof or the most recent date to which interest has been paid and is payable semiannually on March 1 and September 1 in each year, beginning March 1, 2027.

The principal or Redemption Price (as defined herein) of the Bonds will be paid at maturity or upon earlier redemption to the person in whose name such Bond is registered on the registration books (the **“Bond Register”**) at the maturity or Redemption Date (as defined herein) thereof, upon presentation and surrender of such Bond at the principal payment office of BOKF, N.A., St. Louis, Missouri (the **“Paying Agent”**), or such other office designated by the Paying Agent. Payment of the interest on the Bonds will be made to the person in whose name such Bond is registered on the Bond Register at the close of business on the fifteenth day (whether or not a Business Day) of the calendar month preceding the interest payment date (the **“Record Date”**). The principal or Redemption Price of and interest on the Bonds will be made by check or draft mailed by the Paying Agent to the address of each Registered Owner shown on the Bond Register or such other address as is furnished to the Paying Agent in writing by such Registered Owner, or by electronic transfer to such Registered Owner upon written notice signed by such Registered Owner and given to the Paying Agent not less than 15 days prior to the Record Date for such payment, containing the electronic transfer instructions including the name and address of the bank, the bank’s ABA routing number and account number to which such Registered Owner wishes to have such transfer directed and an acknowledgment that an electronic transfer fee may be applicable.

Redemption Provisions

Optional Redemption. At the option of the City, the Bonds or portions thereof maturing on and after March 1, 2036 may be called for redemption and payment prior to their Stated Maturity on and after March 1, 2035, in whole or in part, at any time, in such amounts for each Stated Maturity as shall be determined by the City, at the Redemption Price of 100% of the principal amount thereof, plus accrued interest thereon to the Redemption Date.

Selection of Bonds to Be Redeemed. Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. When less than all of the Outstanding Bonds are to be redeemed, such Bonds shall be redeemed in such order of their Stated Maturities as determined by the City, and Bonds of less than a full Stated Maturity shall be selected by the Paying Agent in \$5,000 units of principal amount by lot or in such other equitable manner as the Paying Agent may determine.

In the case of a partial redemption of Bonds, when Bonds of denominations greater than \$5,000 are then-Outstanding, then for all purposes in connection with such redemption each \$5,000 of face value shall be treated as though it were a separate Bond of the denomination of \$5,000. If it is determined that one or more, but not all, of the \$5,000 units of face value represented by any Bond are selected for redemption, then upon notice of intention to redeem such \$5,000 unit or units, the Registered Owner of such Bond or the Registered Owner’s duly authorized agent shall present and surrender such Bond to the Paying Agent (1) for payment of the price at which such Bond is to be redeemed (the **“Redemption Price”**) and interest to the date fixed for redemption (the **“Redemption Date”**) of such \$5,000 unit or units of face value called for redemption and (2) for exchange, without charge to the Registered Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Registered Owner of any such

Bond shall fail to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the Redemption Date to the extent of the \$5,000 unit or units of face value called for redemption (and to that extent only).

Notice of Redemption. Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on the City's behalf, by mailing a copy of an official redemption notice by first-class mail at least 30 days and not more than 60 days prior to the Redemption Date to the State Auditor of Missouri and each Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register.

The failure of any Registered Owner to receive the foregoing notice or any defect therein shall not invalidate the effectiveness of the call for redemption.

Any notice of optional redemption may be conditioned upon moneys being on deposit with the Paying Agent on or prior to the Redemption Date in an amount sufficient to pay the Redemption Price on the Redemption Date. If such notice is conditional and either the Paying Agent receives written notice from the City that moneys sufficient to pay the Redemption Price will not be on deposit on the Redemption Date, or such moneys are not received on the Redemption Date, then such notice shall be of no force and effect, the Paying Agent shall not redeem such Bonds and the Paying Agent shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not or will not be so received and that such Bonds will not be redeemed.

So long as DTC (as defined herein) is effecting book-entry transfers of the Bonds, the Paying Agent shall provide the notices specified in the Ordinance to DTC. It is expected that DTC will, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the Beneficial Owners (as defined herein). Any failure on the part of DTC or a Participant, or failure on the part of a nominee of a Beneficial Owner of a Bond (having been mailed notice from the Paying Agent, a Participant or otherwise) to notify the Beneficial Owner of the Bond so affected, will not affect the validity of the redemption of such Bond.

Effect of Call for Redemption. After an amount of money sufficient to pay the Redemption Price has been deposited with the Paying Agent and official notice of redemption has been given as aforesaid, (1) the Bonds or portions of Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price specified in the notice, and (2) from and after the Redemption Date (unless the City defaults in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest.

All Bonds that have been surrendered for redemption shall be canceled and destroyed by the Paying Agent pursuant to the Ordinance and shall not be reissued.

Book-Entry Only System

General. The Bonds are available in book-entry only form. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds. Ownership interests in the Bonds will be available to purchasers only through a book-entry system (the "**Book-Entry System**") maintained by The Depository Trust Company ("**DTC**"), New York, New York.

The following information concerning DTC and DTC's Book-Entry System has been obtained from DTC. The City takes no responsibility for the accuracy or completeness thereof and neither the Indirect Participants (as defined herein) nor the Beneficial Owners should rely on the following information with respect to such matters, but should instead confirm the same with DTC or the Direct Participants (as defined herein), as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

DTC and its Participants. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New

York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“**Direct Participants**”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“**DTCC**”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Ownership Interests. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“**Beneficial Owner**”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchases. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which they entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the Book-Entry System for the Bonds is discontinued.

Transfers. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Notices. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices will be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Voting. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's Money Market Instrument Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of Principal, Redemption Price and Interest. Payment of the principal or Redemption Price of and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participants and not of DTC, the Paying Agent or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of the principal or Redemption Price of and interest on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Discontinuation of Book-Entry System. DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, if a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to the Registered Owners.

Registration, Transfer and Exchange of Bonds

The City will cause the Bond Register to be kept at the principal payment office of the Paying Agent or such other office designated by the Paying Agent for the registration, transfer and exchange of the Bonds as provided in the Ordinance. Upon surrender of any Bond at the principal payment office of the Paying Agent, or at such other office designated by the Paying Agent, the Paying Agent shall transfer or exchange such Bond as provided in the Ordinance.

The Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Paying Agent, are the responsibility of the Registered Owners of the Bonds. If any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. The City and the Paying Agent shall not be required (1) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent in accordance with the Ordinance and during the period of 15 days next preceding the date of mailing of such notice of redemption, or (2) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the City of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to the Ordinance.

SECURITY FOR THE BONDS

Pledge of Full Faith and Credit. The Bonds will constitute general obligations of the City and will be payable as to both principal and interest from ad valorem taxes, which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City.

Levy and Collection of Annual Tax. Under the Ordinance, the City has authorized the imposition upon all of the taxable tangible property within the City of a direct annual tax sufficient to produce the amounts necessary for the payment of the principal of and interest on the Bonds as the same becomes due and payable in each year. Such taxes shall be extended upon the tax rolls in each year, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the City are levied and collected. The proceeds derived from said taxes shall be deposited in the Debt Service Fund, shall be kept separate and apart from all other funds of the City and shall be used solely for the payment of the principal of and interest on the Bonds, as and when the same becomes due, and the fees and expenses of the Paying Agent.

RISK FACTORS

The following is a discussion of certain risks that could affect the payments to be made by the City with respect to the Bonds. To identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement (including its appendices). Prospective purchasers of the Bonds should consider carefully all possible factors that may result in a default in the payment of the Bonds, the redemption of the Bonds prior to maturity, a determination that the interest on the Bonds might be deemed taxable for purposes of federal and Missouri income taxation, or that may affect the market price or liquidity of the Bonds. **This discussion of risk factors is not, and is not intended to be, comprehensive or exhaustive.**

Ad Valorem Property Taxes

Under the Ordinance, the City has authorized the levy of a direct annual tax on all taxable tangible property within the City sufficient to produce amounts necessary for the payment of the principal of and interest on the Bonds each year. Declining property values in the City, whether caused by national or global financial crises, natural disasters, local economic downturns, or other reasons, may require higher levy rates, which may increase the burden on local taxpayers and affect certain taxpayers' willingness or ability to continue timely paying property taxes. See **"PROPERTY TAX INFORMATION – Property Valuations"** in *Appendix A* of this Official Statement. In addition, the issuance of additional general obligation bonds by the City or other indebtedness by other political subdivisions within the boundaries of the City would increase the tax burden on taxpayers within the boundaries of the City. See **"DEBT STRUCTURE OF THE CITY – Outstanding Indebtedness"** and **"– Overlapping General Obligation Indebtedness"** in *Appendix A* of this Official Statement. Missouri law limits the amount of general obligation debt issuable by the City to 20% of the assessed valuation of taxable tangible property within the boundaries of the City. Other political subdivisions within the boundaries of the City are subject to similar limitations on general obligation debt imposed by Missouri law, including school districts, counties and certain other political subdivisions, which are limited to general obligation debt of 15%, 10% and 5% of assessed valuation of taxable tangible property, respectively.

Concentration of property ownership within the boundaries of the City would expose the City's ability to collect ad valorem property taxes to the financial strength, ability and willingness of major taxpayers to pay property taxes. See **"PROPERTY TAX INFORMATION – Property Valuations"** and **"– Major Property Taxpayers"** in *Appendix A* of this Official Statement.

Senior Property Tax Credit Program

The Missouri General Assembly enacted legislation in 2023 (subsequently amended in 2024) that authorizes counties to grant property tax credits to each “eligible taxpayer” equal to the difference between the real property tax liability on the eligible taxpayer’s homestead in the current year minus the real property tax liability on the homestead either (1) in the year the county initially authorizes the credit or (2) when the person becomes an “eligible taxpayer” (as codified in Section 137.1050 RSMo, the **“Senior Property Tax Credit Program”**). “Eligible taxpayer” means a Missouri resident who (1) is at least 62 years old, (2) owns real property used as the taxpayer’s primary residence and (3) is liable for the payment of property taxes on that property. Implementation of the Senior Property Tax Credit Program requires either adoption of an ordinance by a county or an initiative petition and voter approval process. Property tax bills within counties that participate in the Senior Property Tax Credit Program will reflect the tax credit on property tax bills for eligible taxpayers, thereby reducing the amount of property taxes that the eligible taxpayer would otherwise pay. The St. Louis County Council passed an ordinance in August 2024 (as amended, the **“Senior Property Tax Ordinance”**) implementing the Senior Property Tax Credit Program in St. Louis County beginning in 2025. The Senior Property Tax Ordinance does not relieve the taxpayer of the obligation to pay the tax liability of the State Blind Pension Fund. Such exception is not included in Section 137.1050 RSMo.

For 2025, 1,749 parcels within the City participated in the Senior Property Tax Credit Program, amounting to \$75,140.81 in property tax credits for such eligible taxpayers.

When the City’s property tax revenues are reduced in a given year as a result of the Senior Property Tax Credit Program, there may be less property tax revenues available to pay principal of and interest on the Bonds. The City is permitted to retain in its debt service fund up to one year’s debt service payments and can increase the debt service levy for future years to address the potential decrease from implementation of the Senior Property Tax Credit Program and to ensure continued payment of the principal of and interest on the Bonds. See **“PROPERTY TAX INFORMATION”** in this Official Statement. Seniors must apply or renew applications for the tax relief program every year to continue receiving a credit on their tax bill.

Secondary Market Prices and Liquidity

The Underwriter will not be obligated to repurchase any of the Bonds, and no representation is made concerning the existence of any secondary market for the Bonds. No assurance is given that any secondary market will develop following the completion of the offering of the Bonds, and no assurance is given that the initial offering price for the Bonds will continue for any period of time.

Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and changes in the operating performance or tax collection patterns of issuers. Particularly, prices of outstanding municipal securities should be expected to decline if prevailing market interest rates rise. Municipal securities are generally viewed as long-term investments, subject to material unforeseen changes in the investor’s or the issuer’s circumstances and may require commitment of the investor’s funds for an indefinite period of time, perhaps until maturity.

Rating

Moody’s Investors Service, Inc. (**“Moody’s”**) has assigned the Bonds the rating set forth under **“BOND RATING”** in this Official Statement. The rating reflects only the views of Moody’s, and an explanation of the significance of such rating may be obtained therefrom. There is no assurance that the rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, by Moody’s if, in its judgment, circumstances warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

Bankruptcy

In addition to the limitations on remedies contained in the Ordinance, the rights and remedies provided by the Bonds may be limited by and are subject to (1) bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws affecting creditors' rights, (2) the application of equitable principles, and (3) the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against political subdivisions in the State of Missouri. Section 108.180 of the Revised Statutes of Missouri requires that any interest and sinking fund moneys only be used to pay principal of and interest on the Bonds. The City, like all other Missouri political subdivisions, is specifically authorized by Missouri law to institute proceedings under Chapter 9 of the Federal Bankruptcy Code. Such proceedings, if commenced, are likely to have an adverse effect on the market price of the Bonds.

Amendment of the Ordinance

Certain amendments, effected by ordinance of the City, to the Bonds and the Ordinance may be made with the written consent of the Registered Owners of not less than a majority in principal amount of the Bonds then-Outstanding. Such amendments may adversely affect the security of the owners of the Bonds; provided that, no amendments may (1) extend the maturity of any payment of principal or interest due upon any Bond, (2) alter the optional redemption provisions of any Bond, (3) effect a reduction in the amount which the City is required to pay as principal of or interest on any Bond, (4) permit preference or priority of any Bond over any other Bond, or (5) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of the Ordinance without the written consent of the Registered Owners of all of the Bonds at the time Outstanding. The City may also amend or supplement the Ordinance, without notice to or the consent of any Registered Owners, for the purpose of curing any formal defect, omission, inconsistency or ambiguity therein or in connection with any other change therein that is not materially adverse to the security of the Registered Owners.

Loss of Premium from Redemption

Any person who purchases the Bonds at a price in excess of their principal amount or who holds such Bonds trading at a price in excess of par should consider the fact that the Bonds are subject to redemption prior to maturity at the redemption prices described herein in the event such Bonds are redeemed prior to maturity. See **"THE BONDS – Redemption Provisions"** in this Official Statement.

Tax-Exempt Status and Risk of Audit

The failure of the City to comply with certain covenants set forth in the Ordinance could cause the interest on the Bonds to become included in gross income for federal and Missouri income tax purposes retroactive to the date of issuance of the Bonds. The Ordinance does not provide for the payment of any additional interest, redemption premium or penalty if the interest on the Bonds becomes included in gross income for federal and Missouri income tax purposes. See **"TAX MATTERS"** in this Official Statement.

The Internal Revenue Service (the **"IRS"**) has established an ongoing program to audit tax-exempt obligations to determine whether interest on such obligations should be included in gross income for federal income tax purposes. Owners of the Bonds are advised that, if an audit of the Bonds were commenced, the IRS, in accordance with its current published procedures, is likely to treat the City as the taxpayer, and the owners of the Bonds may not have a right to participate in such audit. Public awareness of any audit could adversely affect the market value and liquidity of the Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

Defeasance Risks

When any or all of the Bonds or scheduled interest payments thereon are deemed paid and discharged as provided in the Ordinance, the requirements contained in the Ordinance and the pledge of the City's faith and credit thereunder and all other rights granted thereby will terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of the Ordinance if there has been deposited with the Paying Agent, or other commercial bank or trust company, moneys and/or Defeasance Obligations that, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of and redemption premium, if any, on the Bonds and/or interest accrued to the Stated Maturity or prior Redemption Date. There is no legal requirement in the Ordinance that Defeasance Obligations be rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets, and that could include the rating of Bonds defeased with Defeasance Obligations to the extent the Defeasance Obligations have a change or downgrade in rating.

Future Economic, Demographic and Market Conditions

Adverse economic conditions or changes in demographics within the boundaries of the City, including increased unemployment and inability to control expenses in periods of inflation, could adversely impact payment of taxes by taxpayers within the boundaries of the City and, therefore, the City's financial condition.

Cybersecurity Risks

The City relies on its information systems to provide security for processing, transmission and storage of confidential personal, health-related, credit and other information. It is possible that the City's security measures will not prevent improper or unauthorized access or disclosure of personally identifiable information resulting from cyber-attacks. Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches can create disruptions or shutdowns of the City and the services it provides, or the unauthorized disclosure of confidential personal, health-related, credit and other information. If personal or otherwise protected information is improperly accessed, tampered with or distributed, the City may incur significant costs to remediate possible injury to the affected persons, and the City may be subject to sanctions and civil penalties if it is found to be in violation of federal or state laws or regulations. Any failure to maintain proper functionality and security of information systems could interrupt the City's operations, delay receipt of revenues, damage its reputation, subject it to liability claims or regulatory penalties and could have a material adverse effect on its operations, financial condition and results of operations. The City has not been the victim of any cybersecurity breaches or attacks. The City maintains an insurance policy to help mitigate the costs of a cybersecurity event.

Potential Impact of Public Health Emergencies

Regional, national or global public health emergencies, such as the outbreak of the novel coronavirus in December 2019 ("COVID-19" or the "Pandemic"), could have materially adverse regional, national or global economic and social impacts causing, among other things, the promulgation of local or state orders limiting certain activities, extreme fluctuations in financial markets and contraction in available liquidity, prohibitions of gatherings and public meetings in such places as entertainment venues, extensive job losses and declines in business activity across important sectors of the economy, impacts on supply chain and availability of resources, declines in business and consumer confidence that negatively impact economic conditions or cause an economic recession. The City cannot predict the extent to which its operations or financial condition may decline nor the amount of increased costs, if any, that may be incurred by the City associated with operating during any public health emergencies including, but not limited to, the amount of (1) increases in required services of the City, (2) costs to clean, sanitize and maintain its facilities, (3) costs to hire additional and/or substitute employees, (4) costs to acquire supporting goods and services, or (5) costs to operate remotely and

support the employees of the City. Accordingly, the City cannot predict the effect any public health emergencies will have on the finances or operations of the City or whether any such effects will have a material adverse effect on the ability to support payment of debt service on the Bonds.

The City receives the majority of its revenue from sales taxes. Historical revenues and expenditures for the City's General Fund for the fiscal years ended June 30, 2022 through 2025 are set forth under the caption **"FINANCIAL INFORMATION CONCERNING THE CITY – The General Fund"** in *Appendix A* of this Official Statement.

PLAN OF FINANCING

Authorization of Bonds

The Bonds are authorized pursuant to and in full compliance with the Constitution and statutes of the State of Missouri, including particularly Article VI, Section 26 of the Missouri Constitution and Section 95.115 et seq., of the Revised Statutes of Missouri. On April 2, 2024, the voters of the City approved, by a vote of 2,821 for and 1,438 against, the issuance of general obligation bonds in the amount of \$22,100,000 for the purpose of acquiring, constructing, improving, furnishing and equipping various park and recreational facilities throughout the City including, but not limited to, the City's Aquatic Center. The Bonds are being issued pursuant to the Ordinance, and once issued, the City will not have any remaining voted authority.

The Project

A portion of the proceeds from the sale of the Bonds are anticipated be used to complete the following projects (collectively, the "Project"):

<u>Project</u>	<u>Current Expected Cost</u>
Memorial Park Pavilion and Venue	\$2,500,000
Walking Path Memorial Park	\$25,000
Benny Gordon Rec Center Flooring	\$161,050
Upgraded Athletic Field w/ LED Lights	\$300,000
ADA Playground Features	\$400,000
Native Prairie & Sustainability Initiatives	\$75,000
Benny Gordon Rec Center Guest Services Desk	\$150,000
Memorial Park Raquet Sports Courts Repair	\$60,000
Contingency	<u>1,000,000</u>
	<u>\$4,671,050</u>

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Sources and Uses of Funds

The following table summarizes the estimated sources of funds and the expected uses of such funds, in connection with the plan of financing:

Sources of Funds:

Par Amount of the Bonds	\$
Original Issue Premium	
Total	<u>\$</u>

Uses of Funds:

Project Costs	\$
Costs of Issuance (including Underwriter's Discount)	
Total	<u>\$</u>

LEGAL MATTERS

Legal matters with respect to the authorization, execution and delivery of the Bonds are subject to the approval of Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel to the City, whose approving opinion will be available at the time of delivery of the Bonds. Gilmore & Bell, P.C. will also pass upon certain legal matters relating to this Official Statement.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transactions opined upon, or of the future performance of the parties to such transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

TAX MATTERS

The following is a summary of the material federal and State of Missouri income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers) and, except for the income tax laws of the State of Missouri, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under the law existing as of the issue date of the Bonds:

Federal and State of Missouri Tax Exemption. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State of Missouri.

Alternative Minimum Tax. The interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bank Qualification. The Bonds are “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code.

Bond Counsel’s opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal and State of Missouri income tax purposes retroactive to the date of issuance of the Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds but has reviewed the discussion under the heading “TAX MATTERS.”

Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner’s tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount, if any.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on a tax-exempt bond amortizes over the term of the bond using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner’s basis is reduced, no federal income tax

deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium, if any.

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Bond, the owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds and to the proceeds paid on the sale of the Bonds, other than to certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

CONTINUING DISCLOSURE UNDERTAKING

General

The City will enter into the Continuing Disclosure Undertaking to assist the Underwriter in complying with the Rule. The proposed form of the Continuing Disclosure Undertaking is included in this Official Statement as ***Appendix C***. The City is the only "obligated person" with responsibility for continuing disclosure.

Prior Compliance

The City has made similar undertakings with respect to its outstanding obligations to annually file its audited financial statements and certain operating data (together, the "**Annual Report**") and notices of the occurrence of certain enumerated events. To the best of the City's knowledge and belief, the City has complied in all material respects with its prior continuing disclosure undertakings under the Rule for the past five years, except for fiscal year ended 2021 where the City's financial and operating data was filed 86 days late. In addition, while the City's audited financial statements and operating data were available elsewhere on EMMA, in each of the last five years, the City failed to link certain CUSIPs to the filings.

The City has contracted with a third party to assist the City in complying with its continuing disclosure undertakings.

BOND RATING

Moody's has assigned the Bonds a rating of "Aa1" based on Moody's evaluation of the creditworthiness of the City. Such rating reflects only the view of Moody's at the time the rating is given, and the City, the Underwriter and the Municipal Advisor make no representation as to the appropriateness of such rating. An explanation of the significance of the rating may be obtained only from Moody's. The City furnished Moody's with certain information and materials relating to the Bonds and the City that has not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions by the rating agencies. There is no assurance that a particular rating will remain in effect for any given period of time or that it will not be revised downward or withdrawn entirely if, in the judgment of the rating agency, circumstances warrant. Any downward revision or withdrawal of the rating may have an adverse effect on the market price and marketability of the Bonds.

ABSENCE OF LITIGATION

As of the date hereof, there is no controversy, suit or other proceeding of any kind pending or, to the City's knowledge, threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the City or its boundaries, or the right or title of any of its officers to their respective offices, or the legality of any official act in connection with the authorization, issuance and sale of the Bonds, or the constitutionality or validity of the Bonds or any of the proceedings had in relation to the authorization, issuance or sale thereof, or the levy and collection of a tax to pay the principal and interest thereof, or which might affect the City's ability to meet its obligations to pay the Bonds.

UNDERWRITING

_____, _____, _____ (the "**Underwriter**"), has agreed to purchase the Bonds at a price of \$_____ (which is equal to the aggregate original principal amount of the Bonds, plus an original issue premium of \$_____, less an underwriting discount of \$_____). The Underwriter is purchasing the Bonds for resale in the normal course of the Underwriter's business activities. The Underwriter reserves the right to offer any of the Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, determines.

MUNICIPAL ADVISOR

Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri (the "**Municipal Advisor**"), is employed as Municipal Advisor to the City to render certain professional services, including advising the City on a plan of financing in connection with the sale of the Bonds. The Municipal Advisor has read this Official Statement. Under the terms of its engagement, the Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification of, or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement, other than this section.

The Municipal Advisor's duties, responsibilities and fees in connection with this issuance arise solely from the services for which it is engaged to perform as financial advisor on the Bonds. The Municipal Advisor's compensation is conditional on the successful closing of the Bonds.

CERTAIN RELATIONSHIPS

Gilmore & Bell, P.C., Bond Counsel to the City, has represented the Municipal Advisor in transactions unrelated to the delivery of the Bonds, but is not representing the Municipal Advisor in connection with the delivery of the Bonds. Gilmore & Bell, P.C., also assists the City in complying with its continuing disclosure undertakings.

MISCELLANEOUS

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is made to all such documents for full and complete statements of all matters of fact relating to the Bonds, the security for the payment of the Bonds and the rights of the owners thereof. During the period of the offering, copies of drafts of such documents may be examined at the office of the Underwriter; following delivery of the Bonds, copies of such documents may be examined at the corporate trust office of the Paying Agent. The information contained in this Official Statement has been compiled from official and other sources that are deemed to be reliable, and while not guaranteed as to completeness or accuracy, is believed to be correct as of this date.

Any statement made in this Official Statement involving matters of opinion or of estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the information presented herein since the date hereof. This Official Statement is not to be construed as a contract or agreement between the City, the Municipal Advisor, the Paying Agent or the Underwriter and the purchasers or owners of any Bonds.

The City has duly authorized the delivery of this Official Statement.

CITY OF WEBSTER GROVES, MISSOURI

By: _____
Mayor

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APPENDIX A

INFORMATION REGARDING THE CITY

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GENERAL INFORMATION CONCERNING THE CITY

General

The City is located in south-eastern St. Louis County (the “**County**”), approximately 11 miles southwest of the City of St. Louis and approximately 2 miles south of the City of Brentwood. The City is approximately 5.91 square miles and the current population is estimated to be 23,712.

The City has 21 parks within its boundaries that offer lighted ball fields, soccer fields, tennis courts, pickle ball courts, an in-line skate park, playgrounds, picnic areas and pavilions. The City is currently constructing another park that is anticipated to be completed Summer 2026. The City also has a community center, which has a water park, fitness center, gymnasium, locker rooms, a concession stand, an ice arena and party rooms and meeting rooms.

Residents also enjoy the many attractions located throughout the St. Louis Metropolitan area that are within an easy commuting distance including the St. Louis Zoo, the Missouri Botanical Gardens, St. Louis Art Museum, Six Flags Over Mid-America, the St. Louis Symphony and professional sports teams.

Located within the City, the Webster Groves Public Library (the “**Library**”) is a public, tax-supported library that serves as an essential community resource for residents of all ages. The Library occupies approximately 21,200 square feet and provides access to print and digital collections, public computers, free Wi-Fi, technology assistance, research support, and a variety of public services. The Library offers hundreds of educational and recreational programs each year for children, teens, and adults and maintains a public meeting room for community use. As a center for lifelong learning, community engagement, and equitable access to information and resources, the Library plays a vital role in enriching the lives of residents and strengthening the Webster Groves community.

The City is an attractive suburban residential community with an economic base represented by a large variety of housing and a mixture of commercial enterprises, numerous small specialty shops, and support services. The City does not have a central business district. Commercial enterprises include numerous small specialty stores and several small strip shopping centers located mostly in one of three business districts. There are currently over 875 business establishments in the City.

Within the City are three Special Business Districts (“**SBDs**”), which are self-taxing and self-governing bodies, formed to enhance each respective business district. The SBDs are responsible for preservation and maintenance of historic landmarks, landscaping, enrichment of the business climate, advertising and promoting local merchants, and promotional events. Old Webster Taxing District is a nationally recognized historic district and is the original “downtown” of Webster Groves that now has 173 businesses offering shopping, dining and services. Old Orchard is a thriving business district and beautiful turn-of-the-century architecture and is occupied by more than 170 restaurants, cafes, salons, markets and retail shops, as well as medical, education, and professional businesses. The Crossroads Taxing District is located adjacent to Interstate 44 and provides neighborhood level commercial services and small office space primarily in an urban development form.

Type of Government

The City is a home-rule city and operates under a Council/Manager form of government. The City Council is comprised of six council members. Council members are elected to serve four-year terms, one half of which expire every two years. The City Manager is appointed by a majority vote of the City Council and is responsible for the day-to-day management of the City. The City Manager enforces the policies set by the Mayor and City Council and is responsible for all personnel decisions. The Mayor is elected at large to serve a four-year term.

The current Mayor and the members of the City Council are as follows:

	<u>Year First Elected</u>	<u>Year Present Term Expires</u>
Laura Arnold, Mayor	2022	2030
Karen Alexander, Councilmember	2020	2028
Jamie Hasemeier, Councilmember	2024	2028
Kevin Mitchell, Councilmember	2026	2030
Emily Hixson Shepherd, Councilmember	2022	2030
Emerson Smith, Councilmember	2019	2028
Leanne Waugh, Councilmember	2026	2030

Scott Davis is currently serving as Interim City Manager for the City. Mr. Davis joined the City in 2014 and was formerly the City's Deputy City Manager of Strategic Innovation. Currently, Mr. Davis is serving in his role pursuant to a six-month contract with the City that began in February 2026. Upon agreement of the parties, the contract may be extended for an additional six-month period.

The City Council is currently considering the extent of its search for a new City Manager. The City expects the appointment of a permanent City Manager before the end of calendar year 2026.

Employees

The City currently has 155 full-time and 2 permanent part-time employees long with over 200 seasonal employees. Benefits provided to full-time employees include: health, dental, vision, life and long-term disability insurance, a retirement plan (see the caption "**Pension Plans**" herein) and paid time off.

In 2007, the Missouri Supreme Court held that public employees have a constitutional right to collectively bargain under Missouri's Constitution. 33 employees of the Fire Department (as defined below) are members of the International Association of Firefighters, Local 2665 ("**IAFF**"). The collective bargaining agreement between the City and IAFF expires on June 30, 2027. 36 employees of the police department are members of the Eastern Missouri Coalition of Police, Fraternal Order of Police, Lodge 15 ("**FOP**"). There are three collective bargaining agreements between the City and FOP: one for the police officers, one for the police sergeants, and one for the police lieutenants. Each agreement expires on June 30, 2028. All collective bargaining agreements include provisions prohibiting work-stoppages.

Pension Plans

The City participates in the Missouri Local Government Employees Retirement System ("**LAGERS**"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS was created and is governed by state statute and is a defined-benefit pension plan that provides retirement, disability and death benefits. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax-exempt. LAGERS is governed by a seven-member Board of Trustees consisting of three trustees elected by participating employees, three trustees elected by participating employers and one trustee appointed by the Governor.

LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. The LAGERS Comprehensive Annual Financial Report for the fiscal year ended June 30, 2025 (the "**2025 LAGERS ACFR**") is available at <https://www.molagers.org/financial-reports/>. The link to the 2025 LAGERS ACFR is provided for general background information only, and the information in the 2025 LAGERS ACFR is not incorporated by reference into this Official Statement. The 2025 LAGERS ACFR provides detailed information about LAGERS, including its financial position, investment policy and

performance information, actuarial information and assumptions affecting plan design and policies, and certain statistical information about the plan

All full-time employees of the City working in a LAGERS-covered department are eligible to participate in LAGERS. The City is required by statute to contribute at an actuarially determined rate for each category of participating employees. For LAGERS' fiscal year ended June 30, 2025, the City contributed \$961,492 to LAGERS on behalf of participating employees. The City's actuarially determined contribution rates for Fiscal Year 2025 were 8.0% for general employees, 17.60% for police and 14.8% for fire. The City's actuarially determined contribution rates for Fiscal Year 2026 are 8.4% for general employees, 17.7% for police and 13.7% for fire. The City's actuarially determined contribution rates for Fiscal Year 2027 are 7.4% for general employees, 16.7% for police and 13.3% for fire. All full-time employees participating in LAGERS make a required contribution of 4% of their gross pay as well.

For additional information regarding the City's participation in LAGERS relating to the fiscal year ended June 30, 2025 see Note 5 – Pension Plans in **Appendix B**. For additional information regarding LAGERS, see the 2025 LAGERS Annual Report.

Other Post-Employment Benefits

The City provides a single-employer defined benefit plan (the “**Plan**”) that provides healthcare benefits to employees who are eligible to retire once they have attained age 55 plus 10 years of service. This benefit terminates at age 65 for both employees and spouses. Employees and spouses must be on the Plan at time of retirement to be eligible to participate in the Plan after retirement. Medical and prescription drug benefits are available to retirees in the City's insurance plan. Currently, retirees under the Plan pay 100% of the medical premium to stay on the insurance. The Plan was established by City Ordinance, which assigned the authority to establish and amend plan benefit provisions to the City. The contribution requirements of the City and plan members are established and may be amended by the City. No assets are accumulated in a trust for the Plan. The Plan does not issue a stand-alone report. The Other Post-employment Benefit (“**OPEB**”) liability is generally liquidated by the General Fund. For more details on OPEB see Note 6 – Post-Employment Benefits Other Than Pensions in **Appendix B**.

Risk Management

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

The City is a member of the St. Louis Area Insurance Trust (“**SLAIT**”), which is a not-for profit, self-insurance risk pool formed by various St. Louis area municipalities to cover workers' compensation and general liability matters. The purpose of this trust is to distribute the cost of self-insurance over similar entities. In addition to insurance protection, the program provides risk management services with emphasis in loss control, claims administration, and management information services. SLAIT is fully funded by its member participants and employs an outside service company to process all claims.

The trust requires an annual premium payment by members to cover estimated claims payable and reserves for claims. The members of the trust have no legal interest in the assets, liabilities, or fund balances of the insurance trust. However, the City is contingently liable to fund its pro rata share if any deficit is incurred by the trust should the trust cease operation at some future date.

As a member of SLAIT, the City also purchases insurance policies on a group basis but issued to each participating municipality for auto, physical damage, property coverage, and public official liability coverages.

Settled claims have not exceeded commercial coverage in any of the past three years. There have been no significant reductions in insurance coverage from the prior year. In addition, the City acquires bonding for public officials and public employee dishonesty from a private company, and purchases employee health insurance through commercial health insurance. For more information, see Note 10 – Risk Management in *Appendix B*.

Municipal Utilities and Services

The City provides a full range of services associated with municipalities of similar size and type, including police, fire protection and emergency medical services, the construction and maintenance of streets and infrastructure, parks and recreational activities. These services are financed from revenues of the City. Missouri-American Water Company provides water service to the City, The Metropolitan St. Louis Sewer District provides sewer service to the City and Republic Services contracts with the City for solid waste collection services. AmerenUE provides electricity and Spire Gas provides natural gas to the City.

Public Safety

The City maintains its own police department. The police department is comprised of 48 sworn officers and 2 civilian employees. The police department participates in a community-oriented policing program and also has an officer assigned to juvenile duties.

Fire protection and emergency medical services are provided by the Webster Groves Fire Department (the “**Fire Department**”). It covers 5.9 square miles, encompassing residential, commercial, light and heavy rail systems, as well as industrial response within the City. The Fire Department provides mutual aide to surrounding communities and has an Insurance Service Office (“**ISO**”) rating of 2; ISO ratings range from 1 to 10, and 1 is the best rating.

The Fire Department has 38 fire fighters trained through St. Louis County Fire Academy who are crossed trained to provide emergency medical service. All of these personnel are paramedics who provide Advanced Life Support, the highest level of pre-hospital care available, to residents and surrounding communities.

The Fire Department currently has 33 Rescue Specialists certified in multiple technical rescue disciplines including rope rescue, confined space rescue, trench rescue, swift water rescue, and structural collapse.

Communications

Telecommunications services are provided by numerous telecommunications providers. Residents of the City are able to receive broadcast signals from all St. Louis radio and television stations. Local newspapers include the *St. Louis Post-Dispatch*, *The West County Journal*, the *St. Louis Countian*, and the *Webster-Kirkwood Times*.

Transportation

The City is intersected by Interstate 44 and is in close proximity to Interstate 64 (US Route 40). Regularly scheduled air passenger and freight service is available at St. Louis Lambert International Airport located approximately 13 miles northwest of the City. The City is approximately 2 miles from the MetroLink, the commuter railroad that serves the St. Louis area.

Educational Institutions and Facilities

The City is served by the Webster Groves School District. The district is independent of the City and has its own officials, budgets, administrators and taxing powers. The district is currently assigned “accredited” status by the Missouri Department of Elementary and Secondary Education, the highest accreditation status given to Missouri school districts. The College School and Nerinx Hall, both private schools, are located in the City.

Post-secondary educational facilities located in the City include Webster University and Eden Theological Seminary. Additionally, the surrounding area includes both public and private colleges and universities such as St. Louis Community College, the University of Missouri-St. Louis, Lindenwood University, Washington University in St. Louis, St. Louis University and Maryville University.

Medical and Health Facilities

SSM St. Mary’s Health Center (“**St. Mary’s**”) is located approximately 5 miles from the City. St. Mary’s is a two-time winner of Premier Healthcare Alliance’s Premier Award for Quality and has earned The Joint Commission’s Gold Seal of Approval for the Advanced Primary Heart Attack Center Certification. Centrally located in metro St. Louis, the 525-bed hospital has capabilities in heart attack care, high-risk pregnancies, fetal surgery, a chest pain center, advanced stroke care and imaging and outpatient services. As a teaching hospital, St. Mary’s offers an independent, accredited internal medicine residency program and is the headquarters for Saint Louis University School of Medicine’s Department of Obstetrics and Gynecology and its Family Practice residency programs. Also located in the surrounding area are Washington University Medical Center at Barnes-Jewish Hospital, St. Louis University Hospital, and Mercy Medical Center, as well as numerous doctor’s offices, nursing facilities and other healthcare providers.

Employment

The following table sets forth the total labor force, number of employed and unemployed workers in the City and, for comparative purposes, the unemployment rates for the City, the County, the State and the United States for the years 2022 through 2026:

City Labor Force				Unemployment Rates			
<u>Year</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Total</u>	<u>City</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2026 ⁽¹⁾	11,971	435	12,406	3.5%	4.4%	4.3%	4.7%
2025 ⁽²⁾	12,219	314	12,533	2.5	3.3	3.3	4.1
2024	12,031	346	12,377	2.8	3.6	3.7	4.0
2023	11,959	303	12,262	2.5	3.1	3.1	3.6
2022	11,865	315	12,180	2.6	2.6	2.6	3.6

⁽¹⁾ As reported in February 2026; not an annualized figure.

⁽²⁾ As reported in December 2025; not an annualized figure.

Source: Missouri Department of Higher Education and Workforce Development, Missouri Economic Research and Information Center; U.S. Department of Labor, Bureau of Labor Statistics.

The following list sets forth the names and approximate employment of the top ten employers in the City:

<u>Employer</u>	<u>Type of Business</u>	<u>Employees</u>
Webster University	Secondary education	1,132
Webster Groves School District	Education	842
Laclede Groves	Senior living housing	598
KVC Missouri	Children's Social/educational services	284
The City	Government	151
Epworth Children & Family Services	Youth development services	128
Ross & Baruzzini	Engineering	120
Schnucks	Grocery store	110
Webster Groves Animal Hospital	Animal hospital	85
Nerinx High School	Education	84

Source: City's Annual Comprehensive Financial Reports for the fiscal year ended June 30, 2025.

Housing

The median value of owner-occupied housing units in the City, the County and the State are estimated to be as follows:

City	\$387,600
County	276,800
State	230,300

Source: United States Census Bureau, 2020-2024 American Community Survey 5-Year Estimates.

Demographic Statistics

Population. According to the U.S. Census Bureau, the population patterns for the City, the County and the State have been as follows:

<u>Year</u>	<u>City</u>		<u>County</u>		<u>State</u>	
	<u>Population</u>	<u>Percentage Change</u>	<u>Population</u>	<u>Percentage Change</u>	<u>Population</u>	<u>Percentage Change</u>
Current estimate	23,712	-1.3%	995,569	-0.9%	6,191,814	+0.6%
2020	24,010	+4.4	1,004,125	+0.5	6,154,913	+2.8
2010	22,995	-0.3	998,954	-1.7	5,988,927	+7.0
2000	23,064	N/A	1,016,315	N/A	5,595,211	N/A

Source: United States Census Bureau; Decennial Census; 2020-2024 American Community Survey 5-Year Estimates.

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The following table sets forth the population by age categories for the City, the County and the State:

<u>Age</u>	<u>City</u>	<u>County</u>	<u>State</u>
Under 5 years	1,299	55,672	356,811
5-19 years	4,967	187,447	1,186,390
20-24 years	1,508	59,276	405,498
25-44 years	5,847	254,329	1,609,113
45-64 years	5,506	248,526	1,526,259
65 and over	4,585	190,319	1,107,743
Median Age	40.3	40.3	39.0

Source: United States Census Bureau, 2020-2024 American Community Survey 5-Year Estimates.

Other Statistics. The following table presents median family income for the City, the County and the State:

	<u>Median Family Income</u>
City	\$167,313
County	110,950
State	91,360

Source: United States Census Bureau, 2020-2024 American Community Survey 5-Year Estimates.

The following table presents per capita personal income⁽¹⁾ for the County and the State for the years 2020 through 2024, the latest date for which such information is available:

<u>Year</u>	<u>County Per Capita Personal Income</u>	<u>State Per Capita Personal Income</u>
2024	\$104,775	\$64,920
2023	100,798	62,435
2022	93,142	58,525
2021	89,911	56,907
2020	78,956	52,206

⁽¹⁾ **“Per Capita Personal Income”** is the annual total personal income of residents divided by the resident population as of July 1. **“Personal Income”** is the sum of net earnings by place of residence, rental income of persons, personal dividend income, personal interest income, and transfer payments. **“Net Earnings”** is earnings by place of work - the sum of wage and salary disbursements (payrolls), other labor income, and proprietors’ income - less personal contributions for social insurance, plus an adjustment to convert earnings by place of work to a place-of-residence basis. Personal Income is measured before the deduction of personal income taxes and other personal taxes and is reported in current dollars (no adjustment is made for price changes).

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

FINANCIAL INFORMATION CONCERNING THE CITY

Accounting, Budgeting and Auditing Procedures

The financial statements of the City have been prepared in conformity with generally accepted accounting principles, as applied to government units. GASB is the accepted standard-setting body for

establishing governmental accounting and financial reporting principles. The more significant accounting policies of the City are described below.

Basis of Accounting. The government-wide financial statements are reported in the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current financial resources generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are reported. Governmental funds financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the statements for governmental funds.

Revenues are recognized in the accounting period in which they become both measurable and available. The term “available” is defined as collectible within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. For the City, available means expected to be received within 60 days of fiscal year-end. An exception is made for grant revenues, which are deemed available if received within one year after the end of the fiscal period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Expenditures for principal and interest on long-term debt, as well as expenditures related to compensated absences, are not recognized until due.

Fund Accounting. The fund financial statements of the City are organized on the basis of funds, each of which is considered a separate fiscal and accounting entity with self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows of resources, fund balance, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund types are used by the City:

Governmental Fund Types. Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City’s expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position rather than upon net income. The following are the City’s major governmental funds:

General Fund – The General Fund is the City’s primary operating fund. It accounts for operations except those accounted for in another fund. Primary sources of revenues are property tax, sales tax, utility tax, and user and service fees. Primary expenditures are for general government and public safety.

The Destination WG Fund is used to account for financial resources to be used for the acquisition, construction, or improvements of major capital facilities and infrastructure.

The other governmental funds of the City are considered non-major. They are Special Revenue Funds which account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, Capital Projects Funds which account for financial resources to be used for acquisition or

construction of major capital facilities, and a Debt Service Fund that is used to account for accumulation of resources and payment of principal and interest on general obligation debt.

Budgetary Information. The City management and City Council follow the procedures outlined below in establishing the fiscal year budgets:

- a. The budget process begins approximately four to five months prior to the beginning of the fiscal year, July 1. Department managers submit projections for estimated revenues and expenditures to the City Manager who adjusts the total department figures and returns the reports to the department managers. Once the budgets have been approved by the City Manager, the City Council is given a detailed budget for its approval.
- b. Once the City Manager has approved the respective department budgets, a public hearing is held to provide a reasonable opportunity for all persons who believe that their interest is affected by the proposed resolution to be heard by the City Council at the first meeting in June. During the second meeting in June, the proposed budget is put before the City Council as a resolution and is voted upon. The approved budget is then reproduced and made available in hard copy and electronically.
- c. Adjustments within a department budget can be made with authorization by the City Manager or Director of Finance and Administration. Transfers between funds require the approval of the City Council. During the current year, there were budget amendments approved by City Council. Transfers between departments can be authorized by the City Manager and Director of Finance and Administration, as long as the departments are in the same fund. Additionally, adjustments to departments were authorized.
- d. All funds are budgeted except for the Special Projects Fund and the New Fire Station 2 Fund.

The General Fund

In accordance with established accounting procedures of governmental units, the City records its financial transactions under various funds. The largest is the General Fund, from which all general operating expenses are paid and to which taxes and all other revenues not specifically allocated by law or contractual agreement to other funds are deposited. The City's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025 is included in this Official Statement as ***Appendix B***. Copies of prior fiscal year's audits and financial reports are on file with the City. The table on the following page sets forth the revenues, expenditures and fund balances for the City's General Fund for the last four fiscal years.

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SUMMARY OF OPERATIONS
FISCAL YEARS ENDED JUNE 30

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
REVENUES				
Property Taxes	\$ 1,358,241	\$ 1,401,407	\$ 1,501,602	\$ 1,481,760
Sales Taxes	4,914,441	7,554,499 ⁽¹⁾	8,305,341	8,282,873
Utility Taxes	3,173,984	3,802,801	3,590,411	3,498,775
Intergovernmental	1,712,907	1,889,243	1,960,305	2,192,830
Licenses, Permits and Fees	1,484,110	1,773,385	1,621,319	2,404,223 ⁽²⁾
Fines and Forfeitures	374,341	330,901	539,163	465,642
Charges for Services	2,270,252	2,784,933	3,113,438	3,008,827
Other Revenues	471,664	1,086,811 ⁽³⁾	405,379	524,964
Investment Income	<u>55,899</u>	<u>341,724</u>	<u>745,565</u>	<u>815,296</u>
Total Revenues	\$15,815,839	\$20,965,704	\$21,782,523	\$22,675,190
EXPENDITURES				
General government	\$ 3,818,388	\$ 3,969,701	\$ 4,389,752	\$ 4,812,345
Public safety	10,736,599	10,341,038	10,329,369	10,943,445
Public works	1,402,911	1,580,724	1,345,460	1,425,136
Parks and Recreation	2,099,804	2,026,070	1,793,831	2,135,269
Planning and development	941,564	772,021	784,794	854,569
Principal retirement & interest costs	-	56,316	45,614	48,623
Capital Outlay	<u>28,779</u>	<u>31,170</u>	<u>1,570</u>	<u>434,538</u>
Total Expenditures	\$19,028,045	\$18,777,040	\$18,690,390	\$20,653,925
REVENUES OVER EXPENDITURES	\$ (3,212,206)	\$ 2,188,664	\$ 3,092,133	\$ 2,021,265
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	\$ -	\$ -	\$ 15,200	\$ 25,000
Issuance of long-term debt	-	10,572	-	(60,764)
Insurance Recoveries	-	41,358	26,164	13,169
Transfers In	1,844,060	939,884	1,634,301	314,459
Transfers Out	<u>-</u>	<u>(64,038)</u>	<u>(300,000)</u>	<u>-</u>
Total Other Financing Sources	\$ 1,844,060	\$ 927,776	\$ 1,375,665	\$ 291,864
NET CHANGE IN FUND BALANCES	\$ (1,368,146)	\$ 3,116,440	\$ 4,467,798	\$ 2,313,129
FUND BALANCE BEGINNING OF YEAR	<u>\$11,701,366</u>	<u>\$10,333,220</u>	<u>\$13,449,660</u>	<u>\$17,917,458</u>
FUND BALANCE END OF YEAR	<u>\$10,333,220</u>	<u>\$13,449,660</u>	<u>\$17,917,458</u>	<u>\$20,230,587</u>

(1) Part of the large increase was attributable to the addition of the Local Use Tax on online purchases with out-of-state companies made by residents that went into effect in November 2023.

(2) Increase in fiscal year 2025 revenues for Licenses, Permits and Fees was primarily due to permitting fees paid by KVC for its new Children's Mental Wellness Campus scheduled to open in late 2026.

(3) Other Revenue includes miscellaneous income, sale of capital assets and various non-major revenue lines. The large increase in 2023 was due to a \$500,000 litigation settlement.

Source: City's Annual Comprehensive Financial Reports for the fiscal years ended June 30, 2022 - 2025.

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Sources of Revenue

The City finances its general operations through taxes and other sources. The estimated sources of revenue for the fiscal year ended June 30, 2025 are shown below:

<u>Source</u>	<u>Amount</u>	<u>Percent of Total</u>
Property Taxes	\$ 1,481,760	6.53%
Sales Taxes	8,282,873	36.53
Utility Taxes	3,498,775	15.43
Intergovernmental	2,192,830	9.67
Licenses, Permits and Fees	2,404,223	10.60
Fines and Forfeitures	465,642	2.05
Charges for Services	3,008,827	13.27
Other Revenues	524,964	2.32
Investment Income	815,296	3.60
Total	<u>\$22,675,190</u>	<u>100.00%</u>

Source: City's Annual Comprehensive Financial Reports for the fiscal year ended June 30, 2025.

Sales and Use Taxes

In the County, local sales taxes are collected by the State of Missouri and remitted to the County for distribution. Within the County, some cities are "pool" cities and some cities are "point-of-sale" cities. The City is a pool city. Point-of-sale cities receive all sales tax revenues generated within their borders, other than collection fees ("**Point-of-Sale Tax**"). Pool cities receive sales tax revenues from a pool of tax revenues which are distributed on a per capita basis ("**Pool Tax**"). The City is a pool city with respect to the 1% general sales tax. The City's ¼% general sales tax is a Point-of-Sale Tax, the City's capital improvement sales tax is a Pool Tax and the City's other sales taxes are Point-of-Sales Taxes.

General Sales Tax. The general sales tax receipts are from a 1¼% City sales tax used for general City purposes. A 1% general sales tax has been in effect for more than twenty years and the additional ¼% local option sales tax was authorized by a referendum in 2006. The following table sets forth the total general sales tax receipts of the City for the past five fiscal years:

<u>Year</u>	<u>Amount</u>
2025	\$4,766,539
2024	4,787,206
2023	4,923,885
2022	4,398,438
2021	3,765,682

Source: City.

Recently, the City received notice from the County that the ¼% local option sales tax portion of the general sales tax was being calculated incorrectly. The new calculations may reduce the City's annual receipts shown above by up to \$480,000. The City and several municipalities in the County have questioned the new calculations and are working with the County and the State to correct any errors present.

Fire Protection Sales Tax. In November 2004, voters approved a ¼% sales tax for fire protection. The tax is a Point-of-Sale Tax. By statute, this tax may be used solely for funding expenses related to the fire department. The following table sets forth the total fire protection sales tax receipts of the City for the past five fiscal years:

<u>Year</u>	<u>Amount</u>
2025	\$701,403
2024	729,464
2023	682,693
2022	660,290
2021	572,372

Source: City.

Capital Improvement Sales Tax. In April 1996, voters approved participation in a ½% sales tax pool for capital improvements. The pool is distributed on a per capita basis and includes 15% of the capital improvement sales taxes of cities that elected to have this tax as a point-of-sales tax and the taxes of cities that approved this tax on a pool basis. By statute, this tax may be used solely for funding capital improvements and for the cost of operating such improvements. The money is deposited in the City's Capital Improvement Fund. The following table sets forth the total capital improvement sales tax receipts of the City for the past five fiscal years:

<u>Year</u>	<u>Amount</u>
2025	\$1,986,125
2024	2,011,046
2023	1,850,784
2022	1,704,138
2021	1,562,468

Source: City.

Parks and Stormwater Sales Tax. In April 1999, voters approved a ½% parks and stormwater sales tax with 80% allocated to parks and 20% allocated to stormwater. The tax is a Point-of-Sale Tax. 80% of the sales tax may be used solely in connection with parks and the balance may be used solely for storm water projects. The following table sets forth the total park sales and stormwater tax receipts of the City for the past five fiscal years:

<u>Year</u>	<u>Parks</u>	<u>Stormwater</u>
2025	\$1,112,779	\$278,195
2024	1,169,069	292,267
2023	1,092,309	273,077
2022	1,057,573	263,343
2021	915,245	228,949

Source: City.

Public Safety Sales Tax. In April 2017, the County passed a new public safety sales tax (“County Public Safety Tax”) at the rate of ½% for the purpose of providing funds for police and public safety. Pursuant to a formula, approximately 42.4% is distributed to incorporated places in the County on a per capita basis. The City began receiving these funds in November 2017. The following table sets forth the total public safety sales tax receipts of the City for the past five fiscal years:

<u>Year</u>	<u>Amount</u>
2025	\$1,563,941
2024	1,594,095
2023	1,498,810
2022	1,405,198
2021	1,247,197

Source: City.

Local Use Tax. In April 2022, the voters of the City approved imposition of a local use tax at the same rate as the City’s aggregate sales tax (currently 1.5%). The tax is imposed on out-of-state vendors that do not collect local sales tax. The local use tax went into effect on October 1, 2022. The City began receiving the tax in November 2023. For the 2024 fiscal year, the City received \$1,247,929 and for the 2025 fiscal year the City received \$1,260,974.

Utility Gross Receipts (Utility Taxes)

The City charges a tax on the gross receipts of utilities. The tax is charged at the rate of 7% on the electric company, the gas company, the water company, the telephone company, and at the rate of 5% on cable television companies serving the City.

DEBT STRUCTURE OF THE CITY

Legal Debt Capacity

Article VI, Sections 26(b) and 26(c) of the Constitution of Missouri limits the net outstanding amount of authorized general obligation bonds for a city to 10 percent of the assessed valuation of the city. Article VI, Sections 26(d) and 26(e), however, provide that a city may, with the required voter approval, issue general obligation bonds in an amount not to exceed an additional 10 percent of assessed valuation for the purpose of acquiring rights-of-way; constructing, extending and improving streets and avenues; constructing, extending and improving sanitary or storm sewer systems; or purchasing or constructing waterworks or electric light plants; provided that the total general obligation indebtedness of a city does not exceed 20 percent of the assessed valuation. The legal debt margin of the City based upon the 2025 assessed valuation is calculated as follows:

2025 Assessed Valuation	\$956,106,423
Debt Limit (10% of Assessed Valuation)	95,610,642
Less: General Obligation Bonds Outstanding ⁽¹⁾	<u>(22,615,000)*</u>
Legal Debt Margin	<u>\$ 72,995,000</u>

⁽¹⁾ Includes the Bonds.

* Preliminary; subject to change.

Outstanding Indebtedness

Following the issuance of the Bonds, the City will have the following series of general obligation bonds outstanding:

<u>Name of Bonds</u>	<u>Dated Date</u>	<u>Final Maturity</u>	<u>Principal Amount Outstanding</u>
General Obligation Bonds, Series 2019	October 29, 2019	March 1, 2028	\$ 915,000
General Obligation Bonds, Series 2025	February 4, 2025	March 1, 2044	16,795,000
The Bonds	July 21, 2026*	March 1, 2044*	<u>4,905,000</u>
Total			<u>\$22,615,000</u>

Debt Service Requirements

The following table sets forth the debt service requirements on all the outstanding general obligation indebtedness of the City as of the date of this Official Statement:

<u>Fiscal Year Ending June 30</u>	<u>Outstanding Bonds</u>	<u>The Bonds</u>		<u>Total</u>
		<u>Principal*</u>	<u>Interest</u>	
2027	\$1,678,900			
2028	1,533,600	\$ 220,000		
2029	1,390,600	390,000		
2030	1,391,350	200,000		
2031	1,395,350	205,000		
2032	1,392,350	220,000		
2033	1,397,600	225,000		
2034	1,395,600	240,000		
2035	1,396,600	255,000		
2036	1,400,350	265,000		
2037	1,396,600	280,000		
2038	1,395,800	295,000		
2039	1,398,400	310,000		
2040	1,399,200	325,000		
2041	1,398,200	340,000		
2042	1,400,400	360,000		
2043	1,400,600	375,000		
2044	<u>1,398,800</u>	<u>400,000</u>		
TOTAL	<u>\$25,560,300</u>	<u>\$4,905,000</u>		

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* Preliminary; subject to change.

Overlapping General Obligation Indebtedness

The following table sets forth the overlapping general obligation indebtedness of political subdivisions with boundaries overlapping the City that will be outstanding on July 1, 2026, and the percent attributable to the City. The table was compiled from information furnished by the jurisdictions responsible for the debt, and the City has not independently verified the accuracy or completeness of such information. Furthermore, political subdivisions may have ongoing programs requiring the issuance of substantial additional bonds, the amounts of which cannot be determined at this time.

<u>Taxing Jurisdiction</u>	<u>Outstanding General Obligation Indebtedness</u>	<u>Percent Applicable to City</u>	<u>Amount Applicable to City</u>
St. Louis County ⁽¹⁾	\$44,510,000	2.47%	\$ 1,099,397
Webster Groves School District	<u>89,269,000</u>	70.48	<u>62,916,791</u>
Totals	<u>\$133,779,000</u>		<u>\$64,016,188</u>

⁽¹⁾ Overlapping bonded indebtedness excludes neighborhood improvement district general obligation bonds which are paid from special assessments.

Source: City's Annual Comprehensive Financial Reports for the fiscal year ended June 30, 2025; Taxing jurisdictions' records and Municipal Securities Rulemaking Board (EMMA).

Debt Ratios and Related Information

Population:	23,712
Assessed Valuation (2025):	\$956,106,423
Estimated Actual Value (2025):	\$4,628,097,801
Outstanding Direct General Obligation Debt ⁽¹⁾ :	\$22,615,000
Per Capita Direct General Obligation Debt:	\$953.74
Ratio of Direct General Obligation Debt to Assessed Valuation:	2.37%
Ratio of Direct General Obligation Debt to Estimated Actual Value:	0.49%
Overlapping General Obligation Debt ⁽²⁾ :	\$64,016,188
Direct and Overlapping General Obligation Debt ⁽¹⁾ :	\$86,631,188
Per Capita Direct and Overlapping General Obligation Debt:	\$3,653.47
Ratio of Direct and Overlapping General Obligation Debt to Assessed Valuation:	9.06%
Ratio of Direct and Overlapping General Obligation Debt to Estimated Actual Valuation:	1.87%

⁽¹⁾ Includes the Bonds.

⁽²⁾ For further details see the caption **"DEBT STRUCTURE OF THE CITY – Overlapping General Obligation Indebtedness."**

Source: St. Louis County Department of Revenue; U.S. Census Bureau Estimates.

Annual Appropriation Obligations

Lease or other obligations secured by annually appropriated funds do not constitute an indebtedness for the purposes of any Missouri statutory or constitutional debt limit. Such obligations are payable solely from annually appropriated funds of a governmental body available therefor and neither taxes nor a specific source of revenue can be pledged to make payments on such obligations. Any increase in taxes required to generate sufficient funds with which to make payments on such obligations are subject to voter approval. Obligations under leases payable are typically paid from the General Fund and Capital Improvement Tax Fund.

The City has from time to time entered into, and in the future may enter into, leases or other annual appropriation agreements. The City entered into a lease arrangement on May 3, 2021, for the right-to-use

copiers. Payments are due in monthly installments with annual totals of \$19,457 for fiscal year ending June 30, 2026. Total intangible right-to-use assets acquired under this agreement are \$107,653.

The City entered into a lease arrangement on July 14, 2022, for the right-to-use copiers. Payments are due in quarterly installments with annual totals of \$2,383 for fiscal year ending June 30, 2026 and \$1,787 for fiscal year ending June 30, 2027. Total intangible right-to-use assets acquired under this agreement are \$10,572.

The City entered into a lease arrangement on October 1, 2022, for the right-to-use in car cameras. Payments are due annually of \$26,496 for fiscal years ending June 30, 2026, and 2027. Total intangible right-to-use assets acquired under this agreement are \$122,611.

The City entered into a lease arrangement on November 1, 2024, for the right-to-use a parking lot. Payments are due annually of \$17,920 for fiscal years ending June 30, 2026, and 2027. Total intangible right-to-use assets acquired under this agreement are \$52,260.

The City entered into a lease arrangement on October 28, 2024, for the right-to-use postage meter. Payments are due monthly of \$145 for fiscal years ending June 30, 2026 through 2029. Total intangible right-to-use assets acquired under this agreement are \$8,504.

Future Debt

The City is not currently anticipating any future borrowings.

History of Debt Payment

The City has never defaulted on any indebtedness.

PROPERTY TAX INFORMATION

Property Valuations

Assessment Procedure. All taxable real and personal property within the City is assessed by the St. Louis County Assessor. Missouri law requires that personal property be assessed at 33-1/3% of true value (except for a few subclasses of minimal value that are assessed at a lower percentage) and that real property be assessed at the following percentages of true value:

Residential real property.....	19%
Agricultural and horticultural real property.....	12%
Utility, industrial, commercial, railroad and all other real property	32%

On January 1 in every odd-numbered year, each County Assessor must adjust the assessed valuation of all real property located within the county in accordance with a two-year assessment and equalization maintenance plan approved by the State Tax Commission.

The County Assessor is responsible for preparing the tax roll each year and for submitting the tax roll to the Board of Equalization. The County Board of Equalization has the authority to adjust and equalize the values of individual properties appearing on the tax rolls.

Current Assessed Valuation. The following table shows the total assessed valuation and the estimated actual valuation, by category, of all taxable tangible property situated in the City according to the assessment for December 31, 2025, as finally adjusted by the Board of Equalization, including state assessed railroad and utility property:

<u>Category</u>	<u>Assessed Valuation</u>	<u>Assessment Rate</u>	<u>Estimated Actual Valuation</u>
Real estate:			
Residential	\$772,294,730	19%	\$4,064,709,105
Commercial ⁽¹⁾	87,496,670	32	273,427,094
Agricultural	0	12	0
State Assessed Railroad and Utility	<u>8,126,410</u>	32	<u>25,395,031</u>
Sub-Total	\$867,917,810		\$4,363,531,230
Personal property			
Regular ⁽¹⁾	\$ 86,614,040	33-1/3 ⁽²⁾	\$ 259,842,380
State Assessed Railroad and Utility	<u>1,574,573</u>	33-1/3 ⁽²⁾	<u>4,724,191</u>
Sub-Total	\$ 88,188,613		\$ 264,566,571
TOTAL	<u>\$956,106,423</u>		<u>\$4,628,097,801</u>

⁽¹⁾ Includes assessed valuation for Locally Assessed Railroad & Utilities.

⁽²⁾ Assumes all personal property is assessed at 33-1/3%; because certain subclasses of tangible personal property are assessed at less than 33-1/3%, the estimated actual valuation for personal property would likely be greater than that shown above. See the caption “**PROPERTY TAX INFORMATION - Property Valuations - Assessment Procedure**” herein.

Source: St. Louis County Department of Revenue.

History of Property Valuations. The total assessed valuation of all taxable tangible property situated in the City, including state and locally assessed railroad and utility property according to the assessments of December 31 in the years 2021 through 2025:

<u>Year</u>	<u>Real Estate Residential</u>	<u>Real Estate Commercial</u>	<u>State Assessed</u>	<u>Personal Property</u>	<u>Personal Property State Assessed</u>	<u>Total Valuation</u>
2025	\$772,294,730	\$87,496,670	\$8,126,410	\$86,614,040	\$1,574,573	\$956,106,423
2024	670,835,420	78,952,600	8,159,060	90,058,000	1,668,198	849,673,278
2023	667,599,240	78,242,170	8,551,866	93,137,410	1,681,083	849,211,769
2022	587,190,120	67,761,460	8,315,464	88,021,690	1,555,334	752,844,068
2021	585,961,230	64,195,830	7,927,442	68,197,090	1,544,742	727,826,334

Source: St. Louis County Department of Revenue.

Property Tax Levies and Collections

Tax Collection Procedure. Property taxes are levied and collected for the City by the County. The City must fix its ad valorem property tax rates and certify them to the County Clerk not later than October 1 for entry in the tax books.

The County Clerk receives the county tax books from the County Assessor, which sets forth the assessments of real and personal property. The County Clerk enters the tax rates certified to him by the local taxing bodies in the tax books and assesses such rates against all taxable property in the City as shown in the

books. The County Clerk forwards the tax books by October 31 to the County Collector, who is charged with levying and collecting taxes as shown therein. The County Collector extends the taxes on the tax rolls and issues the tax statements in early December. Taxes are due by December 31 and become delinquent if not paid to the County Collector at that time. All tracts of land and city lots on which delinquent taxes are due are charged a penalty of eighteen percent of each year's delinquency. All lands and lots on which taxes are delinquent and unpaid are subject to sale at public auction in August of each year.

The County Collector is required to make disbursements of collected taxes to the City each month. Because of the tax collection procedure described above, the City will receive the bulk of its moneys from local property taxes in the months of December, January and February.

Tax Rates

Political subdivisions in the County must establish separate tax rates for residential, commercial, agricultural and personal property, except for the tax rate for payment of general obligation bonds. The purpose of the law is to help reduce the property tax burden on homeowners in areas where residential assessments are increasing at a faster rate than commercial assessments. The following table shows the tax rate for 2025 based on the assessment categories.

<u>Property Subclass</u>	<u>General Fund</u>	<u>Street Improvement</u>	<u>Library</u>	<u>Library (Temp)</u>	<u>Police & Fire Pension</u>	<u>Debt Service</u>	<u>Total</u>
Residential	\$0.1470	\$0.1040	\$0.0950	\$0.0830	\$0.1390	\$0.2010	\$0.7690
Commercial	0.1650	0.0950	0.0950	0.0830	0.1390	0.2010	0.7780
Personal	0.2800	0.1810	0.1800	0.1350	0.2000	0.2010	1.1770

Source: Missouri State Auditor.

The following table shows blended tax rates for the tax years listed.

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General	\$0.1846	\$0.1880	\$0.1766	\$0.1765	\$0.1610
Library	0.1187	0.1212	0.1133	0.1139	0.1040
Street Improvement	0.1197	0.1214	0.1142	0.1141	0.1041
Police & Fire Pension	0.1690	0.1721	0.1614	0.1614	0.1478
Library (Temp)	0.1032	0.1047	0.0980	0.0987	0.0894
Debt Service	<u>0.3310</u>	<u>0.2900</u>	<u>0.2010</u>	<u>0.2760</u>	<u>0.2010</u>
Total	<u>\$1.0262</u>	<u>\$0.9974</u>	<u>\$0.8645</u>	<u>\$0.9406</u>	<u>\$0.8073</u>

Source: Missouri State Auditor.

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Tax Levied and Collected

Billing and collection of property taxes are performed by the County. The following table shows information regarding tax collections for the City's past five years.

<u>Fiscal Year</u>	<u>Total Taxes Levied</u>	<u>Current Taxes</u>		<u>Current and Back Taxes</u>	
		<u>Collected⁽¹⁾</u>	<u>% Collected</u>	<u>Collected</u>	<u>% Collected</u>
2025	\$5,545,363	\$5,442,807	98.2%	\$5,463,918	98.0%
2024	5,553,949	5,413,320	97.5	5,511,900	99.2
2023	5,444,453	5,236,266	96.2	5,304,415	97.4
2022	5,199,528	5,088,265	97.9	5,156,846	99.2
2021	5,117,252	4,785,214	93.5	4,911,790	96.0

⁽¹⁾ Represents amounts collected within the fiscal year of the levy.

Source: City.

Major Property Taxpayers

The ten largest property taxpayers in the City according to their 2025 assessed valuations are listed below:

<u>Name</u>	<u>Assessed Valuation</u>	<u>Percent of Total Assessed Value</u>
1. Yorkshire Village Properties LLC	\$7,284,450	0.76%
2. Owens Ridge Campus LLC	4,224,420	0.44
3. ARC MPSTLMO001 LLC	4,150,590	0.43
4. Bethesda Senior Living Inc.	3,349,280	0.35
5. Algonquin Golf Club	2,332,750	0.24
6. Old Orchard Shopping Center LLC	2,134,680	0.22
7. Missouri American Water	1,852,190	0.19
8. Elle On Lockwood	1,597,350	0.17
9. Colonial Village Company LLC	1,596,170	0.17
10. Laclede Gas	<u>1,401,250</u>	<u>0.15</u>
Total	<u>\$29,923,130</u>	<u>3.13%</u>

Source: St. Louis County Department of Revenue.

Tax Abatement and Tax Increment Financing

Under Missouri law, tax abatement is available for redevelopers of areas determined by the governing body of a municipality to be "blighted." The Land Clearance for Redevelopment Authority Law authorizes ten-year tax abatement pursuant to Sections 99.700 to 99.715, Revised Statutes of Missouri. Redevelopment corporations formed pursuant to Chapter 353, Revised Statutes of Missouri, may seek real property tax abatement for up to 25 years. In addition, the Industrial Development Corporations Law, Chapter 100, Revised Statutes of Missouri, authorizes real and personal property tax abatement for industrial development and other commercial projects.

The Real Property Tax Increment Allocation Redevelopment Act (the "Act"), Sections 99.800 to 99.865, Revised Statutes of Missouri, makes available tax increment financing for redevelopment projects in

certain areas determined by the governing body of a municipality or county to be a “blighted area,” “conservation area” or “economic development area,” each as defined in such statute.

Neither tax abatement nor tax increment financing diminishes the amount of property tax revenues currently collected by the City in an affected area, but instead acts to freeze such revenues at current levels and deprives the City and other taxing districts of future increases (in whole or in part, depending on the terms of the transaction) in ad valorem property tax revenues that otherwise would have resulted from increases in assessed valuation in such areas until the tax increment financing obligations issued are repaid or the tax abatement period terminates.

The City does not have any active tax increment financing areas pursuant to the Act.

* * *

APPENDIX B

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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CITY OF WEBSTER GROVES, MISSOURI

Annual Comprehensive Financial Report

For The Year Ended June 30, 2025

Prepared by the Finance Department
Gregory Donovan, Director of Finance and Workforce Services

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INTRODUCTORY



December 19, 2025

To the Honorable Mayor and Members of the City Council,

Pursuant to City policy and in conformance with state law, the Annual Comprehensive Financial Report (ACFR) of the City of Webster Groves, Missouri (the City), for the fiscal year ended June 30, 2025, is herewith submitted for your review. The report was prepared in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by an independent firm of licensed certified public accountants.

This report is the City's management representations concerning the finances of the city and, therefore, management assumes full responsibility for the completeness and reliability of all information presented in this report. The City's Finance Department prepared this report and believed that the financial statements, supporting schedules, and statistical information fairly present 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. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to protect the City's assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of the City's financial statements in conformance with GAAP. This internal control structure is designed to provide a reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits require estimates and judgments by management.

City of **WEBSTER GROVES**

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The City's financial statements have been audited by Sikich CPA LLC, a firm of licensed certified public accountants. The goal of this independent audit was to provide reasonable assurance that the basic financial statements of the City for the year ended June 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall basic financial statement presentation. The independent auditors concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the year ended June 30, 2025, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

PROFILE OF THE CITY

The City of Webster Groves is located southwest of the City of St. Louis, Missouri. The city currently covers approximately six square miles and serves a population of 24,010 residents.

The city was incorporated in 1896 and became a charter Home Rule City in 1954. The city currently operates under the Council/Manager form of government. The legislative body consists of six council members and a mayor, all of which are elected to four-year terms and are elected at-large. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing boards and commissions, and hiring the City Manager, Municipal Court Judge, and the City Clerk. The City Manager is responsible for carrying out the policies and ordinances of the City Council and for overseeing the day-to-day operations of the City, including employment and discharge pursuant to policies adopted by the City Council and the independent Personnel Board.



The city provides a full range of municipal services. These services include legislative, administrative, police, fire protection, judicial, planning and development, public works, and parks and recreation.

The annual budget serves as a foundation for the City's financial planning and control. All of the departments of the city are required to submit requests for appropriation to the City Manager who uses these requests as a starting point for development of a proposed budget. The Director of Finance and Workforce Services presents to the City Manager estimates detailing the various revenues, grants, bond proceeds, and other funding sources that are anticipated. The City Manager presents a proposed budget to the Mayor and City Council who hold work sessions, legislative sessions for budget amendments, and at least one public hearing prior to adopting a budget by June 30. The budget is prepared by fund, broken down further by department, programs, or projects within the department, then object of expenditures within programs and finally, line items within the objects. Budget transfers within a department can be made with authorization by the Director of Finance and Workforce Services or the City Manager and transfers between funds require the approval of the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriate annual budget has been adopted. For the General Fund this comparison is presented as required supplemental information. For other governmental funds that have an adopted budget, comparison schedules are found in other supplemental information.

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy. The city is a suburban community located in St. Louis County with easy access to Interstate 44, southwest of the City of St. Louis, Missouri. The city is mostly residential with a large variety of housing. The city consistently experiences higher than average growth in residential assessed values. Most businesses are located in one of three official business districts and other commercial areas along major thoroughfares. Within these economic factors, property taxes are the City's most controllable revenue stream that are directly related to the City's land use policies and

tax rates. However, sales taxes, while mostly pooled in St. Louis County, are the City's largest revenue stream. As such the city must both be cognizant of and dedicated to land-use policies and economic climates that support both revenue streams for funding public services.

Long-term Financial Planning. In Fiscal Year 2022, the City created its first five-year fiscal plan for the operating funds of the City to complement the existing Capital Improvement Plan (CIP). The City's five-year fiscal plan helps the City understand its fiscal operating condition by examining the recurring revenues and recurring expenses of the City in the context of their average growth over the fiscal years beginning in 2010. The plan has been continued into Fiscal Year 2025 with policy mandates to continue its use moving forward.

Each year the city updates its five-year capital improvement plan (CIP). Projects totaling over \$24.7 million are planned for the fiscal years 2026 through 2030. Many meaningful improvements are underway or have been completed in FY2025, including the installation of the new Water Park and replacement of the Ice Rink slab. Many more Parks and Recreation projects are in progress to continue to enhance our park system for our residents. The City will begin, too, to implement its Stormwater Master Plan and recently updated Comprehensive Plan. The CIP is a "plan" and modifications are sometimes necessary to react to changing conditions, but overall, it is a reliable tool and early alert system for looming large ticket items.

Relevant Financial Policies. The City has many financial policies that govern its financial transactions. These can be found online on our website. They continue to be reviewed on a regular basis by the Finance Department and City Manager and any proposed changes will be considered in partnership with the City Council.

Fiscal policy development in the City began in earnest prior to a general obligation debt issuance in 2011. The city spent considerable time evaluating City strengths and weaknesses as part of an attempt to identify areas to improve the City's credit rating, which would then save the city money on long-term debt. As a result, the City wrote both a fund balance policy (2009) and a debt management policy (2008) to demonstrate the City's current practices as well as to communicate expectations and processes for the future. The result of this comprehensive review was a rating upgrade

from Aa3 to Aa1 by Moody's Investor Service, which the City has maintained through its most recent debt offering in 2024.

The most recent policy updates include the City's investment policy (2023) and fund balance policy (2025).

ACKNOWLEDGEMENTS

The preparation of this report would not have been completed without the efficient dedicated services of the entire administrative staff of the various City departments. We would like to especially acknowledge the dedicated services and assistance of the staff members in the Finance Department who are key components of maintaining the City's accounting systems and their contribution was invaluable.

We would also like to thank our auditors, Sikich CPA LLC, for their help in formulating this report.

Our sincere gratitude is extended to the Mayor and Council for their interest and support in planning and conducting the financial operations of the City.

Respectfully submitted,



DR. MARIE PEOPLES
City Manager



GREGORY T. DONOVAN
Director of Finance and
Workforce Services

MAYOR

Laura Arnold

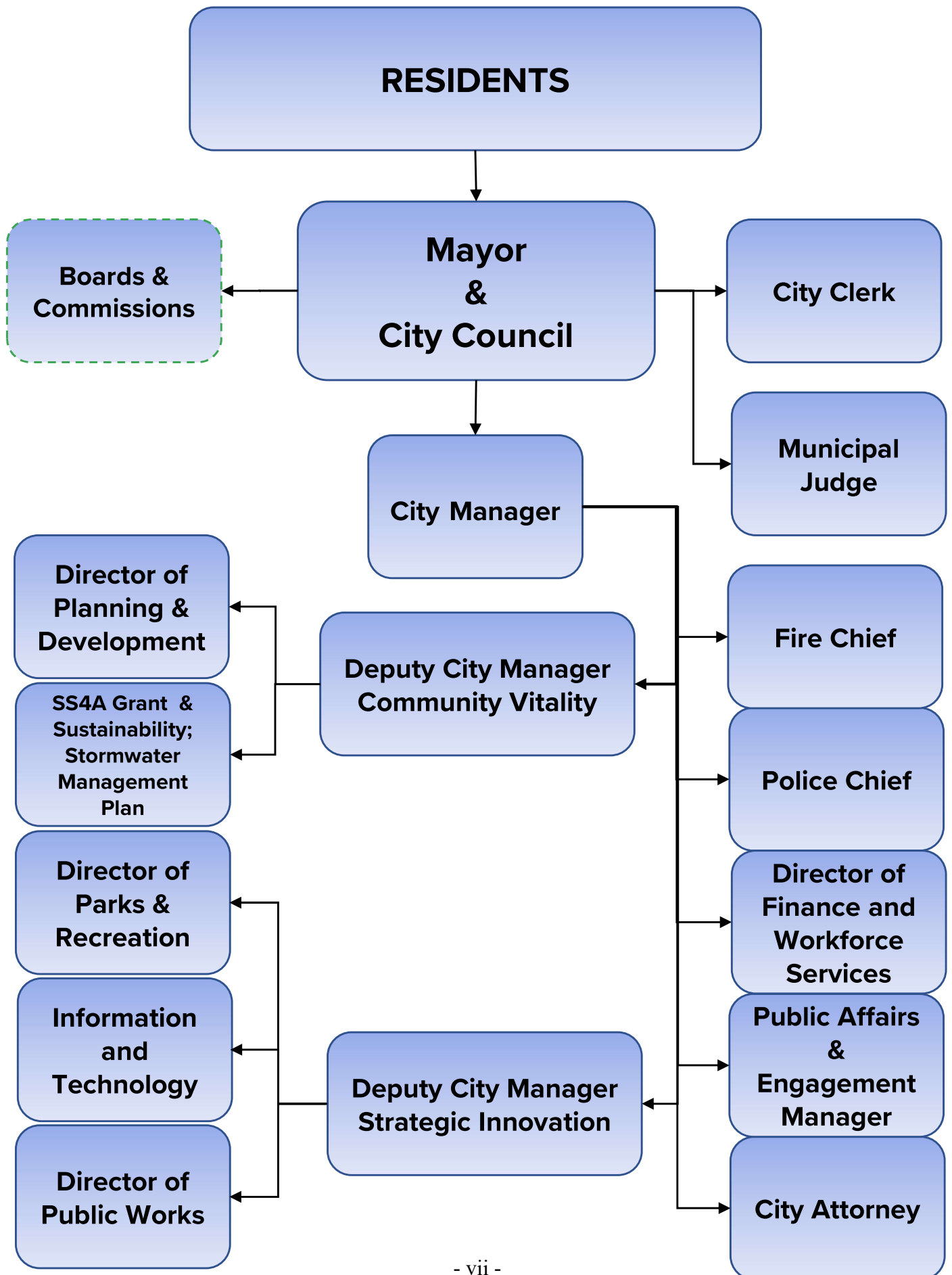
CITY COUNCIL

Karen Alexander
Pam Bliss
David Franklin
Jamie Hasemeier
Emily Hixson Shepherd
Emerson Smith

CITY ADMINISTRATION

Dr. Marie Peoples, City Manager
Mary K. Nakazono, City Clerk
David Bookless, Deputy City Manager - Community Vitality
Scott Davis, Deputy City Manager - Strategic Innovation
Vincent Acevez, Police Chief
Dr. Brett Ellis, Fire Chief
Sinan Alpaslan, Director of Public Works
Gregory Donovan, Director of Finance and Workforce Services
John Wagner, Director of Planning and Development
Neil Bruntrager, City Attorney

City of Webster Groves Organizational Chart



FINANCIAL SECTION

12655 Olive Blvd., Suite 200
St. Louis, MO 63141
314.275.7277

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
City of Webster Groves, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Webster Groves, Missouri (the City) as of and for the year ended June 30, 2025, and the related notes to financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information referred to above present fairly, in all material respects, the respective financial position of the City as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 12, in fiscal year 2025, the City adopted Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*, which decreased beginning net position and increased liabilities of the governmental activities. Our opinions are 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 and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such 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.

Other Matters

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, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The combining and individual fund financial statements and schedules is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

The combining and individual fund financial statements and schedules has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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 opinion 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.

Sikich CPA LLC

St. Louis, Missouri
December 19, 2025

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

CITY OF WEBSTER GROVES, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2025

As management of the City of Webster Groves, Missouri (the City), we offer readers this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the transmittal letter at the front of this report and the City's financial statements which follows this section.

FINANCIAL HIGHLIGHTS

- On a government-wide basis, the assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources for the most recent fiscal year by \$76,611,168. Of this amount, \$22,111,119 is available to meet the City's ongoing obligations.
- The City's total net position increased by \$3,871,357.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$38,035,567, an increase of \$9,400,981 in comparison with the prior year.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$18,155,873 or 87% of total General Fund expenditures.
- The City's total debt increased by \$16,710,000 or 879% during the current fiscal year primarily due to the issuance of new General Obligation bonds.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are provided as an introduction to the City's basic financial statements. The basic financial statements consist of the following three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to financial statements

This report also contains required and other supplemental information in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements are a broad overview of the City's finances and report information about the City as a whole using accounting methods similar to those used by the private sector. The government-wide financial statements include the statement of net position and the statement of activities.

CITY OF WEBSTER GROVES, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2025

The statement of net position presents all of the City's assets, deferred outflows, liabilities, and deferred inflows with the difference between reported as net position. Net position is an important measure of the City's overall financial health. The increases and decreases in net position can be monitored to determine whether the City's financial positions are improving or deteriorating.

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

The government-wide financial statements report functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities for the City include general government, public safety, public works, parks and recreation, planning and development, and interest expense. It should be noted that the City currently has no business-type activities since selling the City's water system in fiscal year 2002.

Fund financial statements. Another section of the basic financial statements is the fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure compliance with finance-related legal requirements. These funds are divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The City only has governmental funds.

Governmental funds. The City's basic services are included in governmental funds. These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. These fund statements measure current financial resources and uses or, in essence, near-term inflows and outflows of expendable resources, as well as balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

CITY OF WEBSTER GROVES, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2025

The City maintains various governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the City's only major fund, the General Fund. Data from the other governmental funds are combined into a single, aggregated presentation called "Other Governmental Funds". Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the other supplemental information section of this report.

The City adopts an annual appropriated budget for its General Fund and all other governmental funds except the Special Revenue Special Projects Fund. Budgetary comparison statements have been provided for all budgeted funds to demonstrate legal compliance with the respective adopted budget.

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

Required supplementary information. In addition to the basic financial statements and accompanying notes, there is required supplementary information following the notes to the basic financial statements.

Supplementary information. The combining and individual fund statements, referred to earlier in connection with nonmajor governmental funds, are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS - FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The City presents its financial statements under the reporting model required by GASB 34. Therefore, a comparative analysis of government-wide data is also included in this report.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, the net position of \$76,611,168 increased for the most recent fiscal year 5.3% as compared to the previous year.

CITY OF WEBSTER GROVES, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

The condensed statement of net position for governmental activities is as follows:

	June 30	
	2025	2024
ASSET		
Current and other assets	\$ 50,716,390	37,716,130
Capital assets, net	<u>52,403,603</u>	<u>40,558,778</u>
Total Assets	<u>103,119,993</u>	<u>78,274,908</u>
 DEFERRED OUTFLOWS OF RESOURCES	 <u>5,760,007</u>	 <u>5,810,971</u>
 LIABILITIES		
Long-term liabilities	22,039,869	4,408,962
Other liabilities	<u>6,176,337</u>	<u>2,896,228</u>
Total Liabilities	<u>28,216,206</u>	<u>7,305,190</u>
 DEFERRED INFLOWS OF RESOURCES	 <u>4,052,626</u>	 <u>3,703,963</u>
 NET POSITION		
Net investment in capital assets	36,778,908	38,153,231
Restricted	17,721,141	13,896,006
Unrestricted	<u>22,111,119</u>	<u>21,027,489</u>
 Total Net Position	 <u>\$ 76,611,168</u>	 <u>73,076,726</u>

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

Additionally, a portion of the City's net position (23%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$22,111,119) may be used to meet the City's ongoing obligations to citizens and creditors.

CITY OF WEBSTER GROVES, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

Governmental activities. The condensed statement of activities for governmental activities is as follows:

	For The Years	
	June 30	
	2025	2024
REVENUES		
Program revenues:		
Charges for services	\$ 6,308,963	5,464,904
Operating grants and contributions	2,690,908	2,081,381
Capital grants and contributions	225,934	67,396
General revenues:		
Taxes	20,729,473	20,964,380
Investment income	1,119,471	1,011,379
American rescue plan act funds	-	2,471,296
Other	524,964	409,013
Gain on sale of capital assets	34,685	112,424
Total Revenues	<u>31,634,398</u>	<u>32,582,173</u>
EXPENSES		
General government	5,842,091	4,666,187
Public safety	13,080,680	12,467,219
Public works	3,730,433	4,129,069
Parks and recreation	3,423,112	3,375,952
Planning and development	1,163,809	881,426
Interest	522,916	85,341
Total Expenses	<u>27,763,041</u>	<u>25,605,194</u>
CHANGE IN NET POSITION	3,871,357	6,976,979
NET POSITION, JULY 1, AS PREVIOUSLY REPORTED	<u>73,076,726</u>	<u>66,099,747</u>
RESTATEMENT - GASB 101	<u>(336,915)</u>	<u>-</u>
NET POSITION, JULY 1, AS RESTATED	<u>72,739,811</u>	<u>-</u>
NET POSITION, JUNE 30	<u>\$ 76,611,168</u>	<u>73,076,726</u>

SIGNIFICANT CHANGE IN NET POSITION

The increase in net position for fiscal year 2025 is directly attributable to one time revenue items and lower personnel costs due to position vacancies. Inflation pressures, which continue to increase costs in some expense lines but have buoyed sales tax revenue (although we should note that tax revenue decreased year over year). Total revenues for governmental activities have decreased due to prior year including the remainder of the ARPA funds. The City remains committed to its plan to reduce its structural deficit and be a good steward of the monies entrusted to it by its residents.

CITY OF WEBSTER GROVES, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

FINANCIAL ANALYSIS OF THE CITY'S 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 inflows and balances of available expendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds report a combined fund balance of \$38,035,567 with a net increase in total fund balance of \$9,400,981 from 2024. Over 47% of the total amount (\$18,155,873) constitutes unassigned fund balance, which is available for spending at the City's discretion. This amount represents an increase in unassigned fund balance from 2024 (\$16,050,219). Restricted items totaling \$17,976,926 include debt service costs as well as opioid remediation, stormwater, park, capital, sewer lateral, street improvements, public safety, and special taxing district balances. Items committed to include the purchase of supplies, services, and other current expenditures in the amount of 59,510. An amount of \$238,729 has been assigned to the purchase of supplies, services, and other current expenditures, \$1,531,328 for next years' budget, and \$73,201 to special projects.

At the end of the current fiscal year, the City's General Fund reports an unassigned (i.e. spendable) fund balance of \$18,155,873, or 87% of General Fund expenditures. This represents an increase of \$2,105,654 from Fiscal Year 2024. Combined with our recently adopted Fund Balance policy, the City has approximately \$11,801,317 in excess fund balance available to be deployed for the City's needs.

GENERAL FUND BUDGETARY HIGHLIGHTS (Budget Basis)

The General Fund ended the year with revenues and other financing sources exceeding expenditures and other financing uses by \$2,483,030, exceeding the budgeted shortfall by \$3,708,611.

Important numbers to note:

- Sales Taxes came in at \$395,000 under budget
- A large building permit in excess of \$500,000 was received (this is a one-time revenue item as there are no major construction plans that the City is currently aware of
- Investment Income exceeded budget by \$335,000

CITY OF WEBSTER GROVES, MISSOURI

MANAGEMENT’S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2025

- Every department was under budget for the year
 - The general government was \$300,000 under budget due to personnel vacancies, less utility (electric/gas) usage, and unspent funds for attorney costs and separation payouts
 - Public Safety realized personnel savings
 - Public Works realized personnel savings and materials and supplies savings due to better leveraging of co-operative contracts
 - Parks and Recreation realized savings due to less part-time work, equipment maintenance and contract management
 - Planning and Development had significant savings due to lower personnel costs

City Leadership continues to be committed to expenditure control. General Fund expenses were \$1.8M under budget for FY25.

Revenues exceeded the budget by \$1.5M.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The City has invested \$52,403,603 in capital assets, net of accumulated depreciation. This investment in capital assets includes land, buildings, park facilities, machinery and equipment, and vehicles and infrastructure (e.g., streets, roads, bridges, and similar items). This amount represents a net increase for the current fiscal year (including additions and deductions) of \$ 11,844,825. The City’s capital assets, net of depreciation and amortization, are as follows:

	June 30	
	2025	2024
Capital assets, net of depreciation:		
Land and improvements	\$ 1,997,810	1,723,477
Buildings and improvements	28,216,330	16,950,125
Other improvements	3,747,276	4,092,445
Equipment and furniture	2,077,874	1,942,405
Vehicles	3,347,753	3,931,471
Infrastructure	10,502,393	11,296,395
Construction in progress	2,386,802	490,698
Intangible capital assets, net of amortization:		
Buildings	52,260	3,129
Equipment	75,105	128,633
Total	<u>\$ 52,403,603</u>	<u>40,558,778</u>

CITY OF WEBSTER GROVES, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

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

Long-term debt. At the end of the fiscal year, the City had outstanding long-term debt obligations of \$18,610,000 of general obligation bonds.

Further information regarding debt may be found in Note D in the notes to financial statements.

Outstanding long-term debt obligations. Outstanding long-term debt obligations are as follows:

	<u>June 30</u>		<u>2025 Change</u>
	<u>2025</u>	<u>2024</u>	<u>Percent</u>
2019 Fire Station #2 Bonds	\$ 1,415,000	1,900,000	(26%)
2025 Water Park Improvement Bonds	<u>17,195,000</u>	<u>-</u>	<u>100</u>
Total	<u>\$ 18,610,000</u>	<u>1,900,000</u>	<u>979%</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

- The economy is in a state of flux. The FY26 budget did not call for a meaningful increase in sales taxes (the City's largest source of revenue) or other revenue sources over FY25 actual and projected revenues.
- The City's FY26 annual budget estimates revenues of \$23,325,523, were slightly less than FY25's actuals. The rationale for this decision is a questionable sales tax environment coupled with a decreasing interest rate environment.
- The City's capital improvement plan, funded by a dedicated sales tax, is crucial for upgrading and repairing City equipment and facilities. For fiscal years 2026-2030 we project these improvements to cost \$27 million. This plan also accounts for revenue and expenses related to our Prop W bond issue.
- Over the course of the fiscal year, City leadership will make recommended budget amendments to the City Council to include updated revenue and expense estimates (a newer practice for the City), which has generally not updated budget estimates mid-fiscal year. This policy and practice change provides greater clarity to the City Council and the public.

CITY OF WEBSTER GROVES, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

REQUESTS FOR INFORMATION

This financial report is designed to provide the reader a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the following:

Gregory Donovan
Director of Finance and Support Services
City of Webster Groves
4 East Lockwood Avenue
Webster Groves, MO 63119

BASIC FINANCIAL STATEMENTS

CITY OF WEBSTER GROVES, MISSOURI

STATEMENT OF NET POSITION

June 30, 2025

	Governmental Activities
ASSETS	
Cash and investments	\$ 40,597,559
Receivables (net)	
Taxes	2,717,404
Intergovernmental	39,526
Court fines	125,853
Ambulance fees	309,096
Leases	2,687,366
Other	260,694
Net pension asset	3,978,892
Capital assets	
Land and construction in progress	4,138,940
Other capital and intangible capital assets, net of accumulated depreciation and amortization	<u>48,264,663</u>
Total assets	<u>103,119,993</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts related to OPEB	164,782
Deferred amounts related to pensions	<u>5,595,225</u>
Total deferred outflows of resources	<u>5,760,007</u>
LIABILITIES	
Accounts payable and accrued liabilities	5,618,586
Accrued interest	304,580
Unearned revenue	253,171
Long-term liabilities	
Due within one year	1,711,274
Due in more than one year	19,199,729
Due in more than one year - total OPEB liability	<u>1,128,866</u>
Total liabilities	<u>28,216,206</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred amounts related to OPEB	291,764
Deferred amounts related to pensions	1,225,339
Leases	<u>2,535,523</u>
Total deferred inflows of resources	<u>4,052,626</u>
NET POSITION	
Net investment in capital assets	36,778,908
Restricted for	
Opioid remediation	101,374
Stormwater improvements	1,355,192
Park improvements	2,193,907
Capital improvements	2,479,595
Special taxing district	338,644
Sewer lateral	710,505
Public safety	1,942,626
Street improvement	1,099,975
Grants	1,686,144
Pension	3,978,892
Debt service	1,834,287
Unrestricted net position	<u>22,111,119</u>
TOTAL NET POSITION	<u><u>\$ 76,611,168</u></u>

See accompanying notes to financial statements.

CITY OF WEBSTER GROVES, MISSOURI

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2025

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net Revenues (Expenses) And Changes In Net Position
		Charges For Services	Operating Grants And Contributions	Capital Grants and Contributions	
Governmental Activities					
General government	\$ 5,842,091	\$ 2,625,893	\$ 32,920	\$ -	\$ (3,183,278)
Public safety	13,080,680	1,020,037	194,621	-	(11,866,022)
Public works	3,730,433	403,969	2,463,367	-	(863,097)
Parks and recreation	3,423,112	2,259,064	-	225,934	(938,114)
Planning and development	1,163,809	-	-	-	(1,163,809)
Interest and other costs	522,916	-	-	-	(522,916)
TOTAL GOVERNMENT ACTIVITIES	\$ 27,763,041	\$ 6,308,963	\$ 2,690,908	\$ 225,934	(18,537,236)
		General Revenues			
		Property taxes			5,570,726
		Sales taxes			11,659,972
		Utility taxes			3,498,775
		Investment income			1,119,471
		Other			524,964
		Gain on sale of capital assets			34,685
		Total general revenues			22,408,593
		CHANGE IN NET POSITION			3,871,357
		NET POSITION, JULY 1, AS PREVIOUSLY REPORTED			73,076,726
		Restatement - GASB 101			(336,915)
		NET POSITION, JULY 1, AS RESTATED			72,739,811
		NET POSITION, JUNE 30			\$ 76,611,168

See accompanying notes to financial statements.

CITY OF WEBSTER GROVES, MISSOURI

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2025

	Major Fund		Nonmajor Funds	
	General	Destination WG	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 20,858,986	\$ 6,803,774	\$ 12,934,799	\$ 40,597,559
Receivables (net)				
Taxes	1,700,445	-	1,016,959	2,717,404
Intergovernmental	39,526	-	-	39,526
Court fines	125,853	-	-	125,853
Ambulance fees	309,096	-	-	309,096
Leases	2,687,366	-	-	2,687,366
Other	260,694	-	-	260,694
TOTAL ASSETS	\$ 25,981,966	\$ 6,803,774	\$ 13,951,758	\$ 46,737,498
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued liabilities	\$ 2,684,465	\$ 2,241,817	\$ 692,304	\$ 5,618,586
Unearned revenue	253,171	-	-	253,171
Total liabilities	2,937,636	2,241,817	692,304	5,871,757
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue				
Leases	2,535,523	-	-	2,535,523
Property taxes	15,502	-	16,431	31,933
Court fines	85,395	-	-	85,395
Ambulance	177,323	-	-	177,323
Total deferred inflows of resources	2,813,743	-	16,431	2,830,174
FUND BALANCES				
Restricted for				
Opioid remediation	101,374	-	-	101,374
Stormwater improvements	-	-	1,355,192	1,355,192
Park improvements	-	-	2,193,907	2,193,907
Capital improvements	-	4,561,957	2,444,542	7,006,499
Sewer lateral	-	-	710,505	710,505
Street improvements	-	-	982,112	982,112
Grants	-	-	1,518,188	1,518,188
Special taxing district	-	-	338,644	338,644
Public safety	143,773	-	1,798,853	1,942,626
Debt service	-	-	1,827,879	1,827,879
Committed for				
Purchase of supplies, services, and other current expenditures	59,510	-	-	59,510
Assigned to				
Subsequent years' budget	1,531,328	-	-	1,531,328
Purchase of supplies, services, and other current expenditures	238,729	-	-	238,729
Special projects	-	-	73,201	73,201
Unassigned	18,155,873	-	-	18,155,873
Total fund balances	20,230,587	4,561,957	13,243,023	38,035,567
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 25,981,966	\$ 6,803,774	\$ 13,951,758	\$ 46,737,498

See accompanying notes to financial statements.

CITY OF WEBSTER GROVES, MISSOURI

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION**

June 30, 2025

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 38,035,567
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Amounts reported for governmental activities in the statement of
net position are different because:

Capital and intangible capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	52,403,603
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Certain amounts are not a use of financial resources and, therefore, are not
reported in the governmental funds. These items consist of:

Net pension asset	3,978,892
Deferred outflows related to pensions	5,595,225
Deferred inflows related to pensions	(1,225,339)
Total OPEB liability	(1,198,866)
Deferred outflows related to OPEB	164,782
Deferred inflows related to OPEB	(291,764)

Property taxes, municipal court receivables, and ambulance fees are assessed by the City, but are not collected as of August 31, 2025 and deferred within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements.	294,651
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Long-term liabilities applicable to the City's governmental activities are not
due and payable in the current period and, accordingly, are not reported as
liabilities within the governmental funds financial statements. Interest on
long-term debt is not accrued in the governmental funds, but rather is
recognized as an expenditure when due. All liabilities - both current and
long-term - are reported on the government-wide statement of net assets.
Discounts and premiums are reported in the governmental funds financial
statements when the debt was issued whereas these amounts are deferred
and amortized over the life of the debt as an adjustment to interest
expense on the government-wide financial statements.

Balances as of June 30, 2025 are

Compensated absences	(965,200)
Accrued interest on outstanding debt	(304,580)
Leases payable	(117,181)
Bonds	(18,610,000)
Unamortized bond premium	(1,148,622)

NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 76,611,168
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See accompanying notes to financial statements.

CITY OF WEBSTER GROVES, MISSOURI

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS**

For the Year Ended June 30, 2025

	Major Fund		Nonmajor Funds	
	General	Destination WG	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 1,481,760	\$ -	\$ 4,088,966	\$ 5,570,726
Sales taxes	8,282,873	-	3,377,099	11,659,972
Utility taxes	3,498,775	-	-	3,498,775
Intergovernmental	2,192,830	-	710,843	2,903,673
Licenses, fees, and permits	2,404,223	-	95,472	2,499,695
Fines and forfeitures	465,642	-	-	465,642
Charges for services	3,008,827	-	-	3,008,827
Sewer lateral fees	-	-	403,969	403,969
Investment income	815,296	-	304,175	1,119,471
Other	524,964	-	-	524,964
Total revenues	22,675,190	-	8,980,524	31,655,714
EXPENDITURES				
Current				
General government	4,933,873	-	70,384	5,004,257
Public safety	10,943,445	-	1,301,752	12,245,197
Public works	1,425,136	-	894,198	2,319,334
Parks and recreation	2,135,269	-	703,772	2,839,041
Planning and development	854,569	-	252,857	1,107,426
Capital outlay	434,538	13,398,450	2,360,187	16,193,175
Debt service				
Principal retirement	47,681	-	508,832	556,513
Interest and other costs	942	-	57,873	58,815
Bond issuance costs	-	199,748	-	199,748
Total expenditures	20,775,453	13,598,198	6,149,855	40,523,506
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,899,737	(13,598,198)	2,830,669	(8,867,792)
OTHER FINANCING SOURCES (USES)				
Issuance of long-term debt	60,764	17,195,000	-	17,255,764
Issuance of premium on long-term debt	-	965,155	-	965,155
Insurance recoveries	13,169	-	-	13,169
Sale of capital assets	25,000	-	9,685	34,685
Transfers in	314,459	-	-	314,459
Transfers (out)	-	-	(314,459)	(314,459)
Total other financing sources (uses)	413,392	18,160,155	(304,774)	18,268,773
NET CHANGE IN FUND BALANCES	2,313,129	4,561,957	2,525,895	9,400,981
FUND BALANCES, JULY 1,	17,917,458	-	10,717,128	28,634,586
FUND BALANCES, JUNE 30	\$ 20,230,587	\$ 4,561,957	\$ 13,243,023	\$ 38,035,567

See accompanying notes to financial statements.

CITY OF WEBSTER GROVES, MISSOURI

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2025

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS	\$ 9,400,981
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Amounts reported for governmental activities in the statement of activities are different because:

The governmental funds report capital outlays as expenditures (\$15,119,264).

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation (\$3,209,278) and amortization (\$65,161) expense. This is the difference between these amounts in the current year.

11,844,825

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.

(69,170)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, 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. The following amounts are the net of these differences in the treatment of long-term debt and related items.

Issuance of long-term debt

Leases	\$ (60,764)
General obligation bonds	(17,195,000)
Premium on long-term debt	(965,155)

Repayments

Leases payable	71,513
General obligation bonds	485,000
Amortization on premium	24,277
	<u>(17,640,129)</u>

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 the governmental funds.

Compensated absences	301,643
Accrued interest	(288,630)
Pension expense	387,553
OPEB expense	(65,716)
	<u>334,850</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 3,871,357</u>
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See accompanying notes to financial statements.

CITY OF WEBSTER GROVES, MISSOURI

NOTES TO FINANCIAL STATEMENTS

June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Webster Groves, Missouri (the City) adopted its current home-rule form of government on March 23, 1954. The City's major operations include police and fire protection, street maintenance and improvement, parks and recreation, certain housing services, and general administration services.

The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant accounting policies:

a. Reporting Entity

The financial statements of the City include the financial activities of the City and any component units, entities which are financially accountable to the City. The City does not currently have any component units.

Related Government

The City Council appoints a majority of the members to the Webster Groves Municipal Library District (Library District) Board; however, legal counsel believes the City's accountability does not extend beyond this authority and the Library is a separate body corporate. The City does not have imposition of will or a financial benefit or burden relationship with the Library. Thus, the Library is excluded from the City's financial statements. The Library District issues a separate financial statement, which may be obtained by writing to the Webster Groves Municipal Library District, 301 East Lockwood Avenue, Webster Groves, Missouri 63119.

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the City. For the most part, the effect of interfund activity has been removed from these statements.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Government-Wide and Fund Financial Statements (Continued)

Following the government-wide financial statements are separate financial statements for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are reported in one column labeled "Other Governmental Funds." The total fund balances for all governmental funds are reconciled to total net position for governmental activities as shown on the statement of net position. The net change in fund balance for all governmental funds is reconciled to the total change in net position as shown on the statement of activities in the government-wide financial statements.

The fund financial statements of the City are organized on the basis of funds, each of which is considered a separate accounting entity with self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the basic financial statements. The following fund types are used by the City:

Governmental Fund Types

Governmental funds are those through which most governmental functions are financed. The acquisition, uses, and balances of the City's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income.

The following is the City's major governmental funds:

The General Fund is the City's primary operating fund. It accounts for operations except those accounted for in another fund. Primary sources of revenues are property tax, sales tax, utility tax, and user and service fees. Primary expenditures are for general government and public safety.

The Destination WG Fund is used to account for financial resources to be used for the acquisition, construction, or improvements of major capital facilities and infrastructure.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Government-Wide and Fund Financial Statements (Continued)

Governmental Fund Types (Continued)

The other governmental funds of the City are considered nonmajor. They are Special Revenue Funds which account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, Capital Projects Funds which account for financial resources to be used for acquisition or construction of major capital facilities, and a Debt Service Fund that is used to account for accumulation of resources and payment of principal and interest on general obligation debt.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are payment-in-lieu of taxes and other charges and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

c. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements by the provider have been met.

Governmental funds financial statements are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current financial resources generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are reported. Governmental funds financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide financial statements and the statements for governmental funds.

Revenues are recognized in the accounting period in which they become both measurable and available. The term “available” is defined as collectible within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. For the City, available means expected to be received within 60 days of fiscal year-end. An exception is made for grant revenues, which are deemed available if received within one year after the end of the fiscal period.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Measurement Focus and Basis of Accounting (Continued)

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Expenditures for principal and interest on long-term debt, as well as expenditures related to compensated absences, are not recognized until due.

Governmental Accounting Standards Board (GASB) Statement No. 33 (GASB 33) groups nonexchange transactions into the following four classes, based upon their principal characteristics: derived tax revenues, imposed nonexchange revenues, government mandated nonexchange transactions, and voluntary nonexchange transactions.

The City recognizes assets from derived tax revenue transactions (such as sales and utilities gross receipt taxes) in the period when the underlying exchange transaction on which the tax is imposed occurs or when the assets are received, whichever occurs first. Revenues are recognized, net of estimated refunds and estimated uncollectible amounts, in the same period that the assets are recognized, provided that the underlying exchange transaction has occurred. Resources received in advance are reported as deferred revenues until the period of the exchange.

The City recognizes assets from imposed nonexchange revenue transactions in the period when an enforceable legal claim to the assets arises or when the resources are received, whichever occurs first. Revenues are recognized in the period when the resources are required to be used for the first period that use is permitted. The City recognizes revenues from property taxes, net of estimated refunds and estimated uncollectible amounts, in the period for which the taxes are levied. Imposed nonexchange revenues also include permits and court fines and forfeitures.

Intergovernmental revenues, representing grants and assistance received from other governmental units, are generally recognized as revenues in the period when all eligibility requirements, as defined by GASB 33, have been met. Any resources received before eligibility requirements are met are reported as unearned revenues.

Charges for services in the governmental funds, which are exchange transactions and are, therefore, not subject to the provisions of GASB 33, are recognized as revenues when received in cash because they are generally not measurable until actually received.

d. Cash and Investments

State statutes authorize the City to invest in obligations of the U.S. Treasury, federal agencies, commercial paper, certificates of deposit, and repurchase agreements. Investments are stated at fair value or cost which approximates fair value. Certain cash and investments have been restricted in accordance with debt requirements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements on the consumption method. Prepaid items are recorded as expenditures when consumed rather than purchased. Prepaid items are equally offset by fund balance reserve which indicates that they do not constitute “available spendable resources” even though they are a component of net current position.

f. Compensated Absences

Vacations accrue to employees based on months of continuous service. An employee can carry over into the next year up to 1 - 1/2 years' worth of earned vacation days. Upon departure of employment from the City, an employee is entitled to payment for accrued vacation. Vacation expense is not accrued in the respective governmental types as it is earned since it is not expected to be paid from current available resources. Sick leave accrues based upon continuous months of service with the City and may accumulate up to 1,200 hours (1,800 for firefighters). Upon departure of employment from the City on or after an employee's 50th birthday, a percentage of accumulated sick leave will be paid at the employee's normal hourly rate based on the following scale: age 50 with less than 10 years of service, 0%; 10 to 20 years of service, 25%; more than 20 years of service, 50%. The liability for compensated absences, including an additional liability for sick leave earned as of year-end that will more likely than not be used by employees as time off in future years, is reported as incurred in the government-wide financial statements. See note 4 for more information on compensated absences.

g. Deferred Outflows/Inflows of Resources

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

h. Allowance

The allowance for uncollectibles for court receivables and ambulance fees is \$54,371 and \$180,224, respectively. The City provides an allowance for uncollectible accounts equal to the estimated collection losses that will be incurred in collection of its ambulance and court fines receivable. The estimated losses are based on historical collection experience coupled with a review of current status of the existing receivables.

CITY OF WEBSTER GROVES, MISSOURI
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Encumbrances

Encumbrances as of June 30, 2025 for the major funds is as follows: General Fund \$298,239 and Destination WG Fund \$2,944,497. Encumbrances as of June 30, 2025 for the aggregate nonmajor funds were \$1,942,440.

j. Capital and Intangible Assets

Capital assets, which include buildings and improvements, other improvements, equipment and furniture, vehicles, and infrastructure assets (e.g., streets, sidewalks, roads, bridges, and similar items), are reported in the governmental activities' columns in the government-wide financial statements, net of accumulated depreciation. Capital assets are charged to expenditures as purchased in the governmental funds' financial statements. Capital assets are recorded at historical cost or estimated historical cost. Donated assets are recorded at estimated acquisition value as of the date of the donation.

Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more, and an estimated useful life of greater than one year. Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset, are capitalized. Other costs for repairs and maintenance are expensed as incurred.

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 and is provided on the straight-line basis over the following estimated useful lives as follows:

Assets	Years
Buildings and improvements	40
Improvements other than buildings	15
Equipment and furniture	3-10
Vehicles	5
Infrastructure	20-40

Gains or losses from sales or retirements of capital assets are included in operations of the current period.

Intangible assets represent the City's right-to-use a leased asset. These intangible assets, as defined by GASB 87, *Leases*, are for lease contracts of nonfinancial building and equipment assets.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

l. Interfund Transactions

Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as other financing sources (uses) in the governmental fund types.

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Advances and interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities’ column.

m. Fund Balance Policies

The fund balance amounts are reported in the following applicable categories listed from the most restrictive to the least restrictive:

Nonspendable is the portion of fund balance that is not in a spendable form or is required to be maintained intact.

Restricted is the portion of fund balance that is subject to external restrictions and constrained to specific purposes imposed by agreement, through constitutional provisions, or by enabling legislation.

Committed is the portion of fund balance with constraints or limitations by formal action (resolution) of the City Council, the highest level of decision-making authority.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Fund Balance Policies (Continued)

Assigned is the portion of fund balance that the City intends to use for a specific purpose as determined by the City Manager to which the City Council has designated authority. Intent can be expressed by the City Council in the form of a motion. Action by the City Council must occur prior to year-end.

Unassigned is the portion available for any purpose; these positive amounts are reported only in the General Fund. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. In other governmental funds other than the general fund; if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When an expenditure is incurred in governmental funds which may be paid using either restricted or unrestricted resources, the City's policy is to pay the expenditure from the restricted fund balance and then from less restrictive classification - committed, assigned, and then unassigned fund balances.

The fund balance of the City's General Fund has been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities. The target is to maintain a rolling beginning fund balance of not less than 50% of annual operating expenditures for the current fiscal year. Should the balance fall below 50%, the City will identify a plan to restore fund balance to its target amount as part of the budget proposal.

n. Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components. Net investment in capital assets, consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any debt attributable to the acquisition of the capital assets. Net position is reported as restricted when there are constraints imposed through external restrictions imposed by creditors, grantors, contributors, or laws or regulations. All other amounts of net position are reported as unrestricted.

o. Use of Estimates

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

CITY OF WEBSTER GROVES, MISSOURI
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p. Pensions

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

2. CASH AND INVESTMENTS

a. Deposits

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

As of June 30, 2025, the City's bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

b. Investments

A summary of investments as of June 30, 2025 is as follows:

Investments	Fair Value	Maturities			Credit Risk
		No Maturity	Less Than One Year	1 - 5 Years	
Primary Government					
Certificates of deposit	\$ 2,484,490	\$ -	\$ 2,239,645	\$ 244,845	N/A
U.S. Treasury	14,400,217	-	13,497,765	902,452	N/A
Insured cash sweep	11,891,655	-	11,891,655	-	N/A
TOTAL PRIMARY GOVERNMENT	\$ 28,776,362	\$ -	\$ 27,629,065	\$ 1,147,297	

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City minimizes credit risk by prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do

2. CASH AND INVESTMENTS (Continued)

b. Investments (Continued)

business and diversifying the portfolio to reduce potential losses on individual securities. The City's credit risk policy requires all investments in certificates of deposit which exceed the financial institution's insurance limits be secured by eligible collateral. The City's policy also requires the highest rating issued by Moody's Investor Services for investments in commercial paper or bankers acceptances.

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 investments or collateral securities that are in the possession of an outside party. To limit its exposure, the City's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third-party acting as the City's agent.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. In accordance with the City's investment policy, the City will not directly invest in securities maturing more than two years from the date of purchase, unless approved by the City Manager.

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's investment policy requires that at least 80% of the total investment portfolio be invested in: (1) bonds, bills, or notes of the United States or an agency of the United States; (2) negotiable certificates of deposits, savings accounts, and other interest earning deposit accounts; or (3) repurchase agreements against eligible collateral.

c. Fair Value Measurements

The City classifies its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are prices quoted in active markets for those securities; Level 2 inputs are significant other observable inputs using a matrix pricing technique; and Level 3 inputs are significant unobservable inputs. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The inputs and methodologies used for valuing investment securities are not necessarily an indication of risk associated with investing in those securities. The City has the following recurring fair value measurements as of June 30, 2025:

- Non-negotiable certificates of deposit and insured cash sweeps are not subject to fair value level classification.
- U.S Treasuries are level 2 on the fair value level classification.

CITY OF WEBSTER GROVES, MISSOURI
NOTES TO FINANCIAL STATEMENTS (Continued)

3. CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2025:

	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025
Capital assets not being depreciated				
Land	\$ 1,450,944	\$ 301,194	\$ -	\$ 1,752,138
Construction in progress	490,698	13,181,258	11,285,154	2,386,802
Total capital assets not being depreciated	1,941,642	13,482,452	11,285,154	4,138,940
Intangible capital assets being amortized				
Buildings	31,283	52,260	31,283	52,260
Equipment	249,059	8,504	8,223	249,340
Total intangible capital assets being amortized	280,342	60,764	39,506	301,600
Tangible capital assets being depreciated				
Land improvements	1,022,432	-	-	1,022,432
Buildings	29,735,802	11,148,592	-	40,884,394
Building improvements	2,802,802	944,591	-	3,747,393
Other improvements	12,097,234	61,102	45,250	12,113,086
Equipment and furniture	9,090,300	535,823	77,303	9,548,820
Vehicles	9,089,812	171,094	36,998	9,223,908
Infrastructure	91,666,101	-	-	91,666,101
Total tangible capital assets being depreciated	155,504,483	12,861,202	159,551	168,206,134
Less accumulated amortization for intangible capital assets				
Building	28,154	14,741	31,283	11,612
Equipment	120,426	50,420	8,223	162,623
Total accumulated amortization for intangible capital assets	148,580	65,161	39,506	174,235
Less accumulated depreciation for tangible capital assets				
Land improvements	749,899	26,861	-	776,760
Buildings	14,977,857	755,443	-	15,733,300
Building improvements	610,622	71,535	-	682,157
Other improvements	8,004,789	406,271	45,250	8,365,810
Equipment and furniture	7,147,895	400,354	77,303	7,470,946
Vehicles	5,158,341	754,812	36,998	5,876,155
Infrastructure	80,369,706	794,002	-	81,163,708
Total accumulated depreciation for tangible capital assets	117,019,109	3,209,278	159,551	120,068,836
Total tangible and intangible capital assets being depreciated and amortized, net	38,617,136	9,647,527	-	48,264,663
CAPITAL ASSETS, NET	\$ 40,558,778	\$ 23,129,979	\$ 11,285,154	\$ 52,403,603

CITY OF WEBSTER GROVES, MISSOURI
NOTES TO FINANCIAL STATEMENTS (Continued)

3. CAPITAL ASSETS (Continued)

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

GOVERNMENTAL ACTIVITIES

General government	\$ 95,523
Public safety	959,123
Public works	1,532,351
Parks and recreation	613,607
Planning and development	8,674

TOTAL \$ 3,209,278

Amortization expense was charged to functions/programs of the primary government was as follows:

General government	\$ 40,639
Public safety	24,522

TOTAL \$ 65,161

4. LONG-TERM DEBT

A summary of changes in long-term liabilities for the year ended June 30, 2025 is as follows:

	Balance June 30, 2024, Restated	Additions	Reductions	Balance June 30, 2025	Amounts Due Within One Year
General obligation bonds	\$ 1,900,000	\$ 17,195,000	\$ 485,000	\$ 18,610,000	\$ 900,000
Bond premium	207,744	965,155	24,277	1,148,622	-
Lease liability	127,930	60,764	71,513	117,181	65,634
Total OPEB liability	1,243,360	21,542	66,036	1,198,866	70,000
Compensated absences*	1,266,843	-	301,643	965,200	675,640
TOTAL	<u><u>\$ 4,745,877</u></u>	<u><u>\$ 18,242,461</u></u>	<u><u>\$ 948,469</u></u>	<u><u>\$ 22,039,869</u></u>	<u><u>\$ 1,711,274</u></u>

*Beginning balances were restated due to the implementation of GASB 101, *Compensated Absences*. Compensated absences increases and decreases are shown net.

CITY OF WEBSTER GROVES, MISSOURI
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

The general obligation bonds are to be liquidated by the General Obligation Debt Service Fund. Lease liabilities are liquidated by the General Fund and Capital Improvement Tax Fund.

a. General Obligation Bonds

In October 2019, the City issued \$4,810,000 in General Obligation Bonds, the proceeds of which are to be used for the demolition of the old building, construction, furnishing, and equipping a new fire station and replace existing old fire station. The bonds bear interest ranging from 2% to 3% and mature in 2029.

In September 7, 2023, the City defeased a portion of the Series 2019 General Obligation Bonds (the previous debt) in the amount of \$660,000. The City defeased the previous debt by placing a portion of an amount paid by the City into irrevocable trusts to provide for all further debt service payments on the previous debt. Accordingly, the trust assets and liability for the defeased previous debt are not included in the City's financial statements.

In January 21, 2025, the City issued \$17,195,000 in General Obligation Bonds, the proceeds of which are to be used for acquiring, constructing, improving, furnishing and equipping various park and recreational facilities throughout the City including City's Aquatic Center. The bonds bear interest ranging from 4% to 5% and mature in 2044.

The annual principal and interest requirements to maturity of the general obligation bonds as of June 30, 2025 are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 900,000	\$ 856,320	\$ 1,756,320
2027	915,000	763,900	1,678,900
2028	800,000	733,600	1,533,600
2029	685,000	705,600	1,390,600
2030	720,000	671,350	1,391,350
2031-2035	4,200,000	2,777,500	6,977,500
2036-2040	5,310,000	1,680,350	6,990,350
2041-2044	5,080,000	518,000	5,598,000
TOTAL	\$ 18,610,000	\$ 8,706,620	\$ 27,316,620

CITY OF WEBSTER GROVES, MISSOURI
NOTES TO FINANCIAL STATEMENTS (Continued)

4. LONG-TERM DEBT (Continued)

b. Leases

The City entered into a lease arrangement on May 3, 2021, for the right-to-use copiers. Payments are due in monthly installments with annual totals of \$23,349 for fiscal years June 30, 2025, and \$19,457 for fiscal year June 30, 2026. Total intangible right-to-use assets acquired under this agreement are \$107,653.

The City entered into a lease arrangement on July 14, 2022, for the right-to-use copiers. Payments are due in quarterly installments with annual totals of \$2,383 for fiscal years June 30, 2025, and 2026 and \$1,787 for fiscal year June 30, 2027. Total intangible right-to-use assets acquired under this agreement are \$10,572.

The City entered into a lease arrangement on October 1, 2022, for the right-to-use in car cameras. Payments are due annually of \$26,496 for fiscal years June 30, 2025, 2026, and 2027. Total intangible right-to-use assets acquired under this agreement are \$122,611.

The City entered into a lease arrangement on November 1, 2024, for the right-to-use a parking lot. Payments are due annually of \$17,920 for fiscal years June 30, 2025, 2026, and 2027. Total intangible right-to-use assets acquired under this agreement are \$52,260.

The City entered into a lease arrangement on October 28, 2024, for the right-to-use postage meter. Payments are due monthly of \$145 for fiscal years June 30, 2025 through 2029. Total intangible right-to-use assets acquired under this agreement are \$8,504.

Obligations under leases payable, typically paid from the General and Capital Improvement Tax Funds, including future interest payments at June 30, 2025, were as follows:

Year Ending June 30,	Lease Payment	Lease Principal	Lease Interest
2026	\$ 67,996	\$ 65,754	\$ 2,242
2027	47,943	47,240	703
2028	1,740	1,640	100
2029	1,739	1,686	53
2030	869	861	8
TOTAL FUTURE LEASE PAYMENTS	\$ 120,287	\$ 117,181	\$ 3,106

5. PENSION PLANS

a. Plan Description

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

b. Benefits Provided

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

Benefit multiplier - police and fire	2.50% for life
Benefit multiplier - nonuniform	1.75% for life
Final average salary	5 years
Member contributions	4.00%

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

CITY OF WEBSTER GROVES, MISSOURI
NOTES TO FINANCIAL STATEMENTS (Continued)

5. PENSION PLANS (Continued)

c. Employees Covered by Benefit Terms

At June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or their beneficiaries currently receiving benefits	68
Inactive employees entitled to but not yet receiving benefits	61
Active employees	<u>118</u>
 TOTAL	 <u><u>247</u></u>

d. Contributions

The City is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the City contribute 4.00% of their gross pay to the pension plan. The City contribution rates are 8.00% (General), 17.60% (Police), and 14.80% (Fire) of annual covered payroll.

e. Net Pension Liability (Asset)

The City's net pension liability (asset) was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 28, 2025. The pension liability was then rolled forward to the measurement date of June 30, 2025, utilizing procedures incorporating the actuarial assumptions.

f. Actuarial Assumptions

The total pension liability in the February 28, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115.00% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for postretirement mortality,

5. PENSION PLANS (Continued)

f. Actuarial Assumptions (Continued)

used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The preretirement mortality tables used were 75.00% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75.00% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups.

Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.

The actuarial assumptions used in the February 28, 2025 valuation were based on the results of an actuarial experience study for the period March 1, 2015 through February 28, 2020.

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

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return
Alpha	5.00%	1.76%
Equity	39.00%	3.39%
Fixed income	23.00%	3.54%
Real assets	33.00%	2.68%
Strategic assets	7.00%	2.83%
Cash/leverage	(7.00%)	(0.86%)

g. Discount Rate

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

CITY OF WEBSTER GROVES, MISSOURI
NOTES TO FINANCIAL STATEMENTS (Continued)

5. PENSION PLANS (Continued)

h. Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
BALANCES AT JUNE 30, 2024	\$ 59,553,520	\$ 62,686,668	\$ (3,133,148)
Changes for the year			
Service cost	1,629,105	-	1,629,105
Interest	4,130,553	-	4,130,553
Difference between expected and actual experiences	(682,230)	-	(682,230)
Contributions - employer	-	1,349,045	(1,349,045)
Contributions - employee	-	416,646	(416,646)
Net investment income	-	3,982,297	(3,982,297)
Benefit payments, including refunds	(2,739,123)	(2,739,123)	-
Administrative expense	-	(28,198)	28,198
Other	-	203,382	(203,382)
Net changes	2,338,305	3,184,049	(845,744)
BALANCES AT JUNE 30, 2025	\$ 61,891,825	\$ 65,870,717	\$ (3,978,892)

The net pension liability (asset) is generally liquidated by the General Fund. The funded status of the plan at June 30, 2025 was 106.43%.

i. Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

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

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
Net pension liability	\$ 4,969,225	\$ (3,978,892)	\$ (11,358,000)

CITY OF WEBSTER GROVES, MISSOURI
NOTES TO FINANCIAL STATEMENTS (Continued)

5. PENSION PLANS (Continued)

- j. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2025 the City recognized pension expense of \$961,492. Reported deferred outflows and inflows of resources are related to pensions from the following sources:

	Outflows	Inflows	Net Outflows
Differences in experience	\$ 2,876,615	\$ (1,026,785)	\$ 1,849,830
Assumptions changes	293,943	(198,554)	95,389
Net difference between projected and actual earnings on pension plan investments	2,424,667	-	2,424,667
TOTAL	\$ 5,595,225	\$ (1,225,339)	\$ 4,369,886

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

For the Plan
Year Ending
June 30,

2026	\$ 1,908,649
2027	1,149,069
2028	681,902
2029	332,647
2030	193,010
Thereafter	104,609
TOTAL	\$ 4,369,886

- k. Payable to the Pension Plan

At June 30, 2025, the City reported a payable of \$264,570 for the outstanding amount of contributions to the pension plan.

6. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

a. Plan Description

The City provides a single-employer defined benefit plan that provides healthcare benefits to employees who are eligible to retire once they have attained age 55 plus 10 years of service. This benefit terminates at age 65 for both employees and spouses. Employees and spouses must be on the plan at time of retirement to be eligible to participate in the plan after retirement. Medical and prescription drug benefits are available to retirees in the City's insurance plan. The Plan was established by City Ordinance, which assigned the authority to establish and amend plan benefit provisions to the City. The contribution requirements of the City and plan members are established and may be amended by the City. No assets are accumulated in a trust for the Plan. The Plan does not issue a stand-alone report. The OPEB liability is generally liquidated by the General Fund.

b. Employees Covered by Benefit Terms

At June 30, 2025, the following employees were covered by the benefit terms:

Active employees electing coverage	127
Active employees waiving coverage	6
Retirees electing coverage	<u>8</u>
TOTAL	<u><u>141</u></u>

c. Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2025 and was determined by an actuarial valuation as of that date.

CITY OF WEBSTER GROVES, MISSOURI
NOTES TO FINANCIAL STATEMENTS (Continued)

6. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

d. Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Inflation	2.50%
Salary increase	2.75% per year plus merit and seniority increases
Discount rate	5.20%
Healthcare cost trend rate	7.60% for FY 2025, gradually decreasing to an ultimate rate of 3.90% for FY 2076 and beyond

During the year ending June 30, 2025, the discount rate changed from 3.97% to 5.20% based on updated 20-year municipal bond rates, the inflation rate increased from 2.25% to 2.50%, and the healthcare cost trend rate remained at 7.60%.

e. Changes in the Total OPEB Liability

	Total OPEB Liability
	<u> </u>
BALANCE AT JUNE 30, 2024	<u>\$ 1,243,360</u>
Changes for the year	
Service cost	85,535
Interest	51,446
Changes in assumptions or other inputs	(115,439)
Benefit payments	<u>(66,036)</u>
Net changes	<u>(44,494)</u>
BALANCE AT JUNE 30, 2025	<u><u>\$ 1,198,866</u></u>

The net OPEB liability is generally liquidated by the General Fund.

CITY OF WEBSTER GROVES, MISSOURI
NOTES TO FINANCIAL STATEMENTS (Continued)

6. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

f. 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 5.2%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% point lower (4.2%) or 1% point higher (6.2%) than the current discount rate:

	1% Decrease	Current Rate	1% Increase
Total OPEB liability	\$ 1,075,759	\$ 1,198,866	\$ 1,343,956

g. 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 the healthcare cost trend rates of 7.6% as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower (6.6%) or 1% point higher (8.6%) than the current healthcare cost trend rates:

	1% Decrease	Current Rate	1% Increase
Total OPEB liability	\$ 1,291,863	\$ 1,198,866	\$ 1,113,304

h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the City recognized OPEB expense of \$131,752. Deferred outflows and inflows of resources related to OPEB are from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Outflows
Difference between expected and actual	\$ 64,491	\$ (150,606)	\$ (86,115)
Assumptions changes	100,291	(141,158)	(40,867)
TOTAL	\$ 164,782	\$ (291,764)	\$ (126,982)

CITY OF WEBSTER GROVES, MISSOURI
NOTES TO FINANCIAL STATEMENTS (Continued)

6. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

- h. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

For the Plan Years Ending June 30,	
2026	\$ (5,229)
2027	(5,229)
2028	(5,229)
2029	(10,081)
2030	(24,507)
Thereafter	<u>(76,707)</u>
TOTAL	<u>\$ (126,982)</u>

7. TRANSFERS AND INTERFUND RECEIVABLES AND PAYABLES

Transfers may be used to move unrestricted General Fund revenues to finance various programs that the City must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs. Individual interfund transactions are as follows:

Transfers In	Transfers Out	For the Year Ended June 30, 2025
General Fund	Nonmajor Grant Fund	<u>\$ 314,459</u>
TOTAL		<u>\$ 314,459</u>

8. LESSOR DISCLOSURES

The City entered a lease agreement on May 4, 2001 to lease space on a water tower for the placement of cellular communications equipment. Payments of \$2,765 are due to the City in monthly installments through April 2026. The lease agreement is noncancelable and maintains an interest rate of 2.0%.

The City entered a lease agreement on August 4, 1997 which was amended on December 28, 2010 to lease space on a water tower for the placement of cellular communications equipment. Payments due to the City vary in amounts, from \$32,234 in fiscal year 2022 to \$59,965 in fiscal year 2043. The payments are annual installments through August 2042 and are increased the greater of 3.0% or the percentage increase in the CPI over the CPI from the 12 months prior. The lease agreement is noncancelable and maintains an interest rate of 2.0%.

The City entered a lease agreement on August 15, 1997 which was amended on May 29, 2013 to lease space on a water tower for the placement of cellular communications equipment. Payments due to the City vary in amounts, from \$29,491 in fiscal year 2022 to \$51,580 in fiscal year 2042. The payments are annual installments through August 2042 and are increased 15.0% at the beginning of each extension term. The lease agreement is noncancelable and maintains an interest rate of 2%. This lease was terminated in September 2022 and replaced with a new agreement commencing on September 1, 2022 and running through November 30, 2046. Payments due to the City approximate \$3,500 per month and shall be increased 2.5% or the annual rate of increase of the CPI. The lease agreement is noncancelable and maintains an interest rate of 2%.

The City entered a lease agreement on September 30, 1997 which was amended on January 18, 2018 to lease space on a water tower for the placement of cellular communications equipment. Payments due to the City vary in amounts, from \$17,490 in fiscal year 2022 to \$30,591 in fiscal year 2042. The payments are annual installments through November 2041 and are increased 15.0% at the beginning of each renewal term. The lease agreement is noncancelable and maintains an interest rate of 2.0%.

The City entered a lease agreement on August 20, 1999 to lease space on a water tower for the placement of cellular communications equipment. Payments due to the City vary in amounts, from \$2,535 per month in fiscal year 2022 to \$2,689 per month in fiscal year 2025. The payments are monthly installments through October 2042 and are increased at the beginning of each year the greater of 3% or the percentage increase in the CPI over the prior CPI for the month 12 months prior to the adjustment date. The lease agreement is noncancelable and maintains an interest rate of 2.0%.

8. LESSOR DISCLOSURES (Continued)

The City entered a lease agreement on November 7, 2023 to lease space on a water tower for the placement of cellular communications equipment. Payments due to the City vary in amounts, from \$22,395 in fiscal year 2025 to \$45,044 in fiscal year 2052. The payments are annual installments through August 2051 and are increased 15.0% at the beginning of each extension term. The lease agreement is noncancelable and maintains an interest rate of 4.5%.

During the year, the City recognized lease revenue of \$209,108 and interest revenue of \$67,014 related to leases.

9. PROPERTY TAXES

The City's property tax is levied each year based on the assessed value listed as of the prior January 1 for all real and personal property located in the City. Taxes are billed approximately November 1 and delinquent after December 31. Liens are placed on property for delinquent taxes on the January following the due date. Assessed values are established by the County Assessment Board. The 2024 levy was due and collectible during the City's fiscal year ended June 30, 2025.

10. RISK MANAGEMENT

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

The City is a member of the St. Louis Area Insurance Trust (SLAIT), which is a not-for-profit, self-insurance risk pool formed by various St. Louis area municipalities to cover workers' compensation and general liability matters. The purpose of this trust is to distribute the cost of self-insurance over similar entities. In addition to insurance protection, the program provides risk management services with emphasis in loss control, claims administration, and management information services. SLAIT is fully funded by its member participants and employs an outside service company to process all claims.

The trust requires an annual premium payment by members to cover estimated claims payable and reserves for claims. The members of the trust have no legal interest in the assets, liabilities, or fund balances of the insurance trust. However, the City is contingently liable to fund its pro rata share if any deficit is incurred by the trust should the trust cease operation at some future date.

As a member of SLAIT, the City also purchases insurance policies on a group basis but issued to each participating municipality for auto, physical damage, property coverage, and public official liability coverages.

Settled claims have not exceeded commercial coverage in any of the past three years. There have been no significant reductions in insurance coverage from the prior year.

CITY OF WEBSTER GROVES, MISSOURI
NOTES TO FINANCIAL STATEMENTS (Continued)

10. RISK MANAGEMENT (Continued)

In addition, the City acquires bonding for public officials and public employee dishonesty from a private company, and purchases employee health insurance through commercial health insurance.

11. COMMITMENTS AND CONTINGENCIES

a. Litigation

The City may be subject to various lawsuits pertaining to matters which are incidental to performing routine governmental and other functions. Based on the current status of all legal proceedings, it is the opinion of management that they will not have a material effect on the City's financial position.

b. Federal Grants

Under the terms of federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursements to the grantor agencies. It is the opinion of management that such reimbursements, if any, will not have a material effect on the City's financial position.

12. RESTATEMENT TO BEGINNING BALANCES

During the current year, the City implemented GASB 101, *Compensated Absences*. In addition to the value of unused vacation owed to employees upon separation of employment, the City now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle which increased liabilities and decreased net position are summarized below in the "Restatement - GASB 101 implementation" row in the table below:

	Governmental Activities
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	\$ 73,076,726
Restatement - GASB 101 implementation	<u>(336,915)</u>
NET POSITION, BEGINNING OF YEAR, AS RESTATED	<u><u>\$ 72,739,811</u></u>

CITY OF WEBSTER GROVES, MISSOURI
NOTES TO FINANCIAL STATEMENTS (Continued)

13. SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 19, 2025, the date which the financial statements were available for issue and no other events require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WEBSTER GROVES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
GENERAL FUND**

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Property taxes				
Real estate	\$ 1,236,450	\$ 1,236,450	\$ 1,213,438	\$ (23,012)
Personal property	270,156	270,156	252,896	(17,260)
Utility real property	44,000	22,000	15,420	(6,580)
Financial institution	8,000	8,000	6	(7,994)
Total property taxes	1,558,606	1,536,606	1,481,760	(54,846)
Sales taxes	8,678,000	8,678,000	8,282,873	(395,127)
Utility taxes				
Water	560,000	560,000	568,684	8,684
Gas	860,000	860,000	863,263	3,263
Telephone	300,000	300,000	285,655	(14,345)
Electric	1,360,000	1,360,000	1,634,981	274,981
Cable	165,000	165,000	146,192	(18,808)
Total utility taxes	3,245,000	3,245,000	3,498,775	253,775
Intergovernmental				
Gasoline tax	898,510	898,510	999,106	100,596
Road and bridge tax	627,210	627,210	660,690	33,480
Cigarette tax	48,388	48,388	32,920	(15,468)
Motor vehicle sales tax	251,000	251,000	274,290	23,290
Motor vehicle sales fees	104,534	104,534	109,214	4,680
Equitable sharing	-	-	116,610	116,610
Total intergovernmental	1,929,642	1,929,642	2,192,830	263,188
Licenses, fees, and permits				
Motor vehicle	118,170	118,170	116,199	(1,971)
Merchants and manufacturers	407,030	407,030	606,321	199,291
Liquor	19,897	19,897	19,766	(131)
Vending machine	1,616	1,616	-	(1,616)
Annual tree license	4,545	4,545	9,634	5,089
Permits	948,500	948,500	1,517,887	569,387
House inspections	43,000	43,000	37,180	(5,820)
Mechanical inspections	51,000	51,000	55,760	4,760
Parking permits	44,600	44,600	41,476	(3,124)
Total licenses, fees, and permits	1,638,358	1,638,358	2,404,223	765,865
Fines and forfeitures				
Parking	21,210	21,210	15,255	(5,955)
Municipal division	325,000	325,000	266,162	(58,838)
Inmate Security Fund	4,721	4,721	4,542	(179)
Other jurisdictions	190,000	190,000	176,933	(13,067)
Bond forfeitures	-	-	2,750	2,750
Total fines and forfeitures	540,931	540,931	465,642	(75,289)

(This schedule is continued on the following pages.)

CITY OF WEBSTER GROVES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - BUDGET BASIS (Continued)
GENERAL FUND**

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES (Continued)				
Charges for services				
Recreation programs	\$ 1,025,000	\$ 1,025,000	\$ 815,478	\$ (209,522)
Swimming admission	400,000	400,000	519,856	119,856
Ice rink admission	185,000	185,000	155,322	(29,678)
Fitness center admissions	60,000	60,000	77,598	17,598
Recreation passes	168,000	168,000	208,294	40,294
Recreation concession receipts	125,000	125,000	132,054	7,054
Tennis fees	80,000	80,000	78,540	(1,460)
Learn to skate program	35,000	35,000	30,370	(4,630)
Police report and alarm fees	2,000	2,000	1,196	(804)
Police training fees	4,959	4,959	6,772	1,813
Ambulance service	600,000	600,000	738,203	138,203
Facilities rental	191,200	191,200	244,394	53,194
Street repair fees	15,000	15,000	-	(15,000)
Planning commission filing fee	2,250	2,250	750	(1,500)
Total charges for services	2,893,409	2,893,409	3,008,827	115,418
Investment income	480,300	480,300	815,296	334,996
Other				
Miscellaneous income	1,000	1,000	302,300	301,300
Telecommunications leases	200,000	200,000	222,664	22,664
Total other	201,000	201,000	524,964	323,964
Total revenues	21,165,246	21,143,246	22,675,190	1,531,944
EXPENDITURES				
General government				
City council				
Personnel	4,695	695	4,455	3,760
Materials and supplies	2,625	2,625	1,571	(1,054)
Contractual services	84,002	84,002	38,317	(45,685)
Total city council	91,322	87,322	44,343	(42,979)
Executive				
Personnel	439,786	439,786	502,439	62,653
Materials and supplies	-	-	347	347
Contractual services	9,600	9,600	43,541	33,941
Total executive	449,386	449,386	546,327	96,941
City clerk				
Personnel	197,278	197,278	199,868	2,590
Contractual services	1,555	1,555	951	(604)
Total city clerk	198,833	198,833	200,819	1,986

(This schedule is continued on the following pages.)

CITY OF WEBSTER GROVES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - BUDGET BASIS (Continued)
GENERAL FUND**

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
EXPENDITURES (Continued)				
General government (Continued)				
Human resources management				
Personnel	\$ 607,743	\$ 607,743	\$ 409,644	\$ (198,099)
Materials and supplies	11,400	11,400	9,151	(2,249)
Contractual services	69,693	69,693	87,634	17,941
Total human resources management	688,836	688,836	506,429	(182,407)
Information technology				
Personnel	222,292	226,827	221,013	(5,814)
Materials and supplies	516,408	522,608	527,920	5,312
Contractual services	16,848	16,848	44,396	27,548
Total information technology	755,548	766,283	793,329	27,046
Municipal division				
Personnel	160,832	160,832	138,191	(22,641)
Contractual services	40,933	40,933	20,322	(20,611)
Total municipal division	201,765	201,765	158,513	(43,252)
Finance				
Personnel	446,587	437,387	319,403	(117,984)
Materials and supplies	27,750	27,750	31,432	3,682
Contractual services	1,084,381	1,087,381	1,079,660	(7,721)
Total finance	1,558,718	1,552,518	1,430,495	(122,023)
Legal services				
Contractual services	366,762	366,762	279,605	(87,157)
Boards and commissions				
Contractual services	22,750	22,750	9,728	(13,022)
Total boards and commissions	22,750	22,750	9,728	(13,022)
Risk management				
Personnel	7,500	7,500	4,849	(2,651)
Contractual services	532,684	532,684	518,688	(13,996)
Total risk management	540,184	540,184	523,537	(16,647)
Special initiatives				
Materials and supplies	143,000	149,000	84,640	(64,360)
Contractual services	75,000	75,000	11,203	(63,797)
Capital outlay	500,000	494,000	434,238	(59,762)
Total special initiatives	718,000	718,000	530,081	(187,919)

(This schedule is continued on the following pages.)

CITY OF WEBSTER GROVES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - BUDGET BASIS (Continued)
GENERAL FUND**

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
EXPENDITURES (Continued)				
General government (Continued)				
Public affairs				
Personnel	\$ 180,570	\$ 180,570	\$ 176,916	\$ (3,654)
Materials and supplies	50,528	50,528	61,653	11,125
Total public affairs	231,098	231,098	238,569	7,471
Total general government	5,823,202	5,823,737	5,261,775	(561,962)
Public safety				
Police				
Personnel	4,801,528	4,789,528	4,598,830	(190,698)
Materials and supplies	94,410	104,410	85,115	(19,295)
Contractual services	295,097	302,701	270,057	(32,644)
Total police	5,191,035	5,196,639	4,954,002	(242,637)
Fire protection				
Personnel	5,166,295	5,166,295	5,008,991	(157,304)
Materials and supplies	168,837	175,552	149,666	(25,886)
Contractual services	873,138	866,423	828,329	(38,094)
Total fire protection	6,208,270	6,208,270	5,986,986	(221,284)
Total public safety	11,399,305	11,404,909	10,940,988	(463,921)
Public works				
Engineering				
Personnel	215,467	215,467	201,506	(13,961)
Materials and supplies	3,145	3,145	8,331	5,186
Contractual services	5,233	5,233	5,228	(5)
Total engineering	223,845	223,845	215,065	(8,780)
Street maintenance				
Personnel	773,212	773,212	698,454	(74,758)
Materials and supplies	227,600	227,600	195,302	(32,298)
Contractual services	92,356	92,356	49,757	(42,599)
Total street maintenance	1,093,168	1,093,168	943,513	(149,655)
Garage				
Personnel	180,351	180,351	137,126	(43,225)
Materials and supplies	14,550	14,550	13,180	(1,370)
Contractual services	2,300	2,300	29	(2,271)
Total garage	197,201	197,201	150,335	(46,866)

(This schedule is continued on the following pages.)

CITY OF WEBSTER GROVES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - BUDGET BASIS (Continued)
GENERAL FUND**

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
EXPENDITURES (Continued)				
Public works (Continued)				
City hall building				
Materials and supplies	\$ 15,450	\$ 15,450	\$ 13,943	\$ (1,507)
Contractual services	84,550	84,550	86,468	1,918
Total city hall building	100,000	100,000	100,411	411
Service center				
Materials and supplies	10,250	10,250	7,699	(2,551)
Contractual services	11,750	11,750	8,168	(3,582)
Total service center	22,000	22,000	15,867	(6,133)
Total public works	1,636,214	1,636,214	1,425,191	(211,023)
Parks and recreation				
Parks division				
Personnel	102,407	102,407	115,261	12,854
Materials and supplies	48,157	48,157	31,239	(16,918)
Contractual services	24,050	24,050	24,059	9
Total parks division	174,614	174,614	170,559	(4,055)
Recreation				
Personnel	596,497	596,497	492,913	(103,584)
Materials and supplies	91,200	91,200	65,130	(26,070)
Contractual services	137,440	137,440	113,786	(23,654)
Total recreation	825,137	825,137	671,829	(153,308)
Swimming pool				
Personnel	80,663	80,663	40,732	(39,931)
Materials and supplies	18,966	18,966	11,762	(7,204)
Contractual services	305,285	305,285	273,536	(31,749)
Total swimming pool	404,914	404,914	326,030	(78,884)
Ice rink				
Personnel	509,684	509,684	490,409	(19,275)
Materials and supplies	24,050	24,050	22,444	(1,606)
Contractual services	50,870	50,870	46,137	(4,733)
Total ice rink	584,604	584,604	558,990	(25,614)
Fitness center				
Personnel	153,913	153,913	174,031	20,118
Materials and supplies	17,450	17,450	12,040	(5,410)
Contractual services	55,576	55,576	51,699	(3,877)
Total fitness center	226,939	226,939	237,770	10,831

(This schedule is continued on the following pages.)

CITY OF WEBSTER GROVES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - BUDGET BASIS (Continued)
GENERAL FUND**

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
EXPENDITURES (Continued)				
Parks and recreation (Continued)				
Concessions				
Personnel	\$ 56,187	\$ 56,187	\$ 52,926	\$ (3,261)
Materials and supplies	66,950	66,950	65,952	(998)
Contractual services	3,550	3,550	867	(2,683)
Total concessions	126,687	126,687	119,745	(6,942)
Business districts				
Personnel	-	-	22,968	22,968
Materials and supplies	-	-	2,053	2,053
Contractual services	15,410	15,410	10,970	(4,440)
Total business districts	15,410	15,410	35,991	20,581
Sustainability				
Personnel	20,314	20,314	14,743	(5,571)
Total parks and recreation	2,378,619	2,378,619	2,135,657	(242,962)
Planning and development				
Community development				
Personnel	1,049,030	1,027,030	742,363	(284,667)
Materials and supplies	4,990	4,990	2,236	(2,754)
Contractual services	22,355	42,855	47,515	4,660
Total community development	1,076,375	1,074,875	792,114	(282,761)
Code enforcement				
Materials and supplies	350	1,850	1,204	(646)
Total code enforcement	350	1,850	1,204	(646)
Total planning and development	1,076,725	1,076,725	793,318	(283,407)
Debt service				
Principal retirement	47,681	47,681	47,681	-
Interest and other costs	942	942	942	-
Total debt service	48,623	48,623	48,623	-
Total expenditures	22,362,688	22,368,827	20,605,552	(1,763,275)
EXCESS (DEFICIENCY) OF REVENUES OVEREXPENDITURES	(1,197,442)	(1,225,581)	2,069,638	3,295,219

(This schedule is continued on the following page.)

CITY OF WEBSTER GROVES, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - BUDGET BASIS (Continued)
GENERAL FUND

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	\$ -	\$ -	\$ 13,169	\$ 13,169
Sale of capital assets	-	-	25,000	25,000
Transfers in	-	-	314,459	314,459
Total other financing sources (uses)	-	-	413,392	413,392
NET CHANGE IN FUND BALANCE (BUDGET BASIS)	<u>\$ (1,197,442)</u>	<u>\$ (1,225,581)</u>	2,483,030	<u>\$ 3,708,611</u>
DECREASE IN RESERVE FOR ENCUMBRANCES			(169,901)	
NET CHANGE IN FUND BALANCE (GAAP BASIS)			2,313,129	
FUND BALANCE, JULY 1			17,917,458	
FUND BALANCE, JUNE 30			<u>\$ 20,230,587</u>	

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY (ASSET) AND RELATED RATIOS

Last Ten Fiscal Years

MEASUREMENT DATE JUNE 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
TOTAL PENSION LIABILITY										
Service cost	\$ 1,629,105	\$ 1,611,454	\$ 1,608,332	\$ 1,592,170	\$ 1,534,842	\$ 1,458,234	\$ 1,407,841	\$ 1,126,279	\$ 1,105,733	\$ 1,099,814
Interest on the total pension liability	4,130,553	3,836,129	3,589,107	3,300,407	3,158,982	2,914,178	2,673,700	2,062,886	1,964,859	1,724,438
Changes of benefit terms	-	-	-	-	-	-	-	4,738,770	-	-
Difference between expected and actual experience	(682,230)	1,197,798	548,375	1,164,546	453,762	342,162	404,449	1,491,004	(631,486)	143,001
Changes of assumptions	-	-	-	-	(32,451)	-	-	-	-	1,140,897
Benefit payments, including refunds	(2,739,123)	(2,166,559)	(2,268,667)	(1,623,778)	(1,511,743)	(1,244,182)	(1,145,138)	(1,119,773)	(1,075,209)	(524,238)
Net change in total pension liability	2,338,305	4,478,822	3,477,147	4,433,345	3,603,392	3,470,392	3,340,852	8,299,166	1,363,897	3,583,912
Total pension liability - beginning	59,553,520	55,074,698	51,597,551	47,164,206	43,560,814	40,090,422	36,749,570	28,450,404	27,086,507	23,502,595
TOTAL PENSION LIABILITY - ENDING	\$ 61,891,825	\$ 59,553,520	\$ 55,074,698	\$ 51,597,551	\$ 47,164,206	\$ 43,560,814	\$ 40,090,422	\$ 36,749,570	\$ 28,450,404	\$ 27,086,507
PLAN FIDUCIARY NET POSITION										
Contributions - employer	\$ 1,349,045	\$ 1,320,013	\$ 1,936,483	\$ 1,385,560	\$ 1,366,668	\$ 1,322,522	\$ 1,252,944	\$ 1,279,406	\$ 758,140	\$ 870,130
Contributions - employee	416,646	804,013	415,103	430,424	514,134	424,427	406,948	393,054	1,918,363	531,710
Net investment income	3,982,297	3,178,377	2,104,197	54,434	12,041,772	543,888	2,583,694	4,320,030	3,373,340	(98,160)
Benefit payments, including refunds	(2,739,123)	(2,166,559)	(2,268,667)	(1,623,778)	(1,511,743)	(1,244,182)	(1,145,138)	(1,119,773)	(1,075,209)	(524,238)
Administrative expense	(28,198)	(27,960)	(31,517)	(22,105)	(20,254)	(25,966)	(22,719)	(15,458)	(14,165)	(14,143)
Other	203,382	(66,035)	952,298	988,712	347,441	260,545	351,721	(194,450)	(146,117)	(52,068)
Net change in plan fiduciary net position	3,184,049	3,041,849	3,107,897	1,213,247	12,738,018	1,281,234	3,427,450	4,662,809	4,814,352	713,231
Plan fiduciary net position - beginning	62,686,668	59,644,819	56,536,922	55,323,675	42,585,657	41,304,423	37,876,973	33,214,164	28,399,812	27,686,581
PLAN FIDUCIARY NET POSITION - ENDING	\$ 65,870,717	\$ 62,686,668	\$ 59,644,819	\$ 56,536,922	\$ 55,323,675	\$ 42,585,657	\$ 41,304,423	\$ 37,876,973	\$ 33,214,164	\$ 28,399,812
NET PENSION LIABILITY (ASSET)	\$ (3,978,892)	\$ (3,133,418)	\$ (4,570,121)	\$ (4,939,371)	\$ (8,159,469)	\$ 975,157	\$ (1,214,001)	\$ (1,127,403)	\$ (4,763,760)	\$ (1,313,305)
Plan fiduciary net position as a percentage of the total pension liability	106.43%	105.26%	108.30%	109.57%	117.30%	97.76%	103.03%	103.07%	116.74%	104.85%
Covered payroll (for February 28/29 valuation)	\$ 10,492,644	\$ 10,551,657	\$ 10,530,687	\$ 10,662,278	\$ 10,652,607	\$ 10,577,661	\$ 9,989,917	\$ 9,855,075	\$ 9,629,666	\$ 9,451,534
Net pension liability (asset) as a percentage of covered payroll	(37.92%)	(29.70%)	(43.40%)	(46.33%)	(76.60%)	9.22%	(12.15%)	(11.44%)	(49.47%)	(13.90%)

Note:

Benefit change in 2018, the benefit multiplier increased 0.50% for police and fire and 0.25% for non-uniform.

The discount rate decreased from 7.25% to 7.00% during the year ended June 30, 2021.

There were no benefit changes during the year.

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last Ten Fiscal Years

FISCAL YEAR ENDED JUNE 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined pension contribution	\$ 1,348,326	\$ 1,321,585	\$ 1,369,664	\$ 1,394,010	\$ 1,365,036	\$ 1,322,523	\$ 1,252,943	\$ 1,279,405	\$ 757,974	\$ 870,295
Contributions in relation to the actuarially determined contribution	1,348,326	1,321,585	1,369,664	1,394,010	1,365,036	1,322,523	1,252,943	1,279,405	757,974	870,295
CONTRIBUTION DEFICIENCY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 10,410,077	\$ 10,131,639	\$ 10,331,094	\$ 10,817,794	\$ 10,940,380	\$ 10,610,674	\$ 10,173,713	\$ 9,826,351	\$ 9,951,882	\$ 9,540,182
Contributions as a percentage of covered payroll	12.95%	13.04%	13.26%	12.89%	12.48%	12.46%	12.32%	13.02%	7.62%	9.12%

Notes to schedule

Valuation date

Actuarially determined contribution rates are calculated as of February 28/29 prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal and modified terminal funding
Amortization method	A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.
Remaining amortization period	Multiple bases from 13 to 19 years (general and fire) and multiple bases from 12 to 19 years (police)
Asset valuation method	5 years smoothed market; 20.00% corridor
Inflation	2.75% wage inflation; 2.25% price inflation
Salary increases	2.75% to 6.75%; including wage inflation (general) 2.75% to 6.55% including wage inflation (police) and 2.75% to 7.15%; including wage inflation (fire)
Investment rate of return	7.00%, net of investment expenses
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115.00% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115.00% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75.00% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75.00% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public safety groups. Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.

Other information:

Benefit change in 2018, the benefit multiplier increased 0.5% for police and fire and 0.25% for non-uniform.

The discount rate decreased from 7.25% to 7.00% during the year ended June 30, 2021.

There were no benefit changes during the year.

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

SCHEDULE OF CHANGES IN THE EMPLOYER'S TOTAL OPEB LIABILITY AND RELATED RATIOS

Last Eight Fiscal Years

MEASUREMENT DATE JUNE 30,	2025	2024	2023	2022	2021	2020	2019	2018
TOTAL OPEB LIABILITY								
Service cost	\$ 85,535	\$ 69,749	\$ 69,898	\$ 88,608	\$ 77,454	\$ 56,710	\$ 54,792	\$ 52,750
Interest	51,446	53,917	50,659	25,116	29,032	32,772	33,294	32,175
Differences between expected and actual experience	-	(193,574)	-	62,118	-	72,615	-	-
Changes of assumptions or other inputs	(115,439)	28,239	(17,049)	(32,511)	49,185	109,163	28,129	(1,644)
Benefit payments	(66,036)	(84,056)	(74,801)	(44,907)	(42,471)	(44,286)	(39,914)	-
Net change in total OPEB liability	(44,494)	(125,725)	28,707	98,424	113,200	226,974	76,301	83,281
Total OPEB liability - beginning	1,243,360	1,369,085	1,340,378	1,241,954	1,128,754	901,780	825,479	742,198
TOTAL OPEB LIABILITY - ENDING	\$ 1,198,866	\$ 1,243,360	\$ 1,369,085	\$ 1,340,378	\$ 1,241,954	\$ 1,128,754	\$ 901,780	\$ 825,479

MEASUREMENT DATE JUNE 30,	2025	2024	2023	2022	2021	2020	2019	2018
Covered payroll	\$ 11,053,772	\$ 11,458,520	\$ 12,074,870	\$ 11,058,897	\$ 11,457,017	\$ 11,491,316	\$ 10,060,000	\$ 9,719,396
Total OPEB liability as a percentage of covered payroll	10.85%	10.85%	11.34%	12.12%	10.84%	9.82%	8.96%	8.49%

Notes:
Information is not available for fiscal years prior to 2018. Schedule should show 10 years of data and additional years will be added as they become available.
The discount rate decreased from 3.87% to 3.50% during the year ended June 30, 2019.
Assumption changes for the year ended June 30, 2020:

- Discount rate decreased from 3.50% to 2.45%
- Healthcare trend rates were reset to reflect updated cost increase expectations
- Medical per capita claims costs were updated to reflect recent experience and new plan offerings
- The mortality projection scale was updated from MP-2017 to MP-2015
- A disability assumption was added based on the 2019 LAGERS actuarial valuation
- Salary increase rates were updated from a flat 3.5% to the rates from the 2019 LAGERS actuarial valuation
- Future retirees assumed to elect spouse coverage at retirement changed from continuing on current coverage to 25.00% of all future retirees
- Inflation assumption changes from 3.00% to 2.50%

The discount rate decreased from 2.45% to 1.92% during the year ended June 30, 2021.

Assumption changes for the year ended June 30, 2022:

- Discount rate increased from 1.92% to 3.69%
- Healthcare trend rates were reset to reflect updated cost increase expectations
- Medical per capita claims costs were updated to reflect recent experience
- Withdrawal, retirement, mortality, disability, and salary increase rates were updated to the 2021 LAGERS valuation
- Salary increase rates were updated from 3.50% to 2.75% the rates from the 2021 LAGERS actuarial valuation
- Future retirees assumed to elect spouse coverage at retirement changed 25.00% to 50.00% to recent plan experience
- Inflation assumption changed from 2.5% to 2.25% based on an updated historical analysis of inflation rates and forward-looking market expectations

Assumption changes for the year ended June 30, 2023:

- Discount rate increased from 3.69% to 3.86%

Assumption changes for the year ended June 30, 2024:

- Discount rate increased from 3.86% to 3.97%
- Healthcare trend rates were reset to reflect updated cost increase expectations
- Medical per capita claims costs were updated to reflect recent experience

Assumption changes for the year ended June 30, 2025:

- Discount rate increased from 3.97% to 5.20%
- Inflation assumption changes from 2.25% to 2.50%

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION

For the Year Ended June 30, 2025

Explanation of Budgetary Process

The City management and the City Council follow the procedures as outlined below in establishing the fiscal year budgets:

- a. The budget process begins approximately four to five months prior to the beginning of the fiscal year, July 1. Department managers submit projections for estimated revenues and expenditures to the City Manager who adjusts the total department figures and returns the reports to the department managers. Once the budgets have been approved by the City Manager, the City Council is given a detailed budget for its approval.
- b. Once the City Manager has approved the respective department budgets, a public hearing is held to provide a reasonable opportunity for all persons who believe that their interest is affected by the proposed resolution to be heard by the City Council at the first meeting in June. During the second meeting in June, the proposed budget is put before the City Council as a resolution and is voted upon. The approved budget is then reproduced and made available in hard copy and electronically.
- c. Adjustments within a department budget can be made with authorization by the City Manager or Director of Finance and Administration. Transfers between funds require the approval of the City Council. During the current year, there were budget amendments approved by City Council. Transfers between departments can be authorized by the City Manager and Director of Finance and Administration, as long as the departments are in the same fund. Additionally, adjustments to departments were authorized.
- d. All funds are budgeted except for the Special Projects Fund and the New Fire Station 2 Fund.

Funds for special appropriations are usually from unexpended balances (cash reserves). Missouri statutes state that a political subdivision cannot budget more than the total of estimated revenues plus the beginning unencumbered fund balance. The City's legal level of budgetary control is at the fund level. Budgets are prepared on a basis consistent with GAAP, except that encumbered amounts and advances are treated as expenditures for budgetary purposes and other financing sources for the issuance of leases and related capital are not budgeted.

The City's Old Webster Taxing District Fund's expenditures exceeded budgeted amounts by \$4,228. The City's Crossroads Taxing District Fund's expenditures exceeded budgeted amounts by \$694.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS AND MAJOR CAPITAL PROJECTS FUND

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of special revenue sources (other than capital projects or debt service) that are legally restricted to expenditures for special purposes.

Old Webster Taxing District Fund -- This fund is used to account for self-imposed tax assessments on properties and a surcharge on merchants' license fees within the Old Webster Taxing District.

Old Orchard Taxing District Fund -- This fund is used to account for self-imposed tax assessments on properties and a surcharge on merchants' license fees within the Old Orchard Taxing District.

Crossroads Taxing District Fund -- This fund is used to account for self-imposed tax assessments on properties and a surcharge on merchants' license fees within the Crossroads Taxing District.

Pension Tax Fund -- This fund is used to account for property tax revenue levied for contributions to the Police and Firefighters' Retirement Plan.

Special Projects Fund -- This fund is used to account for special assessments and special tax bills.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources for, and repayment of, various long-term debt, principal, interest, and released costs.

CITY OF WEBSTER GROVES, MISSOURI

COMBINING BALANCE SHEET

June 30, 2025

	Special Revenue	Capital Projects	Debt Service	Total
ASSETS				
Cash and investments	\$ 2,197,930	\$ 8,905,065	\$ 1,831,804	\$ 12,934,799
Receivables				
Taxes	29,513	984,963	2,483	1,016,959
TOTAL ASSETS	\$ 2,227,443	\$ 9,890,028	\$ 1,834,287	\$ 13,951,758
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued liabilities	\$ 16,745	\$ 675,559	\$ -	\$ 692,304
Total liabilities	16,745	675,559	-	692,304
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue				
Property taxes	-	10,023	6,408	16,431
FUND BALANCES				
Restricted for				
Stormwater improvements	-	1,355,192	-	1,355,192
Park improvement	-	2,193,907	-	2,193,907
Capital improvements	-	2,444,542	-	2,444,542
Sewer lateral	-	710,505	-	710,505
Street improvements	-	982,112	-	982,112
Grants	-	1,518,188	-	1,518,188
Special taxing district	338,644	-	-	338,644
Public safety	1,798,853	-	-	1,798,853
Debt service	-	-	1,827,879	1,827,879
Assigned to				
Special projects	73,201	-	-	73,201
Total fund balances	2,210,698	9,204,446	1,827,879	13,243,023
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 2,227,443	\$ 9,890,028	\$ 1,834,287	\$ 13,951,758

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES**

For the Year Ended June 30, 2025

	Special Revenue	Capital Projects	Debt Service	Total
REVENUES				
Property taxes	\$ 1,455,321	\$ 952,964	\$ 1,680,681	\$ 4,088,966
Sales taxes	-	3,377,099	-	3,377,099
Intergovernmental	-	710,843	-	710,843
Licenses, fees, and permits	95,472	-	-	95,472
Sewer lateral fees	-	403,969	-	403,969
Investment income	52,980	251,195	-	304,175
Total revenues	1,603,773	5,696,070	1,680,681	8,980,524
EXPENDITURES				
Personnel	1,146,140	969,954	-	2,116,094
Materials and supplies	24,334	106,473	-	130,807
Contractual services	228,551	747,511	-	976,062
Capital outlay	-	2,360,187	-	2,360,187
Debt service				
Principal retirement	-	23,832	485,000	508,832
Interest and other costs	-	2,960	54,913	57,873
Total expenditures	1,399,025	4,210,917	539,913	6,149,855
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	204,748	1,485,153	1,140,768	2,830,669
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	9,685	-	9,685
Transfers (out)	-	(314,459)	-	(314,459)
Total other financing sources (uses)	-	(304,774)	-	(304,774)
NET CHANGE IN FUND BALANCES	204,748	1,180,379	1,140,768	2,525,895
FUND BALANCES, JULY 1	2,005,950	8,024,067	687,111	10,717,128
FUND BALANCES, JUNE 30	\$ 2,210,698	\$ 9,204,446	\$ 1,827,879	\$ 13,243,023

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS

June 30, 2025

	Old Webster Taxing District	Old Orchard Taxing District	Crossroads Taxing District	Pension Tax	Special Projects	Total
ASSETS						
Cash and investments	\$ 111,782	\$ 177,998	\$ 53,928	\$ 1,785,806	\$ 68,416	\$ 2,197,930
Receivables						
Taxes	8,080	2,389	1,212	13,047	4,785	29,513
TOTAL ASSETS	\$ 119,862	\$ 180,387	\$ 55,140	\$ 1,798,853	\$ 73,201	\$ 2,227,443
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable and accrued liabilities	\$ 14,295	\$ 1,845	\$ 605	\$ -	\$ -	\$ 16,745
FUND BALANCES						
Restricted						
Special taxing district	105,567	178,542	54,535	-	-	338,644
Public safety	-	-	-	1,798,853	-	1,798,853
Assigned to						
Special projects	-	-	-	-	73,201	73,201
Total fund balances	105,567	178,542	54,535	1,798,853	73,201	2,210,698
TOTAL LIABILITIES AND FUND BALANCES	\$ 119,862	180,387	55,140	1,798,853	73,201	2,227,443

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS

For the Year Ended June 30, 2025

	Old Webster Taxing District	Old Orchard Taxing District	Crossroads Taxing District	Pension Tax	Special Projects	Total
REVENUES						
Property taxes	\$ 47,329	\$ 41,855	\$ 17,629	\$ 1,348,508	\$ -	\$ 1,455,321
Licenses, fees, and permits	59,468	24,066	11,938	-	-	95,472
Investment income	2,578	1,183	-	49,219	-	52,980
Total revenues	109,375	67,104	29,567	1,397,727	-	1,603,773
EXPENDITURES						
Personnel	35,180	28,141	7,035	1,075,784	-	1,146,140
Materials and supplies	8,642	14,155	1,509	-	28	24,334
Contractual services	47,308	33,408	9,198	138,637	-	228,551
Total expenditures	91,130	75,704	17,742	1,214,421	28	1,399,025
NET CHANGE IN FUND BALANCES	18,245	(8,600)	11,825	183,306	(28)	204,748
FUND BALANCES, JULY 1	87,322	187,142	42,710	1,615,547	73,229	2,005,950
FUND BALANCES, JUNE 30	\$ 105,567	\$ 178,542	\$ 54,535	\$ 1,798,853	\$ 73,201	\$ 2,210,698

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS

June 30, 2025

	Sewer Lateral	Stormwater Improvement Tax	Park Improvement Tax	Grant	Street Improvement	Capital Improvement Tax	New Fire Station 2	Total
ASSETS								
Cash and investments	\$ 715,346	\$ 1,348,048	\$ 2,128,866	\$ 1,339,020	\$ 1,213,211	\$ 2,150,595	\$ 9,979	\$ 8,905,065
Receivables								
Taxes	146	49,327	197,195	368,555	13,245	356,495	-	984,963
TOTAL ASSETS	\$ 715,492	\$ 1,397,375	\$ 2,326,061	\$ 1,707,575	\$ 1,226,456	\$ 2,507,090	\$ 9,979	\$ 9,890,028
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts payable and accrued liabilities	\$ 4,987	\$ 42,183	\$ 132,154	\$ 189,387	\$ 234,321	\$ 72,527	\$ -	\$ 675,559
Total liabilities	4,987	42,183	132,154	189,387	234,321	72,527	-	675,559
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue								
Property taxes	-	-	-	-	10,023	-	-	10,023
FUND BALANCES								
Restricted for								
Stormwater improvements	-	1,355,192	-	-	-	-	-	1,355,192
Park improvements	-	-	2,193,907	-	-	-	-	2,193,907
Capital improvements	-	-	-	-	-	2,434,563	9,979	2,444,542
Sewer lateral	710,505	-	-	-	-	-	-	710,505
Street improvements	-	-	-	-	982,112	-	-	982,112
Grants	-	-	-	1,518,188	-	-	-	1,518,188
Total fund balances	710,505	1,355,192	2,193,907	1,518,188	982,112	2,434,563	9,979	9,204,446
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 715,492	\$ 1,397,375	\$ 2,326,061	\$ 1,707,575	\$ 1,226,456	\$ 2,507,090	\$ 9,979	\$ 9,890,028

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS**

For the Year Ended June 30, 2025

	Sewer Lateral	Stormwater Improvement Tax
REVENUES		
Property taxes	\$ -	\$ -
Sales taxes	-	278,195
Intergovernmental	-	-
Sewer lateral fees	403,969	-
Investment income	24,547	43,345
Total revenues	428,516	321,540
EXPENDITURES		
Personnel	46,411	25,744
Materials and supplies	1,133	-
Contractual services	251,537	146,646
Capital outlay	-	19,697
Debt service		
Principal retirement	-	-
Interest and other costs	-	-
Total expenditures	299,081	192,087
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	129,435	129,453
OTHER FINANCING SOURCES (USES)		
Sale of capital assets	-	-
Transfers (out)	-	-
Total other financing sources (uses)	-	-
NET CHANGE IN FUND BALANCES	129,435	129,453
FUND BALANCES, JULY 1	581,070	1,225,739
FUND BALANCES, JUNE 30	\$ 710,505	\$ 1,355,192

Park Improvement Tax	Grant	Street Improvement	Capital Improvement Tax	New Fire Station 2	Total
\$ -	\$ -	\$ 952,964	\$ -	\$ -	\$ 952,964
1,112,779	-	-	1,986,125	-	3,377,099
-	710,843	-	-	-	710,843
-	-	-	-	-	403,969
63,854	44,782	21,886	52,781	-	251,195
1,176,633	755,625	974,850	2,038,906	-	5,696,070
527,652	222,598	147,549	-	-	969,954
93,973	3,370	7,997	-	-	106,473
82,147	46,220	220,961	-	-	747,511
342,118	313,006	2,406	1,682,960	-	2,360,187
-	-	-	23,832	-	23,832
-	-	-	2,960	-	2,960
1,045,890	585,194	378,913	1,709,752	-	4,210,917
130,743	170,431	595,937	329,154	-	1,485,153
-	-	-	9,685	-	9,685
-	(314,459)	-	-	-	(314,459)
-	(314,459)	-	9,685	-	(304,774)
130,743	(144,028)	595,937	338,839	-	1,180,379
2,063,164	1,662,216	386,175	2,095,724	9,979	8,024,067
\$ 2,193,907	\$ 1,518,188	\$ 982,112	\$ 2,434,563	\$ 9,979	\$ 9,204,446

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
OLD WEBSTER TAXING DISTRICT FUND**

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Property taxes	\$ 36,860	\$ 36,860	\$ 47,329	\$ 10,469
Licenses, fees, and permits	40,000	40,000	59,468	19,468
Investment income	2,000	2,000	2,578	578
Total revenues	78,860	78,860	109,375	30,515
EXPENDITURES				
Personnel	31,032	31,032	35,180	4,148
Materials and supplies	11,400	11,400	8,642	(2,758)
Contractual services	44,470	44,470	47,308	2,838
Total expenditures	86,902	86,902	91,130	4,228
NET CHANGE IN FUND BALANCE	<u>\$ (8,042)</u>	<u>\$ (8,042)</u>	18,245	<u>\$ 26,287</u>
FUND BALANCE, JULY 1			<u>87,322</u>	
FUND BALANCE, JUNE 30			<u>\$ 105,567</u>	

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
OLD ORCHARD TAXING DISTRICT FUND**

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Property taxes	\$ 39,313	\$ 39,313	\$ 41,855	\$ 2,542
Licenses, fees, and permits	20,200	20,200	24,066	3,866
Investment income	1,122	1,122	1,183	61
Total revenues	60,635	60,635	67,104	6,469
EXPENDITURES				
Personnel	25,346	25,346	28,141	2,795
Materials and supplies	14,400	14,400	14,155	(245)
Contractual services	29,754	29,754	19,391	(10,363)
Total expenditures	69,500	69,500	61,687	(7,813)
NET CHANGE IN FUND BALANCE (BUDGET BASIS)	<u>\$ (8,865)</u>	<u>\$ (8,865)</u>	5,417	<u>\$ 14,282</u>
DECREASE IN RESERVE FOR ENCUMBRANCES			<u>(14,017)</u>	
NET CHANGE IN FUND BALANCE (GAAP BASIS)			(8,600)	
FUND BALANCE, JULY 1			<u>187,142</u>	
FUND BALANCE, JUNE 30			<u><u>\$ 178,542</u></u>	

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
CROSSROADS TAXING DISTRICT FUND**

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Property taxes	\$ 18,225	\$ 18,225	\$ 17,629	\$ (596)
Licenses, fees, and permits	10,100	10,100	11,938	1,838
Total revenues	28,325	28,325	29,567	1,242
EXPENDITURES				
Personnel	6,338	6,338	7,035	697
Materials and supplies	3,500	3,500	1,509	(1,991)
Contractual services	7,210	7,210	9,198	1,988
Total expenditures	17,048	17,048	17,742	694
EXCESS (DEFICIENCY) REVENUES OF OVER EXPENDITURES	11,277	11,277	11,825	548
NET CHANGE IN FUND BALANCE	<u>\$ 11,277</u>	<u>\$ 11,277</u>	11,825	<u>\$ 548</u>
FUND BALANCE, JULY 1			<u>42,710</u>	
FUND BALANCE, JUNE 30			<u>\$ 54,535</u>	

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
PENSION TAX FUND**

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Property taxes	\$ 1,374,277	\$ 1,374,277	\$ 1,348,508	\$ (25,769)
Investment income	41,250	41,250	49,219	7,969
Total revenues	1,415,527	1,415,527	1,397,727	(17,800)
EXPENDITURES				
Personnel	1,271,406	1,271,406	1,075,784	(195,622)
Contractual services	-	-	138,637	138,637
Total expenditures	1,271,406	1,271,406	1,214,421	(56,985)
NET CHANGE IN FUND BALANCE	<u>\$ 144,121</u>	<u>\$ 144,121</u>	183,306	<u>\$ 39,185</u>
FUND BALANCE, JULY 1			<u>1,615,547</u>	
FUND BALANCE, JUNE 30			<u>\$ 1,798,853</u>	

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
SEWER LATERAL FUND**

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Sewer lateral fees	\$ 398,950	\$ 398,950	\$ 403,969	\$ 5,019
Investment income	12,640	12,640	24,547	11,907
Total revenues	411,590	411,590	428,516	16,926
EXPENDITURES				
Personnel	106,567	106,567	46,411	(60,156)
Materials and supplies	2,400	2,400	1,133	(1,267)
Contractual services	272,825	272,825	251,537	(21,288)
Total expenditures	381,792	381,792	299,081	(82,711)
NET CHANGE IN FUND BALANCE	<u>\$ 29,798</u>	<u>\$ 29,798</u>	129,435	<u>\$ 99,637</u>
FUND BALANCE, JULY 1			<u>581,070</u>	
FUND BALANCE, JUNE 30			<u>\$ 710,505</u>	

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
STORMWATER IMPROVEMENT TAX FUND**

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Sales taxes	\$ 242,873	\$ 242,873	\$ 278,195	\$ 35,322
Investment income	37,900	37,900	43,345	5,445
Total revenues	280,773	280,773	321,540	40,767
EXPENDITURES				
Personnel	34,953	34,953	25,744	(9,209)
Materials and supplies	200	200	-	(200)
Contractual services	2,000	99,203	90,730	(8,473)
Capital outlay	-	-	13,847	13,847
Total expenditures	37,153	134,356	130,321	(4,035)
NET CHANGE IN FUND BALANCE (BUDGET BASIS)	<u>\$ 243,620</u>	<u>\$ 146,417</u>	191,219	<u>\$ 44,802</u>
DECREASE IN RESERVE FOR ENCUMBRANCES			<u>(61,766)</u>	
NET CHANGE IN FUND BALANCE (GAAP BASIS)			129,453	
FUND BALANCE, JULY 1			<u>1,225,739</u>	
FUND BALANCE, JUNE 30			<u>\$ 1,355,192</u>	

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
PARK IMPROVEMENT TAX FUND

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Sales taxes	\$ 971,492	\$ 971,492	\$ 1,112,779	\$ 141,287
Investment income	44,200	44,200	63,854	19,654
Total revenues	1,015,692	1,015,692	1,176,633	160,941
EXPENDITURES				
Personnel	623,946	617,196	527,652	(89,544)
Materials and supplies	102,150	102,150	72,014	(30,136)
Contractual services	99,221	99,221	81,693	(17,528)
Capital outlay	201,900	208,650	177,450	(31,200)
Total expenditures	1,027,217	1,027,217	858,809	(168,408)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(11,525)	(11,525)	317,824	329,349
NET CHANGE IN FUND BALANCE (BUDGET BASIS)	<u>\$ (11,525)</u>	<u>\$ (11,525)</u>	317,824	<u>\$ 329,349</u>
DECREASE IN RESERVE FOR ENCUMBRANCES			(187,081)	
NET CHANGE IN FUND BALANCE (GAAP BASIS)			130,743	
FUND BALANCE, JULY 1			2,063,164	
FUND BALANCE, JUNE 30			<u>\$ 2,193,907</u>	

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
GRANT FUND**

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Intergovernmental	\$ 818,853	\$ 858,331	\$ 710,843	\$ (147,488)
Investment income	-	-	44,782	44,782
Total revenues	818,853	858,331	755,625	(102,706)
EXPENDITURES				
Personnel	393,057	393,057	222,598	(170,459)
Materials and supplies	41,398	48,914	3,370	(45,544)
Contractual services	101,294	101,294	86,592	(14,702)
Capital outlay	1,069,849	1,109,327	293,830	(815,497)
Total expenditures	1,605,598	1,652,592	606,390	(1,046,202)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(786,745)	(794,261)	149,235	943,496
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	-	(314,459)	(314,459)
NET CHANGE IN FUND BALANCE (BUDGET BASIS)	<u>\$ (786,745)</u>	<u>\$ (794,261)</u>	(165,224)	<u>\$ 629,037</u>
INCREASE IN RESERVE FOR ENCUMBRANCES			<u>21,196</u>	
NET CHANGE IN FUND BALANCE (GAAP BASIS)			(144,028)	
FUND BALANCE, JULY 1			<u>1,662,216</u>	
FUND BALANCE, JUNE 30			<u><u>\$ 1,518,188</u></u>	

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
STREET IMPROVEMENT FUND

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Property taxes	\$ 945,206	\$ 945,206	\$ 952,964	\$ 7,758
Investment income	25,300	25,300	21,886	(3,414)
Total revenues	970,506	970,506	974,850	4,344
EXPENDITURES				
Personnel	256,901	256,901	147,549	(109,352)
Materials and supplies	29,250	29,250	7,997	(21,253)
Contractual services	18,030	448,062	431,628	(16,434)
Capital outlay	406,039	406,039	-	(406,039)
Total expenditures	710,220	1,140,252	587,174	(553,078)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	260,286	(169,746)	387,676	557,422
NET CHANGE IN FUND BALANCE (BUDGET BASIS)	<u>\$ 260,286</u>	<u>(169,746)</u>	387,676	<u>557,422</u>
INCREASE IN RESERVE FOR ENCUMBRANCES			<u>208,261</u>	
NET CHANGE IN FUND BALANCE (GAAP BASIS)			595,937	
FUND BALANCE, JULY 1			<u>386,175</u>	
FUND BALANCE, JUNE 30			<u><u>\$ 982,112</u></u>	

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
CAPITAL IMPROVEMENT TAX FUND**

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Sales taxes	\$ 1,620,705	\$ 1,620,705	\$ 1,986,125	\$ 365,420
Investment income	31,600	31,600	52,781	21,181
Total revenues	1,652,305	1,652,305	2,038,906	386,601
EXPENDITURES				
Capital outlay	1,868,555	2,548,161	1,862,772	(685,389)
Debt service				
Principal retirement	25,835	25,835	23,832	(2,003)
Interest and other costs	3,191	3,191	2,960	(231)
Total expenditures	1,897,581	2,577,187	1,889,564	(687,623)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(245,276)	(924,882)	149,342	1,074,224
OTHER FINANCING SOURCES (USES)				
Transfers in	3,000	3,000	-	(3,000)
Sale of capital assets	-	-	9,685	9,685
Total other financing sources (uses)	3,000	3,000	9,685	6,685
NET CHANGE IN FUND BALANCE (BUDGET BASIS)	<u>\$ (242,276)</u>	<u>\$ (921,882)</u>	159,027	<u>\$ 1,080,909</u>
INCREASE IN RESERVE FOR ENCUMBRANCES			<u>179,812</u>	
NET CHANGE IN FUND BALANCE (GAAP BASIS)			338,839	
FUND BALANCE, JULY 1			<u>2,095,724</u>	
FUND BALANCE, JUNE 30			<u><u>\$ 2,434,563</u></u>	

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
DESTINATION WG FUND**

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
None	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Capital outlay	12,696,500	16,696,500	16,342,947	(353,553)
Debt service				
Bond issuance costs	-	-	199,748	199,748
Total expenditures	12,696,500	16,696,500	16,542,695	(153,805)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(12,696,500)	(16,696,500)	(16,542,695)	153,805
OTHER FINANCING SOURCES (USES)				
Issuance of long-term debt	16,000,000	17,195,000	17,195,000	-
Issuance of premium on long-term debt	-	-	965,155	965,155
Total other financing sources (uses)	16,000,000	17,195,000	18,160,155	965,155
NET CHANGE IN FUND BALANCE (BUDGET BASIS)	\$ 3,303,500	\$ 498,500	1,617,460	\$ 1,118,960
INCREASE IN RESERVE FOR ENCUMBRANCES			2,944,497	
NET CHANGE IN FUND BALANCE (GAAP BASIS)			4,561,957	
FUND BALANCE, JULY 1			-	
FUND BALANCE, JUNE 30			\$ 4,561,957	

(See independent auditor's report.)

CITY OF WEBSTER GROVES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN
FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
GENERAL OBLIGATION DEBT SERVICE FUND**

For the Year Ended June 30, 2025

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Property taxes	\$ 1,521,729	\$ 1,521,729	\$ 1,680,681	\$ 158,952
EXPENDITURES				
Debt service				
Principal retirement	485,000	485,000	485,000	-
Interest and other costs	422,502	422,502	54,913	(367,589)
Total expenditures	907,502	907,502	539,913	(367,589)
NET CHANGE IN FUND BALANCE	<u>\$ 614,227</u>	<u>\$ 614,227</u>	1,140,768	<u>\$ 526,541</u>
FUND BALANCE, JULY 1			<u>687,111</u>	
FUND BALANCE, JUNE 30			<u>\$ 1,827,879</u>	

(See independent auditor's report.)

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	69-73
Revenue Capacity These schedules contain information to help the reader assess the City's most significant own-source revenue, the property tax.	74-80
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to additional debt in the future.	81-84
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	85-87
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	88-89

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

CITY OF WEBSTER GROVES, MISSOURI

NET POSITION BY COMPONENT

Last Ten Fiscal Years
(Accrual Basis of Accounting)

Fiscal Year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
GOVERNMENTAL ACTIVITIES										
Net investment in capital assets	\$ 32,191,687	\$ 38,153,231	\$ 37,369,619	\$ 33,378,273	\$ 34,391,825	\$ 34,975,100	\$ 35,539,716	\$ 33,931,441	\$ 33,729,901	\$ 34,787,634
Restricted	22,308,362	13,896,006	13,609,288	16,322,730	12,564,390	9,345,040	8,782,658	9,032,207	5,558,103	4,947,067
Unrestricted	22,111,119	21,027,489	15,120,840	8,173,949	9,044,710	8,508,439	9,961,460	9,006,228	14,727,201	13,663,862
TOTAL GOVERNMENTAL ACTIVITIES										
NET POSITION	<u>\$ 76,611,168</u>	<u>\$ 73,076,726</u>	<u>\$ 66,099,747</u>	<u>\$ 57,874,952</u>	<u>\$ 56,000,925</u>	<u>\$ 52,828,579</u>	<u>\$ 54,283,834</u>	<u>\$ 51,969,876</u>	<u>\$ 54,015,205</u>	<u>\$ 53,398,563</u>

Notes:

The City has no business-type activities to report.

The City implemented GASB 75 and reclassified pension amounts from a fiduciary fund to a special revenue fund in fiscal year 2018.

CITY OF WEBSTER GROVES, MISSOURI

CHANGE IN NET POSITION

Last Ten Fiscal Years
(Accrual Basis of Accounting)

Fiscal Year	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
EXPENSES										
Governmental activities										
General government	\$ 5,842,091	\$ 4,666,187	\$ 5,017,863	\$ 3,997,194	\$ 2,534,949	\$ 2,864,851	\$ 2,796,328	\$ 3,581,818	\$ 2,769,078	\$ 3,266,735
Public safety	13,080,680	12,467,219	10,441,303	10,352,583	10,349,157	11,193,675	10,292,952	13,847,936	8,199,510	8,974,369
Public works	3,730,433	4,129,069	3,529,176	4,128,101	4,800,557	6,167,737	4,313,637	5,745,144	5,870,780	6,976,069
Parks and recreation	3,423,112	3,375,952	3,408,477	3,638,414	3,345,811	3,542,060	3,687,974	3,924,950	3,860,790	3,720,534
Planning and development	1,163,809	881,426	749,266	943,945	875,071	891,252	896,319	844,905	762,025	759,589
Interest	522,916	85,341	128,694	174,456	241,856	262,478	245,062	467,710	355,773	397,091
TOTAL GOVERNMENTAL ACTIVITIES EXPENSES	\$ 27,763,041	\$ 25,605,194	\$ 23,274,779	\$ 23,234,693	\$ 22,232,272	\$ 28,412,463	\$ 21,817,956	\$ 24,094,387	\$ 21,490,766	\$ 21,282,015
PROGRAM REVENUES										
Governmental activities										
Charges for services										
General government	\$ 2,625,893	\$ 1,858,128	\$ 2,172,921	\$ 1,949,087	\$ 1,280,098	\$ 1,443,037	\$ 1,552,199	\$ 1,518,454	\$ 1,448,731	\$ 1,816,015
Public safety	1,020,037	911,840	1,063,533	778,482	1,260,152	1,103,855	1,264,268	995,299	1,163,950	1,124,674
Public works	403,969	405,747	403,771	405,235	451,216	447,534	445,677	444,229	379,527	265,350
Parks and recreation	2,259,064	2,289,189	2,287,037	1,971,183	1,576,581	1,380,952	2,013,687	2,128,319	1,957,753	1,923,672
Planning and development	-	-	-	6,157	104,163	273,615	363,720	396,231	416,535	413,259
Operating grants and contributions	2,690,908	2,081,381	2,001,674	1,696,852	3,862,323	1,654,443	1,842,951	1,669,010	1,651,137	1,652,147
Capital grants and contributions	225,934	67,396	2,200	175,051.00	-	278,618	126,881	779,720	472,918	-
TOTAL GOVERNMENTAL ACTIVITIES REVENUES	\$ 9,225,805	\$ 7,613,681	\$ 7,931,136	\$ 6,982,047	\$ 7,609,383	\$ 7,931,262	\$ 7,490,551	\$ 7,195,117	\$ 6,903,085	\$ 6,281,674
TOTAL GOVERNMENTAL ACTIVITIES NET REVENUES (EXPENSES)	\$ (18,537,236)	\$ (17,991,513)	\$ (15,343,643)	\$ (16,252,646)	\$ (14,622,889)	\$ (20,481,201)	\$ (14,327,405)	\$ (16,899,270)	\$ (14,587,681)	\$ (15,000,341)
GENERAL REVENUES										
Taxes										
Property	\$ 5,570,726	\$ 5,596,246	\$ 5,480,584	\$ 5,255,392	\$ 4,878,498	\$ 5,109,798	\$ 4,691,879	\$ 4,842,981	\$ 4,288,396	\$ 4,337,917
Sales	11,659,972	11,777,723	10,808,171	9,385,427	8,337,031	8,004,773	8,172,478	7,942,883	6,965,747	7,104,713
Utility	3,498,775	3,590,411	3,802,801	3,173,984	3,049,140	3,167,513	3,461,357	3,689,050	3,471,752	3,506,836
Investment income	1,119,471	1,011,379	403,962	57,983	114,904	315,210	323,926	199,988	96,028	62,668
American Recovery Plan Act Funds	-	2,471,296	2,137,436	40,182.00	-	-	-	-	-	-
Gain on sale of assets	34,685	112,424	222,131	25,889	50,996	180,831	265,418	64,376	-	-
Other	524,964	409,013	713,353	187,816	354,645	106,619	21,789	172,188	122,124	204,124
TOTAL GENERAL REVENUES	\$ 22,408,593	\$ 24,968,492	\$ 23,568,438	\$ 18,126,673	\$ 16,936,847	\$ 16,911,466	\$ 14,944,047	\$ 15,216,258	\$ 15,133,788	\$ 15,031,573
TOTAL GOVERNMENTAL ACTIVITIES CHANGE IN NET POSITION	\$ 3,871,357	\$ 6,976,979	\$ 8,224,795	\$ 1,874,027	\$ 2,313,958	\$ (3,569,735)	\$ 616,642	\$ (1,683,012)	\$ 546,107	\$ 31,232

CITY OF WEBSTER GROVES, MISSOURI

FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Fund										
Nonspendable	\$ -	\$ 180,000	\$ 764,415	\$ 202,266	\$ 180,000	\$ 180,000	\$ 188,687	\$ 344,390	\$ 191,203	\$ 450,086
Restricted	245,147	102,528	77,890	54,689	22,517	40,712	8,078	16,184	-	-
Committed	59,510	236,692	57,483	83,429	175,350	86,734	29,477	45,181	-	19,501
Assigned	1,770,057	1,348,019	85,507	889,267	2,167,081	58,835	72,035	69,206	91,291	124,757
Unassigned	18,155,873	16,050,219	12,464,365	9,103,569	9,156,418	10,687,579	11,637,873	11,377,187	11,438,799	11,452,390
Total general fund	20,230,587	17,917,458	13,449,660	10,333,220	11,701,366	11,053,860	11,936,150	11,852,148	11,721,293	12,046,734
All Other Governmental Funds										
Nonspendable	-	-	22,887	-	-	-	-	2,949	2,307	16,064
Restricted	17,731,779	10,643,899	8,937,850	10,055,833	11,563,867	13,520,683	9,228,327	9,519,975	7,313,958	6,871,031
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	73,201	73,229	72,774	71,774	71,774	71,774	42,815	40,741	35,244	28,677
Unassigned	-	-	(12,833)	(104,993)	(104,657)	-	(84,306)	(233,654)	(272,300)	(173,630)
Total all other governmental funds	17,804,980	10,717,128	9,020,678	10,022,614	11,530,984	13,592,457	9,186,836	9,330,011	7,079,209	6,742,142
TOTAL GOVERNMENTAL FUNDS	\$ 38,035,567	\$28,634,586	\$ 22,470,338	\$ 20,355,834	\$ 23,232,350	\$ 24,646,317	\$ 21,122,986	\$ 21,182,159	\$ 18,800,502	\$18,788,876

CITY OF WEBSTER GROVES, MISSOURI

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

For the Years Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
REVENUES										
Property taxes	\$ 5,570,726	\$ 5,607,162	\$ 5,475,677	\$ 5,255,906	\$ 5,012,994	\$ 5,151,392	\$ 4,701,190	\$ 4,865,773	\$ 4,339,676	\$ 4,278,564
Sales taxes	11,659,972	11,777,723	10,770,669	9,344,693	8,291,913	7,956,735	8,125,405	7,890,005	6,906,147	7,036,423
Utility taxes	3,498,775	3,590,411	3,802,801	3,173,984	3,049,140	3,167,513	3,461,357	3,689,050	3,471,752	3,506,836
Intergovernmental	2,903,673	4,593,909	4,172,052	1,943,706	3,897,101	1,964,253	1,784,004	2,475,741	2,183,655	1,720,437
Licenses, fees, and permits	2,499,695	1,670,716	1,831,164	1,566,138	1,567,920	1,607,373	1,442,342	1,534,932	1,508,436	1,520,897
Fines and forfeitures	465,642	539,163	330,901	374,341	211,379	587,449	759,303	676,677	701,072	707,365
Charges for services	3,008,827	3,113,438	2,784,933	2,270,252	2,069,530	1,842,348	2,459,543	2,575,787	2,386,886	2,418,272
Sewer lateral fees	403,969	405,747	403,771	405,235	409,756	407,692	405,739	404,359	340,440	226,750
Special assessments	-	-	-	-	-	31,033	-	-	-	-
Investment income	1,119,471	1,011,379	394,462	57,983	114,904	315,210	323,926	199,988	96,028	62,668
Other	524,964	409,013	1,098,591	505,803	676,626	513,837	636,370	558,506	440,173	906,538
Total revenues	31,655,714	32,718,661	31,065,021	24,898,041	25,301,263	23,544,835	24,099,179	24,870,818	22,374,265	22,384,750
EXPENDITURES										
General government	5,004,257	5,508,890	6,111,962	5,089,503	4,037,627	3,758,831	3,766,667	3,530,495	2,978,457	3,046,577
Public safety	12,245,197	10,481,617	10,421,035	10,878,893	10,047,054	9,608,880	9,091,073	9,082,773	8,497,312	8,356,458
Public works	2,319,334	2,147,407	2,043,910	2,059,457	2,702,885	2,555,454	2,485,955	2,699,043	2,710,064	2,771,803
Parks and recreation	2,839,041	2,591,009	2,572,544	2,658,127	2,711,717	2,662,625	2,995,335	2,936,210	3,038,926	2,913,235
Planning and development	1,107,426	1,016,643	876,570	1,022,392	851,912	804,009	854,597	774,776	721,711	718,082
Capital outlay	16,193,175	3,140,850	5,800,137	4,447,508	4,752,211	4,159,653	2,079,719	3,853,042	2,586,345	3,725,417
Debt service										
Principal retirement	556,513	1,701,449	1,622,070	1,465,000	1,415,000	1,390,000	2,670,000	1,094,000	1,465,401	1,230,243
Interest and other costs	58,815	116,623	157,455	200,612	248,199	206,739	277,595	476,660	364,423	402,725
Debt issuance costs	199,748	-	-	-	-	27,581	-	-	-	-
Total expenditures	40,523,506	26,704,488	29,605,683	27,821,492	26,766,605	25,173,772	24,220,941	24,446,999	22,362,639	23,164,540
EXCELL (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,867,792)	6,014,173	1,459,338	(2,923,451)	(1,465,342)	(1,628,937)	(121,762)	423,819	11,626	(779,790)
OTHER FINANCING SOURCES (USES)										
Transfers in	314,459	4,040,860	1,031,022	2,325,444	3,785,990	1,994,410	1,034,275	809,411	126,262	130,823
Transfers out	(314,459)	(4,040,860)	(1,031,022)	(2,325,444)	(3,785,990)	(1,994,410)	(1,034,275)	(809,411)	(126,262)	(130,823)
Sale of capital assets	34,685	123,911	454,667	46,935	51,375	125,492	62,589	68,400	-	-
Insurance recoveries	13,169	26,164	67,316	-	-	-	-	-	-	-
Issuance of long-term debt	17,255,764	-	133,183	-	-	4,810,000	-	-	-	-
Issuance of premium on long-term debt	965,155	-	-	-	-	216,776	-	-	-	-
Total other financing sources (uses)	18,268,773	150,075	655,166	46,935	51,375	5,152,268	62,589	68,400	-	-
NET CHANGE IN FUND BALANCES	\$ 9,400,981	\$ 6,164,248	\$ 2,114,504	\$ (2,876,516)	\$ (1,413,967)	\$ 3,523,331	\$ (59,173)	\$ 492,219	\$ 11,626	\$ (779,790)
Debt service as a percentage of noncapital expenditures	2.42%	7.53%	7.54%	6.78%	7.38%	6.89%	13.54%	6.42%	8.18%	7.05%

CITY OF WEBSTER GROVES, MISSOURI

TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Fiscal Year	Property Taxes	Sales Taxes	Utility Gross Receipts Taxes	Other Taxes (1)	Total
2016	\$ 4,278,564	\$ 7,036,423	\$ 3,506,836	\$ 1,487,753	\$ 16,309,576
2017	4,339,676	6,906,147	3,471,752	1,412,780	16,130,355
2018	4,865,773	7,890,005	3,689,050	1,540,908	17,985,736
2019	4,701,190	8,125,405	3,461,357	1,524,791	17,812,743
2020	5,151,392	7,956,735	3,167,513	1,558,553	17,834,193
2021	5,012,994	8,291,913	3,049,140	1,631,107	17,985,154
2022	5,255,906	9,344,693	3,173,984	1,676,376	19,450,959
2023	5,475,677	10,770,669	3,802,801	1,762,608	21,811,755
2024	5,607,162	11,777,723	3,590,411	1,855,393	22,830,689
2025	5,570,726	11,659,972	3,498,775	1,967,006	22,696,479

(1) Other taxes include cigarette, gasoline, automobile sales, and road and bridge.

CITY OF WEBSTER GROVES, MISSOURI

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Calendar Years

Calendar Year	Real/ Residential Assessed Value	Total Direct Real/ Residential Tax Rate	Commercial Assessed Value	Total Direct Commercial Tax Rate	Personal Property Assessed Value	Total Direct Personal Property Tax Rate	Railroad And Utility Assessed Value	Total Direct Rail/Utility Tax Rate	Total Assessed Value	Total Estimated Actual Value	Total Direct Rate
2015	\$ 409,174,090	0.7590	\$ 54,492,760	0.6950	\$ 53,152,750	0.8660	\$ 7,133,943	0.6830	\$ 523,953,543	\$ 2,390,945,200	0.7622
2016	411,013,730	0.7580	26,600,660	0.7060	55,703,338	0.8660	6,848,899	0.7060	500,166,627	2,528,586,792	0.7666
2017	452,581,110	0.7950	62,549,550	0.7580	57,423,735	0.9020	6,888,166	0.7580	579,442,561	2,770,372,551	0.8012
2018	452,099,910	0.7980	62,285,540	0.7630	55,940,929	0.9020	6,436,685	0.7630	576,763,064	2,737,927,653	0.8039
2019	542,406,580	0.7170	68,918,890	0.7240	60,962,102	0.9020	7,352,409	0.7240	679,639,981	3,250,423,799	0.7344
2020	544,848,710	0.7160	76,454,946	0.7230	62,055,484	0.9020	7,698,363	0.7230	691,057,503	3,297,447,890	0.7336
2021	585,961,230	0.6910	64,195,830	0.7240	69,741,832	0.9020	7,927,442	0.7250	727,826,334	3,518,617,216	0.7145
2022	587,190,120	0.6870	67,761,460	0.7940	89,577,024	0.9020	8,315,464	0.7940	752,844,068	3,596,945,802	0.7234
2023	667,599,240	0.6180	78,242,170	0.7070	94,818,493	0.8620	8,551,866	0.7070	849,211,769	4,069,367,080	0.6543
2024	669,859,120	0.6180	79,049,560	0.7070	91,552,888	0.8620	8,159,060	0.7070	848,558,198	4,072,258,825	0.6534

Notes:

Assessments are determined by the Assessor of St. Louis County. Property is assessed as of January 1. Reassessments take place in odd-numbered years resulting in updated values of property.

Real property is classified as residential (assessed at 19.0%), agricultural (assessed at 12.0%), or commercial (assessed at 32.0%). Railroad and utility property is assessed at 32.0%. Personal property is assessed at 33.0%. There is no agricultural property located within the City.

The City participates in the county-wide sales tax sharing pool for some of its sales tax revenue, therefore, property tax, and not sales tax, is the City's most significant own-source revenue.

CITY OF WEBSTER GROVES, MISSOURI

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Calendar Years
(Per \$100 of Assessed Value)

	Direct Rates					Overlapping Rates						Total
	General Revenue	Street Improvement	Police And Firefighters' Pension	Debt Retirement	Total Direct	Webster Groves School District	Webster Groves Library	St. Louis County	Special School District	State Of Missouri	Special Taxing Districts	
2015 Residential	0.2310	0.1490	0.1190	0.2600	0.7590	5.6722	0.2780	0.5150	1.2348	0.0300	0.7539	9.2429
2015 Commercial	0.2010	0.1300	0.1040	0.2600	0.6950	5.7993	0.2460	0.5130	1.2348	0.0300	0.7559	9.2740
2015 Personal property	0.2800	0.1810	0.1450	0.2600	0.8660	6.4799	0.3150	0.5230	1.2348	0.0300	0.7659	10.2146
2016 Residential	0.2300	0.1490	0.1190	0.2600	0.7580	5.6485	0.2780	0.5150	1.2409	0.0300	0.7056	9.1760
2016 Commercial	0.2060	0.1330	0.1070	0.2600	0.7060	5.8471	0.2540	0.5130	1.2409	0.0300	0.7076	9.2986
2016 Personal property	0.2800	0.1810	0.1450	0.2600	0.8660	6.4699	0.3150	0.5230	1.2409	0.0300	0.7076	10.1524
2017 Residential	0.2150	0.1390	0.2000	0.2410	0.7950	5.3253	0.2590	0.4890	1.1912	0.0300	0.6805	8.7700
2017 Commercial	0.1930	0.1240	0.2000	0.2410	0.7580	5.4505	0.2370	0.4960	1.1912	0.0300	0.6835	8.8462
2017 Personal property	0.2800	0.1810	0.2000	0.2410	0.9020	6.4699	0.3150	0.5230	1.1912	0.0300	0.6865	10.1176
2018 Residential	0.2170	0.1400	0.2000	0.2410	0.7980	5.3654	0.2630	0.4890	1.1980	0.0300	0.6805	8.8239
2018 Commercial	0.1960	0.1260	0.2000	0.2410	0.7630	5.4623	0.2410	0.4960	1.1980	0.0300	0.6835	8.8738
2018 Personal property	0.2800	0.1810	0.2000	0.2410	0.9020	6.4699	0.3150	0.5230	1.1980	0.0300	0.6865	10.1244
2019 Residential	0.1850	0.1200	0.1710	0.2410	0.7170	4.6848	0.2240	0.4430	1.1077	0.0300	0.6362	7.8427
2019 Commercial	0.1810	0.1170	0.1850	0.2410	0.7240	5.4836	0.2220	0.4670	1.1077	0.0300	0.6452	8.6795
2019 Personal property	0.2800	0.1810	0.2000	0.2410	0.9020	6.4699	0.3150	0.5230	1.1077	0.0300	0.6512	9.9988
2020 Residential	0.1850	0.1190	0.1710	0.2410	0.7160	4.6753	0.2240	0.4430	1.1077	0.0300	0.6362	7.8322
2020 Commercial	0.1810	0.1160	0.1850	0.2410	0.7230	5.1417	0.2220	0.4670	1.1077	0.0300	0.6452	8.3366
2020 Personal property	0.2800	0.1810	0.2000	0.2410	0.9020	6.4699	0.3150	0.5230	1.1077	0.0300	0.6512	9.9988
2021 Residential	0.1740	0.1130	0.1630	0.2410	0.6910	4.2283	0.2110	0.4180	1.0158	0.0300	0.9513	7.5454
2021 Commercial	0.1810	0.1160	0.1870	0.2410	0.7250	4.9066	0.2210	0.4670	1.0158	0.0300	0.9893	8.3547
2021 Personal property	0.2800	0.1810	0.2000	0.2410	0.9020	6.0088	0.3150	0.5230	1.0158	0.0300	0.8113	9.6059
2022 Residential	0.1720	0.1110	0.1630	0.2410	0.6870	4.2188	0.2090	0.4180	1.0495	0.0300	0.9658	7.3581
2022 Commercial	0.2060	0.1330	0.2140	0.2410	0.7940	5.9940	0.2550	0.4670	1.0495	0.0300	0.6212	8.4167
2022 Personal property	0.2800	0.1810	0.2000	0.2410	0.9020	6.0088	0.3150	0.5230	1.0495	0.0300	0.8198	8.7461
2023 Residential	0.1610	0.1040	0.1520	0.2010	0.6180	3.9551	0.1940	0.3790	0.9616	0.0300	0.7076	6.6943
2023 Commercial	0.1880	0.1220	0.1960	0.2010	0.7070	4.5244	0.2340	0.4420	0.9616	0.0300	0.7396	6.9316
2023 Personal property	0.2800	0.1810	0.2000	0.2010	0.8620	6.0088	0.3150	0.5230	0.9616	0.0300	0.7616	8.6000
2024 Residential	0.1610	0.1040	0.1520	0.2010	0.6180	3.9812	0.1960	0.3790	0.9648	0.0300	0.7102	6.8792
2024 Commercial	0.1880	0.1220	0.1960	0.2010	0.7070	4.7923	0.2340	0.4420	0.9648	0.0300	0.7412	7.9113
2024 Personal property	0.2800	0.1810	0.2000	0.2010	0.8620	6.0088	0.3150	0.5230	0.9648	0.0300	0.7632	9.4668

CITY OF WEBSTER GROVES, MISSOURI

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	December 31, 2024	
	Taxable Assessed Value	Percentage Of Total Taxable Assessed Value
Yorkshire Village Properties, Inc.	\$ 4,557,090	0.525 %
Owen Ridge Campus LLC	4,420,830	0.509
Novus Webster LLC	4,185,050	0.482
ARC MPSTLMO001 LLC (Global Net Lease, Inc. Subsidiary)	3,939,590	0.454
Lutheran Senior Services	3,935,010	0.453
SPECGX LLC (Mallinckrodt Subsidiary)	3,180,990	0.367
Bethesda Senior Living	2,335,550	0.269
Welltower PropCo Group LLC	2,306,660	0.266
Missouri American Water Co.	2,255,080	0.260
Altus Big Bend LLC	2,146,590	0.247
TOTAL TAXPAYER	\$ 33,262,440	3.832 %
TOTAL ASSESSED VALUE	\$ 848,558,198	

Taxpayer	December 31, 2015	
	Taxable Assessed Value	Percentage Of Total Taxable Assessed Value
Ameren	\$ 10,892,380	2.079 %
Owen Ridge Associates	7,573,060	1.445
Yorkshire Village, Inc	5,891,600	1.124
Old Webster, LLC	4,030,180	0.769
Novus Webster, LLC	2,330,000	0.445
Mallinckrodt Inc.	2,270,910	0.433
JHC Reliable Building LLC	1,858,400	0.355
JHC Old Webster Square LLC	1,658,410	0.317
Webster University	1,426,080	0.272
Old Orchard Shopping Center	1,279,490	0.244
TOTAL TAXPAYER	\$ 39,210,510	7.484 %
TOTAL ASSESSED VALUE	\$ 523,953,543	

Source: St Louis County Department of Revenue

CITY OF WEBSTER GROVES, MISSOURI

SALES AND USE TAX RATES, DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City of Webster Groves Direct Rates										
General Corporate Sales Tax	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Capital Improvement Sales Tax	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Fire Protection Sales Tax	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Park and Stormwater Sales Tax	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Local Option Sales Tax	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Local Option Use Tax	1.500	1.500	1.500	1.500	-	-	-	-	-	-
Subtotal direct rate	4.000	4.000	4.000	4.000	2.500	2.500	2.500	2.500	2.500	2.500
Overlapping Rates										
State	4.225	4.225	4.225	4.225	4.225	4.225	4.225	4.225	4.225	4.225
St. Louis County Transportation	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Mass Transit Tax/Metrolink	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750	0.750
St. Louis County Regional Parks and Trails	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Children's Service Fund	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Emergency Communications	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Metro Parks/Arch	0.188	0.188	0.188	0.188	0.188	0.188	0.188	0.188	0.188	0.19
Public Safety	0.500	0.500	0.500	0.500	0.500	0.50	0.50	-	-	-
Zoo	0.125	0.125	0.125	0.125	0.125	0.13	0.13	-	-	-
Subtotal overlapping rate	6.738	6.738	6.738	6.738	6.738	6.738	6.738	6.113	6.113	6.113
TOTAL SALES AND USE TAX RATE	10.738	10.738	10.738	10.738	9.238	9.238	9.238	8.613	8.613	8.613

Source: St. Louis County Department of Revenue and Missouri Department of Revenue
The City approved a local option use tax in the fiscal year ending June 30, 2022.

CITY OF WEBSTER GROVES, MISSOURI

SALES TAX REVENUE BY TYPE

Last Ten Fiscal Years

Fiscal Year	General	Capital Improvements	Public Safety	Fire Protection	Stormwater/ Local Parks	Total
2025	\$ 6,014,537	\$ 1,986,125	\$ 1,572,850	\$ 695,486	\$ 1,390,974	\$ 11,659,972
2024	5,984,464	2,011,046	1,590,200	730,677	1,461,336	11,777,723
2023	5,372,996	1,850,784	1,498,810	682,693	1,365,386	10,770,669
2022	4,254,152	1,704,138	1,405,198	660,289	1,320,916	9,344,693
2021	3,765,682	1,562,468	1,247,197	572,372	1,144,194	8,291,913
2020	3,649,946	1,491,535	1,221,764	531,163	1,062,327	7,956,735
2019	3,731,635	1,521,465	1,253,658	539,537	1,079,110	8,125,405
2018	3,779,497	1,567,071	908,576	521,778	1,043,655	7,820,577
2017	3,693,426	1,547,536	-	497,230	994,401	6,732,593
2016	3,701,211	1,516,168	-	476,878	953,752	6,648,009
Increase 2016 to 2025	63%	31%	N/A	46%	46%	75%

CITY OF WEBSTER GROVES, MISSOURI

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

For the Years Ended June 30	Taxes Levied For the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 3,993,840	\$ 3,745,631	93.8	\$ 65,433	\$ 3,811,064	95.4%
2017	4,020,998	3,984,175	99.1	20,415	4,004,590	99.6%
2018	4,612,909	4,520,050	98.0	22,765	4,542,815	98.5%
2019	4,638,947	4,477,587	96.5	78,377	4,555,964	98.2%
2020	4,987,872	4,848,280	97.2	106,099	4,954,379	99.3%
2021	5,117,252	4,785,214	93.5	126,576	4,911,790	96.0%
2022	5,199,528	5,088,265	97.9	68,581	5,156,846	99.2%
2023	5,444,453	5,236,266	96.2	68,149	5,304,415	97.4%
2024	5,553,950	5,413,320	97.5	98,580	5,511,900	99.2%
2025	5,545,363	5,442,807	98.2	-	5,442,807	98.2%

Source: St. Louis County Assessor

CITY OF WEBSTER GROVES, MISSOURI

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Total Debt	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	TIF Revenue Notes Payable	Bond Premium	Leases			
2016	\$ 8,935,000	\$ 795,000	\$ 70,704	\$ 4,401	\$ 9,805,105	1.06%	426.40
2017	8,070,000	199,000	62,546	-	8,331,546	0.90%	362.32
2018	7,175,000	-	54,387	-	7,229,387	0.78%	314.39
2019	4,505,000	-	34,433	-	4,539,433	0.49%	197.41
2020 (2)	7,925,000	-	254,848	-	8,179,848	0.89%	355.72
2021	6,510,000	-	243,464	-	6,753,464	0.55%	281.28
2022	5,045,000	-	233,370	-	5,278,370	0.46%	211.94
2023	3,530,000	-	223,276	199,379	3,952,655	0.35%	158.71
2024	1,900,000	-	207,744	127,930	2,235,674	0.20%	89.77
2025 (3)	18,610,000	-	1,148,622	117,181	19,875,803	1.74%	798.06

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

(1) See demographic schedule for personal income and population data.

(2) General Obligation bonds were issued in FY 2020 as a result of a proposition passed in 2019 for Firehouse 2.

(3) General Obligation bonds were issued in FY 2025 as a result of a proposition passed in 2024 for Destination WG! to be invested in Parks and Recreation.

CITY OF WEBSTER GROVES, MISSOURI

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	Population (1)	Actual Taxable Value of Property (2)	General Obligation Bonds	Bond Premiums	Amount Available in Debt Service Fund	Net General Bonded Debt	Percentage of Actual Taxable Value of Property	Net General Bonded Debt Per Capita
2016	22,995	\$ 2,390,945,200	\$ 8,935,000	\$ 70,704	\$ 1,774,479	\$ 7,231,225	0.30	314.47
2017	22,995	2,528,586,792	8,070,000	62,546	1,926,630	6,205,916	0.25	269.88
2018	22,995	2,770,372,551	7,175,000	54,387	2,112,183	5,117,204	0.18	222.54
2019	22,995	2,737,927,653	4,505,000	46,230	548,898	4,002,332	0.15	174.05
2020	22,995	3,250,423,799	7,925,000	253,558	586,488	7,592,070	0.23	330.16
2021	24,905	3,297,447,890	6,510,000	243,464	539,286	6,214,178	0.19	258.82
2022	24,905	3,596,945,802	5,045,000	233,370	613,654	4,664,716	0.13	194.28
2023	24,905	4,069,367,080	3,530,000	223,276	741,883	3,011,393	0.07	125.42
2024	24,905	4,072,258,825	1,900,000	207,744	687,111	1,420,633	0.03	59.17
2025	24,905	4,627,033,295	18,610,000	1,148,622	1,827,879	17,930,743	0.39	719.97

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

(1) Source: U.S. Census Bureau

(2) Source: St. Louis County Assessor

CITY OF WEBSTER GROVES, MISSOURI

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of June 30, 2025

Name Of Governmental Unit	Total Debt Outstanding	Percentage Applicable to the City (1)	Amount Applicable To The City
St. Louis County	\$ 57,927,796	2.46%	\$ 1,425,024
Webster Groves School District	95,874,000	70.48%	67,571,995
Total Overlapping	153,801,796		68,997,019
City direct debt	19,758,622	100.00%	19,758,622
TOTAL DIRECT AND OVERLAPPING DEBT	<u><u>\$ 173,560,418</u></u>		<u><u>\$ 88,755,641</u></u>

Source: The above-named jurisdictions

(1) Percentages were determined by dividing each overlapping jurisdiction's assessed valuation within the City by its total assessed valuation.

CITY OF WEBSTER GROVES, MISSOURI

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2025

Assessed valuation as of January 1, 2025	<u>\$ 955,751,823</u>
Debt limit - 10% of assessed valuation	<u>\$ 95,575,182</u>
Total general obligation bonded indebtedness at June 30, 2025	19,758,622
Less - Assets available in Debt Service Fund to repay general obligation bonded indebtedness	<u>(1,827,879)</u>
Total net debt applicable to limit	<u>17,930,743</u>
LEGAL DEBT MARGIN	<u><u>\$ 77,644,439</u></u>

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Debt limit	\$ 95,575,182	84,921,177	75,284,407	72,782,633	69,105,750	67,963,998	57,676,306	57,944,256	50,016,663	52,395,354
Total net debt applicable to limit	<u>17,930,743</u>	<u>1,420,920</u>	<u>3,011,393</u>	<u>4,664,716</u>	<u>5,970,714</u>	<u>7,338,512</u>	<u>3,956,102</u>	<u>5,067,277</u>	<u>6,143,370</u>	<u>7,160,521</u>
LEGAL DEBT MARGIN	<u><u>\$ 77,644,439</u></u>	<u><u>83,500,257</u></u>	<u><u>72,273,014</u></u>	<u><u>68,117,917</u></u>	<u><u>63,135,036</u></u>	<u><u>60,625,486</u></u>	<u><u>53,720,204</u></u>	<u><u>52,876,979</u></u>	<u><u>43,873,293</u></u>	<u><u>45,234,833</u></u>
Total net debt applicable to the limit as a percentage of debt limit	18.76%	1.67%	4.00%	6.41%	8.64%	10.80%	6.86%	8.75%	12.28%	13.67%

Note: Bonded indebtedness is limited by Sections 95.115 and 95.120 of the Missouri Revised Statutes (1986) to 10% of the assessed value of taxable tangible property.

CITY OF WEBSTER GROVES, MISSOURI

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Calendar Years

Calendar Year	Population	Personal Income	Per Capita Personal Income	Median Age	Educational Attainment: Bachelor's Degree or Higher	School Enrollment	Unemployment Rate
2015	\$ 22,995	\$ 924,077,070	\$ 40,186	40.8	61.7	6,565	4.3%
2016	22,995	924,077,070	40,186	40.8	61.7	6,565	4.0%
2017	22,995	924,077,070	40,186	40.8	61.7	6,565	3.4%
2018	22,995	924,077,070	40,186	40.8	61.7	6,565	3.3%
2019	22,995	924,077,070	40,186	40.8	61.7	6,565	3.3%
2020	24,905	1,143,908,300	50,297	38.6	67.7	6,041	5.1%
2021	24,905	1,143,908,300	50,297	38.6	67.7	6,041	2.8%
2022	24,905	1,143,908,300	50,297	38.6	67.7	6,041	3.1%
2023	24,905	1,143,908,300	50,297	38.6	67.7	6,041	3.1%
2024	24,905	1,143,908,300	50,297	38.6	67.7	6,041	3.1%

Sources:

Population, per capita income, median age, educational attainment, and school enrollment obtained from the 2010 and 2020 U.S. Census.
Unemployment information obtained from the US Bureau of Labor Statistics for St. Louis Metropolitan Area.

CITY OF WEBSTER GROVES, MISSOURI

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	December 31, 2024	
	Employees (1)	Percentage Of Total City Employment
Webster University	1,132	1.1%
Webster Groves School District	842	8.4%
Laclede Groves	598	6.0%
KVC Missouri	284	2.8%
City of Webster Groves	151	1.5%
Epworth Children & Family Services	128	1.3%
Ross & Baruzzini	120	1.2%
Schnucks	110	1.1%
Webster Groves Animal Hospital	85	0.9%
Nerinx High School	84	0.8%

Employer	December 31, 2015	
	Employees (1)	Percentage Of Total City Employment
Webster University	1,298	13.0%
Webster Groves School District	965	9.7%
Laclede Groves	600	6.0%
Edgewood - Great Circle	458	4.6%
City of Webster Groves	275	2.8%
Epworth Children & Family Services	198	2.0%
Ross & Baruzzini	111	1.1%
Schnucks	95	1.0%
Nerinx High School	85	0.9%
Farnsworth	70	0.7%

Source: City of Webster Groves Department of Planning, employers, and Missouri Economic Research Center. Percentages based on actual employment.

(1) Includes full-time and part-time employees.

CITY OF WEBSTER GROVES, MISSOURI

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES

Last Ten Fiscal Years

Functions/Programs	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
GENERAL GOVERNMENT										
City Manager	4	2	1	1	1	1	1	1	1	1
City Clerk	2	2	2	2	2	2	2	2	2	2
Human resources	3	3	2	2	1.5	1.5	1.5	1.5	1.5	1.5
Municipal division	2	2	2	2	2.5	2.5	2.5	2.5	2.5	2.5
Finance	3	4	4	4	4	4	3	4	3	3
Legal	1	1	1	0.7	0.7	0.7	0.5	-	-	-
Customer service	2	1	1	3	3	2.5	2.5	2.5	2.5	3
Information technology	3	2	2	3	3	3	3	3	3	3
Public Affairs and Community Engagement	1	1	1	1	1	-	-	-	-	-
POLICE	50	50	50	50	50	50	50	50	48	48
FIRE	38	38	38	39	39	39	39	39	39	39
PUBLIC WORKS										
Administration/engineering	4	4	4	6	6	6	6	6	6	6
Street maintenance	14	14	14	14	14	14	15	16	16	16
Garage	2	2	2	2	2	2	2	2	2	2
PARKS AND RECREATION										
Parks	14	14	14	14	13	12	12	11	11	11
Recreation	13	13	13	13	12	12	14	10	10	10
Aquatic center	2	2	2	2	2	2	2	7	7	7
Ice arena	7	7	7	7	7	7	8	9	9	9
Fitness center	6	6	6	6	11	6	6	6	6	6
PLANNING AND DEVELOPMENT										
Planning	2	2	2	2	2	2	2	2	2	2
Code enforcement	11	11	10	9	8	7	7	7	7	7
TOTAL	183	180	177	182	185	177	179	182	179	179

Source:

City annual budgets. A full-time employee works 2,080 hours per year. A full-time equivalent employee is calculated by dividing total labor hours by 2,080.

CITY OF WEBSTER GROVES, MISSOURI

OPERATING INDICATORS BY FUNCTIONS/PROGRAMS

Last Ten Calendar Year

Functions/Programs	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
GENERAL GOVERNMENT										
Permits issued ⁽¹⁾	6,325	6,733	5,924	5,829	6,038	6,006	5,985	4,743	4,420	5,109
Business licenses issued	644	452	570	631	597	720	734	692	592	662
Court ticket payments processed ⁽²⁾	-	-	-	-	-	10,558	8,577	8,386	8,400	8,216
MUNICIPAL DIVISION*										
General Fund operating revenues	\$ 25,082,282	\$ 22,045,885	\$ 21,000,005	\$ 15,215,034	\$ 13,990,178	\$ 15,944,631	\$ 15,887,544	\$ 16,493,103	\$ 14,853,542	\$ 16,020,142
Traffic violations - fines and court costs	\$ 329,037	\$ 258,781	\$ 258,781	\$ 266,581	\$ 121,125	\$ 410,822	\$ 521,567	\$ 472,550	\$ 639,906	\$ 655,539
Traffic fines/costs percent of revenues	1.31%	1.17%	1.23%	1.17%	0.90%	2.60%	3.30%	2.90%	4.30%	4.10%
Less than 30%	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
Court cases processed	3,042	3,042	3,123	2,835	4,691	8,576	8,691	8,386	8,400	8,216
POLICE										
Arrests	264	251	312	246	321	547	544	660	555	559
Traffic citations	5,443	7,481	4,797	2,606	2,996	8,382	8,200	8,241	8,719	6,681
Parking citations	1,758	2,557	2,441	2,532	1,467	3,214	3,052	2,772	2,740	2,897
Traffic accident responses	456	729	409	421	486	445	447	418	400	380
FIRE										
Fire truck runs	1,208	843	758	885	1,935	2,197	1,708	1,124	1,284	1,169
Ambulance runs	2,056	2,187	2,213	1,998	1,878	1,742	1,285	1,981	1,637	1,601
Safety inspections	Not Available	169	299	868	304	901	818	714	685	701
PUBLIC WORKS										
Sewer lateral repairs	55	57	124	97	108	105	91	143	132	117
Chip sealing - square yards	-	101,326	81,234	66,390	64,766	89,934	99,435	24,022	88,114	81,352
PARKS AND RECREATION										
Pool attendance	56,111	52,290	44,611	47,919	-	44,290	45,670	69,000	70,000	70,000
Recreation program attendance	8,667	7,062	10,377	8,948	-	-	20,638	29,000	30,000	30,335
Ice rink program attendance	37,233	37,233	21,814	20,521	6,908	29,025	25,224	20,290	19,142	19,154
Fitness center memberships	1,318	599	681	727	1,629	1,706	2,042	1,795	1,745	1,697
PLANNING AND DEVELOPMENT										
Construction Inspections performed	7,015	7,640	7,945	7,945	7,208	7,166	7,074	7,631	6,634	6,816
Property maintenance notices	Not Available	1,433	1,576	1,469	2,055	3,429	3,482	3,902	4,313	3,551

Sources:

Various City departments, annual activity reports, and annual budget reports

(1) Permits include building, mechanical, electrical, plumbing, occupancy, excavation, parking and fence.

(2) Court ticket payment processing was moved to the Municipal Division

CITY OF WEBSTER GROVES, MISSOURI

CAPITAL ASSET STATISTICS BY FUNCTIONS/PROGRAMS

Last Ten Calendar Years

Functions/Programs	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
GENERAL GOVERNMENT										
City hall - square footage	35,275	35,275	35,275	35,275	35,275	35,275	35,275	35,275	35,275	35,275
POLICE										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	26	26	25	25	25	24	24	23	23	23
FIRE										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	11	11	9	9	9	9	9	9	9	9
PUBLIC WORKS										
Miles of streets maintained	92	92	92	92	92	92	92	92	92	92
Public parking lots	8	8	8	8	8	8	8	8	8	8
Traffic signals owned	8	8	8	8	8	8	8	8	8	8
Service center/garage	1	1	1	1	1	1	1	1	1	1
Vehicles	33	33	26	26	28	31	31	30	30	30
PARKS AND RECREATION										
Community center	1	1	1	1	1	1	1	1	1	1
Aquatic center	1	1	1	1	1	1	1	1	1	1
Ice arena	1	1	1	1	1	1	1	1	1	1
Fitness center	1	1	1	1	1	1	1	1	1	1
Action park	1	1	1	1	1	1	1	1	1	1
Parks	17	17	17	17	17	17	17	17	17	17
Park acreage	121	121	121	121	121	121	121	121	121	121
PLANNING AND DEVELOPMENT										
Vehicles	4	4	5	5	5	5	5	5	5	5

Sources:

Various City departments and capital asset schedules

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APPENDIX C

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of July 1, 2026 (this “*Undertaking*”) is executed and delivered by the **CITY OF WEBSTER GROVES, MISSOURI** (the “*Issuer*”).

RECITALS

1. This Undertaking is executed and delivered by the Issuer in connection with the issuance by the Issuer of **\$4,905,000 General Obligation Bonds, Series 2026** (the “*Bonds*”), pursuant to an ordinance adopted by the governing body of the Issuer on July 7, 2026 (the “*Ordinance*”).

2. The Issuer is entering into this Undertaking for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “*Rule*”). The Issuer is the only “obligated person” (as defined by the Rule) with responsibility for continuing disclosure hereunder.

In consideration of the foregoing, the Issuer covenants and agrees as follows:

Section 1. Definitions.

In addition to the definitions set forth in the Ordinance, which apply to any capitalized term used in this Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“*Annual Report*” means any Annual Report filed by the Issuer pursuant to, and as described in, **Section 2** hereof.

“*Beneficial Owner*” means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“*Business Day*” means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal corporate trust office or designated payment office of the trustee, any paying agent or the Dissemination Agent, as applicable, is located are required or authorized by law to remain closed or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

“*Dissemination Agent*” means any entity designated in writing by the Issuer to serve as dissemination agent pursuant to this Undertaking and which has filed with the Issuer a written acceptance of such designation.

“*EMMA*” means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

“*Financial Obligation*” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; provided however, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“*Fiscal Year*” means the **12**-month period beginning on **July 1** and ending on **June 30** or any other **12**-month period selected by the Issuer as its Fiscal Year for financial reporting purposes.

“*Material Events*” means any of the events listed in **Section 3** hereof.

“*MSRB*” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“*Participating Underwriter*” means any of the original underwriter(s) of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

Section 2. Provision of Annual Reports.

- (a) The Issuer shall, not later than **270** days after the end of the Issuer’s Fiscal Year, commencing with the Fiscal Year ending June 30, 2026, file with the MSRB, through EMMA, the following financial information and operating data (the “*Annual Report*”):
 - (1) The audited financial statements of the Issuer for the prior Fiscal Year prepared in accordance with the accounting principles described in the notes to the financial statements included as Appendix A to the final Official Statement for the Bonds and audited by its independent auditors. If audited financial statements are not available by the time the Annual Report is required to be filed pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the audited financial information contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.
 - (2) Updates as of the end of the Fiscal Year of certain financial information and operating data related to the Bonds, as described in **Exhibit A** hereto, with such modifications to the formatting and general presentation thereof as deemed appropriate by the Issuer; provided, any substantive change to information provided shall be made only in accordance with **Section 6** hereof.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an “obligated person” (as defined by the Rule), which have been filed with the MSRB and are available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The Issuer shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer’s Fiscal Year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3** hereof.

- (b) The Annual Report shall be filed with the MSRB in such manner and format as is prescribed by the MSRB.

Section 3. Reporting of Material Events.

No later than **10 Business Days** after the occurrence of any of the following events, the Issuer shall give, or cause to be given, to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Bonds (*“Material Events”*):

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
- (g) modifications to rights of bondholders, if material;
- (h) bond calls, if material, and tender offers;
- (i) defeasances;
- (j) release, substitution or sale of property securing repayment of the Bonds, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Issuer (which shall be deemed to occur as provided in the Rule);
- (m) the consummation of a merger, consolidation or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of the trustee, if material;
- (o) incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

If the Issuer has not submitted the Annual Report to the MSRB by the date required in **Section 2(a)** hereof, the Issuer shall send a notice to the MSRB, in substantially the form attached hereto as **Exhibit B**, of the failure of the Issuer to file on a timely basis the Annual Report, which notice shall be given by the Issuer in accordance with this **Section 3**.

Section 4. Termination of Reporting Obligation.

The Issuer’s obligations under this Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the Issuer’s obligations under this Undertaking are assumed in full by some other entity, such entity shall be responsible for compliance with this Undertaking in the same manner as if it were the Issuer, and the Issuer shall have no further responsibility hereunder. If such assumption occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such assumption in the same manner as for a Material Event under **Section 3** hereof.

Section 5. Dissemination Agent.

The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Undertaking and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent

hereunder at any time upon **30** days prior written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Undertaking.

Section 6. Amendment; Waiver.

Notwithstanding any other provision of this Undertaking, the Issuer may amend this Undertaking and any provision of this Undertaking may be waived, provided that bond counsel or other counsel experienced in federal securities law matters provides the Issuer with its written opinion that the undertaking of the Issuer contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Undertaking.

In the event of any amendment or waiver of a provision of this Undertaking, the Issuer shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (a) notice of such change shall be given in the same manner as for a Material Event under **Section 3** hereof, and (b) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information.

Nothing in this Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Undertaking, the Issuer shall have no obligation under this Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default.

If the Issuer fails to comply with any provision of this Undertaking, any Participating Underwriter or any Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Undertaking. A default under this Undertaking shall not be deemed an event of default under the Ordinance or the Bonds, and the sole remedy under this Undertaking if there is any failure of the Issuer to comply with this Undertaking shall be an action to compel performance.

Section 9. Beneficiaries.

This Undertaking shall inure solely to the benefit of the Issuer, the Participating Underwriter and the Beneficial Owners from time to time of the Bonds and shall create no rights in any other person or entity.

Section 10. Severability.

If any provision in this Undertaking, the Ordinance or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Undertaking shall not in any way be affected or impaired thereby.

Section 11. Electronic Transactions.

The arrangement described herein may be conducted and related documents may be sent, received or stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 12. Governing Law.

This Undertaking shall be governed by and construed in accordance with the laws of the State of Missouri.

IN WITNESS WHEREOF, the Issuer has caused this Undertaking to be executed as of the day and year first above written.

CITY OF WEBSTER GROVES, MISSOURI

By: _____
Laura Arnold, Mayor

EXHIBIT A
TO CONTINUING DISCLOSURE UNDERTAKING

**FINANCIAL INFORMATION AND OPERATING DATA TO BE
INCLUDED IN ANNUAL REPORT**

The financial information and operating data contained in the tables in the following-described sections of the final Official Statement relating to the Bonds:

- “PROPERTY TAX INFORMATION – Property Valuations – *Current Assessed Valuation*”
- “PROPERTY TAX INFORMATION – Property Valuations – *History of Assessed Valuations*”
- “PROPERTY TAX INFORMATION – Tax Rates”
- “PROPERTY TAX INFORMATION – Taxes Levied and Collected”
- “PROPERTY TAX INFORMATION – Major Property Taxpayers”

**EXHIBIT B
TO CONTINUING DISCLOSURE UNDERTAKING**

FORM OF FAILURE TO FILE EVENT NOTICE

Event Notice Pursuant to SEC Rule 15c2-12(b)(5)(C)

Issuer/Obligated Person: City of Webster Groves, Missouri
(the "Obligated Person")

**Issues to which this
Notice relates:** General Obligation Bonds, Series 2026

CUSIP Numbers for Issue to which this Report relates:

<u>Maturity Date</u>	<u>CUSIP Number</u>
-----------------------------	----------------------------

Event Reported: Failure to Timely File Annual Financial Information, Operating Data and/or Audited Financial Statements

The Obligated Person did not timely file its financial information and operating data for the fiscal year ended June 30, 20____. Such financial information and operating data [*will be*] [*were*] filed with the MSRB through EMMA on _____, 20____.

The Obligated Person did not timely file its audited financial statements for the fiscal year ended June 30, 20____. Such audited financial statements [*will be*] [*were*] filed with the MSRB through EMMA on _____, 20____.

The information contained in this Notice has been submitted by the Obligated Person pursuant to contractual undertakings the Obligated Person made in accordance with SEC Rule 15c2-12. Nothing contained in the undertaking or this Notice is, or should be construed as, a representation by the Obligated Person that the information included in this Notice constitutes all of the information that may be material to a decision to invest in, hold or dispose of any of the securities listed above, or any other securities of the Obligated Person.

For additional information, contact:

City of Webster Groves, Missouri
4 East Lockwood Avenue
Webster Groves, Missouri 63119
(314) 963-5300

Date Submitted: _____, 20____

CITY OF WEBSTER GROVES, MISSOURI