

# VILLAGE OF TWIN OAKS, MISSOURI



COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2015

**VILLAGE OF TWIN OAKS, MISSOURI**

**Comprehensive Annual Financial Report  
For The Fiscal Year Ended December 31, 2015**

Prepared by the Village Clerk/Controller

**VILLAGE OF TWIN OAKS, MISSOURI**  
**FINANCIAL REPORT**

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**FINANCIAL REPORT**

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**VILLAGE OF TWIN OAKS, MISSOURI**  
**SECTION I - INTRODUCTORY SECTION**

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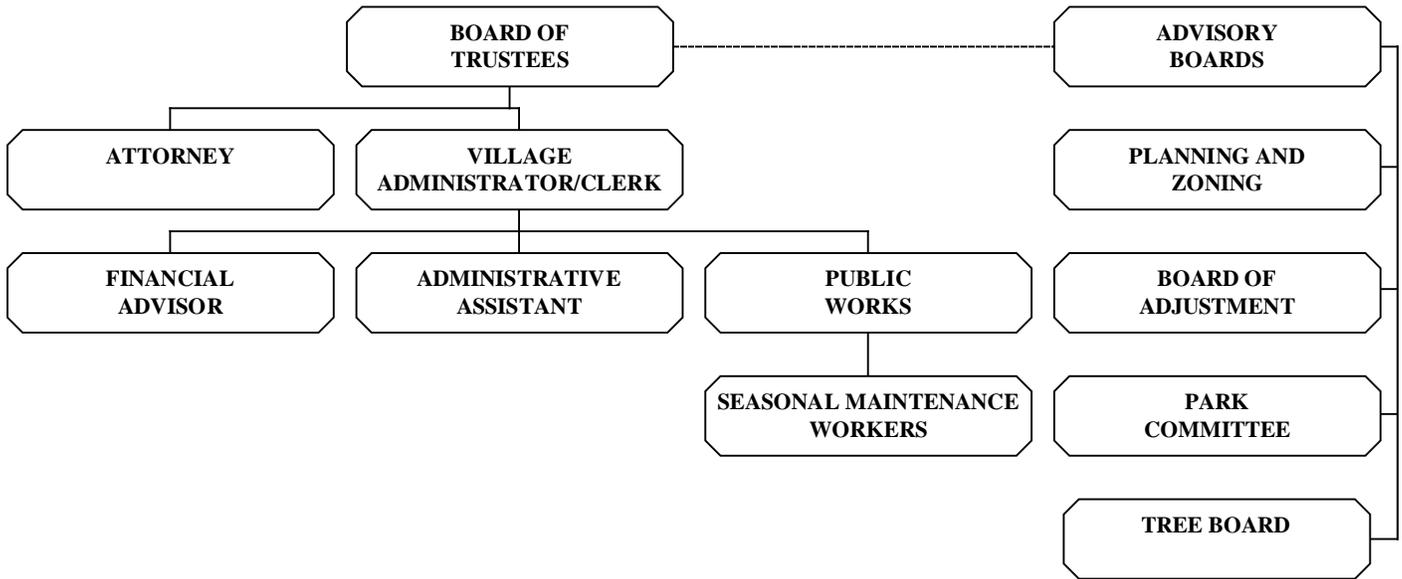
**SECTION I - INTRODUCTORY SECTION**

**VILLAGE OF TWIN OAKS, MISSOURI**  
**PRINCIPAL OFFICIALS**

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<u>Elected Officials</u>	<u>Terms</u>
Russ Fortune Chairman	April 2015 - April 2017
Lisa Eisenhauer Trustee	April 2015 - April 2017
Jeff Graves Trustee	April 2016 - April 2018
Tim Stoeckl Trustee	April 2016 - April 2018
Dennis Whitmore Trustee	April 2015 - April 2017

# VILLAGE OF TWIN OAKS, MISSOURI ORGANIZATIONAL CHART





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Village of Twin Oaks  
Missouri**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2014**

Executive Director/CEO



1393 Big Bend Road, Suite F • Twin Oaks, MO 63021  
(636) 225-7873 • fax (636) 225-6547 • [www.vil.twin-oaks.mo.us](http://www.vil.twin-oaks.mo.us)

June 8, 2016

The Honorable Chairman, Board of Trustees,  
and Citizens of the Village of Twin Oaks, Missouri

The Comprehensive Annual Financial Report (CAFR) of the Village of Twin Oaks, Missouri (the Village) for the fiscal year ended December 31, 2015, is hereby submitted. This report was prepared by the Village Clerk/Controller and staff. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rest with the Village. The financial statements and supporting schedules have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is designed to fairly present the financial position and results of the various funds and operations of the Village.

To provide a reasonable basis for making these representations, management of the Village has established internal controls that are designed to protect the Village's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformance with GAAP. Because the cost of internal controls should not outweigh their benefits, the internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the 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 Village's MD&A can be found immediately following the independent auditor's report.

## **PROFILE OF THE GOVERNMENT**

The Village was incorporated in 1938 to stop the neighboring communities from annexing the Village. The Village is a small community with a population of 393, covering approximately 0.27 square miles.

In compliance with Missouri State Statutes, the duties of the Village are vested in the Board of Trustees consisting of five members. Trustees are elected at large and hold two year terms. Two Trustees run in the even numbered years and three trustees in the odd numbered years. The Chairman of the Board of Trustees is elected by the Trustees following the certification of the election results from the April general election each year.

The Village is located in Southwest St. Louis County at the intersection of the new Highway 141 and County Arterial Big Bend Road with easy access to Highway 44, Highway 270, and Highway 40 (I-64).

## **ECONOMIC CONDITION**

Within the current economic climate, the Village has been fortunate to see only a slight decrease in revenue during this period of economic slowdown. The breakdown of income for actual/budgeted is as follows: 1) tax income \$1,132,991/\$1,105,400; 2) licenses and fees income \$60,179/\$61,600; 3) interest income \$7,113/\$6,900; and 4) other income; \$16,270/\$15,400. Good economic conditions lead to a 5% increase in investment income; as well as, a 9% growth in tax income over the past year. The Village has relied on sales tax from local businesses as our primary source of revenue electing not to assess property taxes to neither residential nor commercial properties in the past. However, a commercial property tax has been assessed since 2012.

Housing sales follow national trends and the Village has seen a decrease in the number of homes being sold throughout the community. Home values remain stable and the Village continues to be a desirable community in which to live due to our low taxes, superior services, and proximity to shopping and major highways.

## **MAJOR INITIATIVES**

For a number of years the Village has relied on Big Bend Square Shopping Center for a majority of its revenue. Following the completion of Highway 141, there has been an increased commercial development within the Village. Walgreen's opened a new store in 2005, Commerce Bank opened in 2006, Schnucks opened a new store in January 2007, and Shop N' Save opened a new store in November 2007. With the addition of the Schnucks and Shop N' Save, they now provide 90% of the Village's income.

## **LONG-TERM FINANCIAL PLANNING**

The voters approved a ½-cent capital improvement sales tax. These funds are to be used for major reconstruction projects. In addition, the funds from this sales tax are being reviewed for future street and infrastructure projects.

The voters also passed a ½-cent sales tax for parks and stormwater. The Village utilizes these funds for improvements and general parks services.

## **RELEVANT FINANCIAL POLICIES**

In 2015, the Village continued its policy of not assessing property taxes to residential properties. This helped Village residents to survive the effects of the current economic slowdown.

## INDEPENDENT AUDIT

Village ordinances require an annual audit by independent certified public accountants. The certified public accounting firm of Hochschild, Bloom & Company LLP was selected by the Board of Trustees to perform this year's audit. The auditor's report is included in this report.

## AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Finance Reporting to the Village for its CAFR for the fiscal year ended December 31, 2014. This was the ninth year the Village has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the Village must publish an easily readable and efficiently organized CAFR. Such CAFR must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

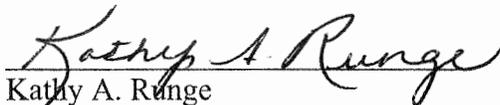
The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. The Village will continue to work toward receiving this award as a commitment to the Board of Trustees and the general public that we are committed to the highest standards in government financial reporting.

## ACKNOWLEDGMENTS

The preparation of the CAFR on a timely basis was made possible by the dedicated service and cooperation of the entire staff of the Village. Each member has my sincere appreciation for their contributions made in the preparation of this report. We would also like to acknowledge the assistance of our independent public accountants, Hochschild, Bloom & Company LLP, in formulating this report.

In closing, without the support of the Board of Trustees, preparation of this report would not have been possible.

Respectfully submitted,

  
Kathy A. Runge  
Village Administrator/Clerk

**SECTION II - FINANCIAL SECTION**



**Hochschild, Bloom & Company LLP**  
Certified Public Accountants  
Consultants and Advisors

## INDEPENDENT AUDITOR'S REPORT

June 8, 2016

Board of Trustees  
**VILLAGE OF TWIN OAKS, MISSOURI**

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **VILLAGE OF TWIN OAKS, MISSOURI** (the Village), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

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

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

#### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

- 15450 South Outer Forty Road, Suite 135, Chesterfield, Missouri 63017-2066, 636-532-9525, Fax 636-532-9055
- 1000 Washington Square, P. O. Box 1457, Washington, Missouri 63090-8457, 636-239-4785, Fax 636-239-5448

In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village as of December 31, 2015, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplemental Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The other supplemental information and introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other

supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

#### **OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2016 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

*Hochschild, Bloom & Company LLP*  
CERTIFIED PUBLIC ACCOUNTANTS

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# VILLAGE OF TWIN OAKS, MISSOURI

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### FOR THE YEAR ENDED DECEMBER 31, 2015

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This section of the Village of Twin Oaks, Missouri's (the Village) financial report presents an easily readable analysis of the Village's financial activities based on currently known facts, decisions, and conditions. For a comprehensive understanding of the financial statements, please review the Village's financial statements, including the footnotes, that follow the management's discussion and analysis (MD&A).

#### FINANCIAL HIGHLIGHTS

- On a government-wide basis, the total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources for the most recent fiscal year by \$5,674,914.
- The cost of the governmental activities was \$1,005,297 in fiscal year 2015.
- As of the close of the current year, the governmental funds reported combined ending fund balances of \$2,094,822 an increase of \$236,150 in comparison to the prior year. Of this amount, \$743,973 or 36% is unassigned funds available for spending at the Village's discretion.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$743,973 or 129% of the General Fund expenditures.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

The MD&A is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains required supplemental information, other supplemental information, and a report on internal controls and compliance in addition to the basic financial statements.

**Government-wide financial statements.** The first set of financial statements are the government-wide statements which report information about the Village as a whole using accounting methods similar to those used by private-sector business. The two government-wide statements, statement of net position and statement of activities, report the net position and how they have changed.

The statement of net position presents information on all of the assets, liabilities, and deferred inflows and outflows, with the difference between the amounts reported as net position. Over time increases and decreases in net position may serve as a useful indicator of whether or not the financial position of the Village is improving or deteriorating. The statement of net position also provides information on unrestricted and restricted net position and net investment in capital assets.

The statement of activities presents information showing how the net position changed during the most recent fiscal year. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of timing of related cash flows.

The statement of activities presents the various functions of the Village and the degree by which they are supported by charges for services, federal and state grants, tax revenues, and investment income.

**VILLAGE OF TWIN OAKS, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

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The governmental activities of the Village include administration, sanitation and health, police, streets, parks, stormwater, and sewer lateral. The Village does not have any business-type activities.

**Fund financial statements.** The second set of statements are fund financial statements, which provide information about groupings of related accounts which are used to maintain control over resources for specific activities or objectives. The Village uses fund accounting to demonstrate compliance with finance-related legal requirements. The fund financial statements provide more detailed information about the Village's most significant funds - not the Village as a whole.

**Governmental funds.** Governmental funds tell how general governmental services were financed in the short-term as well as what financial resources remain available for future spending to finance Village programs.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near term in-flows and out-flows of expendable resources, as well as on 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 financial 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 the government-wide governmental activities.

The Village maintains individual governmental funds according to their type (General and Special Revenue 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 General Fund, Capital Improvements Fund, Parks/Stormwater Fund, and Road Fund which are considered to be major funds. Individual fund data for the nonmajor governmental fund is provided in the form of supplemental information.

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

**Required supplemental information.** In addition to the basic financial statements and notes to the financial statements, this report presents required supplemental information concerning the Village's budgetary comparisons for the General and major special revenue funds.

**Other supplemental information.** The individual fund schedules provides fund level detail for other major funds and the nonmajor governmental fund.

**VILLAGE OF TWIN OAKS, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**FINANCIAL ANALYSIS OF THE VILLAGE**

A condensed version of the statement of net position compared to the prior year follows:

	<b>December 31</b>		<b>2015 Change</b>	
	<b>2015</b>	<b>2014</b>	<b>Amount</b>	<b>Percent</b>
<b>ASSETS</b>				
Current and other assets	\$ 2,174,834	1,897,136	277,698	15 %
Capital assets, net of depreciation	3,551,946	3,582,373	(30,427)	(1)
Total Assets	<u>5,726,780</u>	<u>5,479,509</u>	<u>247,271</u>	5
<b>DEFERRED OUTFLOWS</b>				
	<u>14,410</u>	<u>-</u>	<u>14,410</u>	100
<b>LIABILITIES</b>				
Current and other liabilities	33,190	24,101	9,089	38
Long-term liabilities	5,370	3,847	1,523	40
Total Liabilities	<u>38,560</u>	<u>27,948</u>	<u>10,612</u>	38
<b>DEFERRED INFLOWS</b>				
	<u>27,716</u>	<u>-</u>	<u>27,716</u>	100
<b>NET POSITION</b>				
Investment in capital assets	3,551,946	3,582,373	(30,427)	(1)
Restricted	1,342,045	1,135,095	206,950	18
Unrestricted	780,923	734,093	46,830	6
Total Net Position	<u>\$ 5,674,914</u>	<u>5,451,561</u>	<u>223,353</u>	4 %

During the year ended December 31, 2015, the City adopted Governmental Accounting Standards Board Statement (GASB) No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27* (GASB 68), which resulted in new disclosure of pension related assets, outflows, and inflows.

**VILLAGE OF TWIN OAKS, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

A condensed version of the statement of activities compared to the prior year follows:

	<b>For The Years</b>		<b>2015 Change</b>	
	<b>Ended December 31</b>		<b>Amount</b>	<b>Percent</b>
	<b>2015</b>	<b>2014</b>		
<b>REVENUE</b>				
Program revenues:				
Charges for services	\$ 59,016	58,823	193	33 %
Operating grants and contributions	17,000	58,869	(41,869)	(71)
Capital grants and contributions	-	710,000	(710,000)	(100)
General revenues:				
Taxes	1,124,149	1,033,721	90,428	9
Investment income	7,113	6,792	321	5
Other	16,020	19,139	(3,119)	(16)
Total Revenues	<u>1,223,298</u>	<u>1,887,344</u>	<u>(664,046)</u>	<u>(35)</u>
<b>EXPENSES</b>				
Administration	417,647	333,695	83,952	25
Sanitation and other health costs	47,953	53,276	(5,323)	(10)
Police	102,460	99,010	3,450	3
Streets	205,169	200,439	4,730	2
Parks	222,730	217,603	5,127	2
Stormwater	9,338	13,781	(4,443)	(32)
Total Expenses	<u>1,005,297</u>	<u>917,804</u>	<u>87,493</u>	<u>10</u>
<b>CHANGE IN NET POSITION</b>	218,001	969,540	(751,539)	(78)
NET POSITION, JANUARY 1	<u>5,456,913</u>	<u>4,482,021</u>	<u>974,892</u>	22
NET POSITION, DECEMBER 31	5,674,914	5,451,561	223,353	4
RESTATEMENT	<u>-</u>	<u>5,352</u>	<u>(5,352)</u>	(100)
<b>NET POSITION, DECEMBER 31, AS RESTATED</b>	<u><u>\$ 5,674,914</u></u>	<u><u>5,456,913</u></u>	<u><u>218,001</u></u>	4 %

The most significant revenue is the tax revenue that depends largely on the economy and the Village's ability to collect on taxes. Administration expenses have increased as a result of increased legal costs. Capital grants and contributions decreased due to the significant donation of real property in the prior year.

**VILLAGE OF TWIN OAKS, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

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You can think of the Village's net position as one way to measure the Village's financial health or financial position. Over time, increases or decreases in the Village's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors such as changes in the Village's property tax base, etc., to assess the overall health of the Village.

The Village's property tax rates in 2015 and 2014 were \$0.312 per \$100 of assessed valuation and \$0.342 per \$100 of assessed valuation, respectively, for commercial real property.

The General Fund has \$8,804 of nonspendable fund balance for prepaid items. The amount of nonspendable fund balance for prepaid items has been set aside on the internal records of the Village, but is included in unrestricted net position of the government-wide financial statement. The remaining balance of the Village's General Fund balance after subtracting the nonspendable amounts is \$743,973. The total General Fund balance at December 31, 2015 was \$752,777 an increase of \$29,200 from the previous year. The increase in fund balance was caused by higher amounts of tax revenues received in addition to generally consistent expenditures during the year.

The Capital Improvements Fund balance at December 31, 2015 was \$808,838, an increase of \$94,335 from the previous year. The fund experienced a decrease in capital outlay costs and transfers.

The Parks/Stormwater Fund balance at December 31, 2015 was \$479,289, an increase of \$107,589. This fund experienced a significant decrease in intergovernmental revenue.

The Road Fund balance at December 31, 2015 was \$0. The Village only transferred enough money into this fund to cover excess current year costs.

## **BUDGETARY HIGHLIGHTS**

The Village did not revise its budget during the fiscal year.

General Fund expenditures were \$44,492 or 8% over budgeted expenditures of \$531,200. Overall General Fund expenditures are \$88,900 or 18% above the December 31, 2014 year-end total of \$486,792. General Fund revenues were \$4,792 or 1% above the amount budgeted of \$600,100. Tax revenue was \$4,976 over budget and total licenses and fees were \$1,421 under budget. Overall General Fund revenues are \$33,580 or more than 6% above the December 31, 2014 year-end total of \$571,312.

## **CAPITAL ASSETS**

During the year ended December 31, 2015, the Village added \$134,217 in capital assets. The Village has been required to report infrastructure as a capital asset since 2004 (previously reported as an expenditure when paid). The Village has elected not to report major general infrastructure retroactively. The balances were as follows:

**VILLAGE OF TWIN OAKS, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

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	<b>For The Years</b>	
	<b>Ended December 31</b>	
	<b>2015</b>	<b>2014</b>
Capital assets, net of depreciation:		
Land and construction in progress	\$ 1,340,006	1,520,026
Buildings	256,633	267,209
Building improvements	60,057	62,416
Improvements other than buildings	722,135	703,730
Machinery and equipment	28,021	16,213
Infrastructure	<u>1,145,094</u>	<u>1,012,779</u>
Total Capital Assets, Net of Depreciation	<u>\$ 3,551,946</u>	<u>3,582,373</u>

Additional information on the Village's capital assets can be found in Note C of this report.

**LONG-TERM DEBT**

At December 31, 2015, the Village has only compensated absences as outstanding long-term debt obligations in the amount of \$5,370.

The Village's long-term debt balances were as follows:

	<b>December 31</b>	
	<b>2015</b>	<b>2014</b>
	Compensated absences	<u>\$ 5,370</u>

Additional information can be found in Note D in the notes to financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

- General Fund tax revenues increased compared to 2014. Sales taxes totaled 86% of the Village's General Fund revenues. The General Fund sales tax revenue increased by 7% in 2015, compared to an increase of 5% in 2014.
- The 2016 budget was prepared with a commercial property tax consistent with the prior year.
- The Board is continuing to look at building a Village office on Village owned property and plans to set aside money and is researching ways to fund the project in the next few years.

**VILLAGE OF TWIN OAKS, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

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**CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our residents and taxpayers with a general overview of the Village's finances and to show the Village's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact the Village Clerk's office at 1393 Big Bend Road, Suite F, Twin Oaks, MO 63021, or telephone 636-225-7873.

**VILLAGE OF TWIN OAKS, MISSOURI**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2015**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments	\$ 1,878,665
Accrued interest	88
Receivables:	
Other	2,454
Taxes	250,385
Prepaid items	8,804
Net pension asset	34,438
Capital assets:	
Land and construction in progress	1,340,006
Other capital assets, net of accumulated depreciation	2,211,940
Total Assets	5,726,780
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amounts related to pensions	14,410
 <b>LIABILITIES</b>	
Accounts payable	27,690
Security deposits	5,500
Noncurrent liabilities:	
Due within one year	2,685
Due in more than one year	2,685
Total Liabilities	38,560
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred amounts related to pensions	27,716
 <b>NET POSITION</b>	
Investment in capital assets	3,551,946
Restricted for:	
Capital improvements	808,838
Parks/stormwater	479,289
Sewer lateral	53,918
Unrestricted	780,923
Total Net Position	\$ 5,674,914

**VILLAGE OF TWIN OAKS, MISSOURI**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

<b>FUNCTIONS/PROGRAMS</b>	<b>Expenses</b>	<b>Charges For Services</b>	<b>Operating Grants And Contribution</b>	<b>Capital Grants And Contribution</b>	<b>Net Revenues (Expenses) And Change In Net Position</b>
					<b>Governmental Activities</b>
<b>Governmental Activities</b>					
Administration	\$ 417,647	54,036	-	-	(363,611)
Sanitation and other health costs	47,953	-	-	-	(47,953)
Police	102,460	-	-	-	(102,460)
Streets	205,169	-	15,356	-	(189,813)
Parks	222,730	200	1,644	-	(220,886)
Stormwater	9,338	-	-	-	(9,338)
Sewer lateral	-	4,780	-	-	4,780
Total Governmental Activities	<u>\$ 1,005,297</u>	<u>59,016</u>	<u>17,000</u>	<u>-</u>	<u>(929,281)</u>
<b>General Revenues</b>					
Taxes:					
Sales tax					1,071,626
Other taxes					52,523
Investment income					7,113
Other					16,020
Total General Revenues					<u>1,147,282</u>
<b>CHANGE IN NET POSITION</b>					218,001
NET POSITION, JANUARY 1, AS RESTATED					<u>5,456,913</u>
<b>NET POSITION, DECEMBER 31</b>					<u>\$ 5,674,914</u>

See notes to financial statements

**VILLAGE OF TWIN OAKS, MISSOURI**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2015**

	<u>General</u>	<u>Capital Improvements</u>	<u>Parks/ Stormwater</u>	<u>Road</u>	<u>Other Governmental Fund - Sewer Lateral</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash and investments	\$ 625,355	770,132	428,980	1,888	52,310	1,878,665
Accrued interest	88	-	-	-	-	88
Receivables:						
Other	2,454	-	-	-	-	2,454
Taxes	141,294	45,376	53,382	8,725	1,608	250,385
Prepaid items	8,804	-	-	-	-	8,804
Due from other funds	7,706	-	-	-	-	7,706
	<u>7,706</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,706</u>
Total Assets	<u>\$ 785,701</u>	<u>815,508</u>	<u>482,362</u>	<u>10,613</u>	<u>53,918</u>	<u>2,148,102</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 15,540	6,670	2,573	2,907	-	27,690
Security deposits	5,000	-	500	-	-	5,500
Due to other funds	-	-	-	7,706	-	7,706
Total Liabilities	<u>20,540</u>	<u>6,670</u>	<u>3,073</u>	<u>10,613</u>	<u>-</u>	<u>40,896</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - taxes	12,384	-	-	-	-	12,384
<b>FUND BALANCES</b>						
Nonspendable:						
Prepaid items	8,804	-	-	-	-	8,804
Restricted for:						
Capital improvements	-	808,838	-	-	-	808,838
Parks/stormwater	-	-	479,289	-	-	479,289
Sewer lateral	-	-	-	-	53,918	53,918
Unassigned	743,973	-	-	-	-	743,973
Total Fund Balances	<u>752,777</u>	<u>808,838</u>	<u>479,289</u>	<u>-</u>	<u>53,918</u>	<u>2,094,822</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 785,701</u>	<u>815,508</u>	<u>482,362</u>	<u>10,613</u>	<u>53,918</u>	<u>2,148,102</u>

**VILLAGE OF TWIN OAKS, MISSOURI**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL**  
**FUNDS TO THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2015**

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Total Fund Balances - Governmental Funds	\$ 2,094,822
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of the assets is \$4,657,110 and the accumulated depreciation is \$1,105,164.	3,551,946
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.	12,384
Certain items are not a use of financial resources and, therefore, are not reported in the governmental funds. These items consist of:	
Net pension asset	34,438
Deferred outflows related to pensions	14,410
Deferred inflows related to pensions	(27,716)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
Compensated absences	<u>(5,370)</u>
Total Net Position Of Governmental Activities	<u><u>\$ 5,674,914</u></u>

**VILLAGE OF TWIN OAKS, MISSOURI**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>General</u>	<u>Capital Improvements</u>	<u>Parks/ Stormwater</u>	<u>Road</u>	<u>Other Governmental Fund - Sewer Lateral</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>						
Taxes	\$ 519,476	270,037	317,691	25,787	-	1,132,991
Licenses and fees	60,179	-	-	-	-	60,179
Intergovernmental	-	-	1,644	-	-	1,644
Investment income - interest	6,867	-	-	-	246	7,113
Permits	2,300	-	-	-	-	2,300
Other revenues	16,070	-	200	-	-	16,270
Sewer lateral fees	-	-	-	-	4,780	4,780
Total Revenues	<u>604,892</u>	<u>270,037</u>	<u>319,535</u>	<u>25,787</u>	<u>5,026</u>	<u>1,225,277</u>
<b>EXPENDITURES</b>						
Current:						
Administration	423,271	-	-	-	-	423,271
Sanitation and other health costs	47,740	-	-	-	-	47,740
Police	102,460	-	-	-	-	102,460
Streets	-	-	-	127,510	-	127,510
Parks	-	-	154,281	-	-	154,281
Stormwater	-	-	41,913	-	-	41,913
Capital outlay	2,221	6,670	15,752	67,309	-	91,952
Total Expenditures	<u>575,692</u>	<u>6,670</u>	<u>211,946</u>	<u>194,819</u>	<u>-</u>	<u>989,127</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>29,200</u>	<u>263,367</u>	<u>107,589</u>	<u>(169,032)</u>	<u>5,026</u>	<u>236,150</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	169,032	-	169,032
Transfers out	-	(169,032)	-	-	-	(169,032)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(169,032)</u>	<u>-</u>	<u>169,032</u>	<u>-</u>	<u>-</u>
<b>NET CHANGES IN FUND BALANCES</b>	29,200	94,335	107,589	-	5,026	236,150
FUND BALANCES, JANUARY 1	<u>723,577</u>	<u>714,503</u>	<u>371,700</u>	<u>-</u>	<u>48,892</u>	<u>1,858,672</u>
<b>FUND BALANCES, DECEMBER 31</b>	<u>\$ 752,777</u>	<u>808,838</u>	<u>479,289</u>	<u>-</u>	<u>53,918</u>	<u>2,094,822</u>

See notes to financial statements

**VILLAGE OF TWIN OAKS, 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 DECEMBER 31, 2015**

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Net Change In Fund Balances - Governmental Funds \$ 236,150

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

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$164,644) exceeded capital outlays over the capitalization threshold (\$134,217) in the current period. (30,427)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. (1,979)

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:

Accrued compensated absences	(1,523)
Pension expense	15,780
	<u>15,780</u>

Change In Net Position Of Governmental Activities \$ 218,001

# VILLAGE OF TWIN OAKS, MISSOURI

## NOTES TO FINANCIAL STATEMENTS

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The **VILLAGE OF TWIN OAKS, MISSOURI** (the Village) was incorporated May 17, 1938. The Village operates under a Board of Trustees form of government and provides various services including legislative, police protection, streets, sanitation and health services, public improvements, planning and zoning, parks, and general administrative services. The more significant accounting policies consistently applied by the Village in the preparation of the accompanying financial statements are summarized below:

#### 1. Reporting Entity

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

#### 2. 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 of the primary government. For the most part, the effect of inter-fund 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 or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using 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. Grants and similar items are recognized as revenue as soon as all eligible requirements imposed by the provider have been met.

Governmental funds financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available. Revenues are considered to be measurable and available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However,

**VILLAGE OF TWIN OAKS, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Their expenditures are generally recognized when the related fund liability is incurred.

Taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Village.

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 Village. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions including special assessments, if any. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

The Village reports the following major governmental funds:

**General Fund** -- This fund is the primary operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

**Capital Improvements Fund** -- This fund is a Capital Projects Fund used to account for financial resources designated for the acquisition or construction of major capital facilities and improvements. It is mainly funded by a dedicated ½-cent capital improvements sales tax.

**Parks/Stormwater Fund** -- This fund is a Special Revenue Fund used to account for financial resources designated for parks and stormwater detention improvements. It is mainly funded by a dedicated ½-cent parks/stormwater sales tax.

**Road Fund** -- This fund is a Special Revenue Fund used to account for financial resources designated for construction of major road improvements as well as road maintenance. It is funded by dedicated sales and property taxes.

**4. Property Taxes**

Property taxes may be levied annually in September based on the assessed valuation of all real and personal property located in the Village as of the previous January 1. Taxes are billed in Oc-

**VILLAGE OF TWIN OAKS, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**4. Property Taxes (Continued)**

tober and are due and collectible on December 31. All unpaid taxes become delinquent on January 1 of the following year and attach as an enforceable lien on the property at that date. The Village levies a tax on the assessed value of commercial real property located within the Village.

Property tax revenue is recognized to the extent it is collected within 60 days after year-end in the fund financial statements. Property taxes not collected within 60 days of year-end are deferred for fund financial statements but are recognized as revenue in the government-wide financial statements.

**5. Transfers**

Legally authorized transfers are reported when incurred as transfers in by the recipient fund and as transfers out by the disbursing fund. Interfund transfers may be used to: 1) move revenues from the fund that ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them, 2) use unrestricted revenues collected in the General Fund to finance capital improvements and other funds in accordance with budgetary authorization, or 3) move revenues in excess of current year expenditures to other funds.

Elimination of interfund activity has been made for governmental activities in the government-wide financial statements.

**6. Capital Assets**

Capital assets, which include building improvements, improvements other than buildings, machinery and equipment, furniture and fixtures, and infrastructure are reported in the governmental activities of the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$1,500 and an estimated useful life greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Prior to January 1, 2004 governmental funds' infrastructure assets were not capitalized. Infrastructure assets acquired since January 1, 2004 are recorded at cost.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the asset's life are not capitalized.

Depreciation is being computed on the straight-line method, using asset lives as follows:

<b>Asset</b>	<b>Years</b>
Buildings and building improvements	40
Improvements other than buildings	15
Machinery and equipment	3 - 10
Furniture and fixtures	7
Infrastructure	20

**VILLAGE OF TWIN OAKS, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**7. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenses/expenditures when consumed rather than when purchased.

**8. Compensated Absences**

It is the Village's policy to permit employees to accumulate earned but unused vacation. The liability for these compensated absences is recorded as a liability in the government-wide financial statements. In the fund financial statements, compensated absences are reported in governmental funds only if they have matured. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

**9. Restricted Assets**

Certain General Fund monies are classified as restricted assets on the balance sheet because their use is limited to refunding security deposits paid.

**10. Investments**

State statutes and Village policies authorize the Village to invest in obligations of the U.S. Treasury, agencies, and instrumentalities and certain commercial paper. Investments consisting of certificates of deposit are stated at cost, which approximates fair value.

**11. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village currently has deferred outflows of resources related to the pension reported on the government-wide statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village has deferred inflows of resources for unavailable revenues reported on the governmental funds balance sheet. The Village also has deferred inflows of resources related to the pension reported on the government-wide statement of net position.

**VILLAGE OF TWIN OAKS, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**12. Use of Estimates**

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

**13. Risk Management**

The Village 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 Village maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Village. Claims have not exceeded coverage in the last three years.

**14. Fund Balance Policies**

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

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

**Restricted** -- 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** -- The portion of fund balance with constraints or limitations by formal action by ordinance of the Board of Trustees, the highest level of decision-making authority.

**Assigned** -- The portion of fund balance that the Village intends to use for a specific purpose as determined by the Village controller to which the Board of Trustees has designated authority per the Villages fund balance policy.

**Unassigned** -- Amounts that are available for any purpose; these positive amounts are reported only in the General Fund.

When both restricted and unrestricted resources are available, the Village will spend the most restricted amounts before the least restricted.

**15. Pensions**

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the

**VILLAGE OF TWIN OAKS, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**15. Pensions (Continued)**

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.

**NOTE B - BANK DEPOSITS**

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Village's deposits may not be returned or the Village will not be able to recover collateral securities in the possession of an outside party.

The Village's bank deposits are required by state law to be collateralized by the deposit of certain securities in an amount at least equal to the uninsured deposits with the financial institution. The value of the securities must amount to the total of the Village's cash not insured by the Federal Deposit Insurance Corporation. As of December 31, 2015, the Village's bank deposits totaled \$1,946,870. The bank balances were covered by federal depository insurance in the amount of \$518,896 and \$1,427,974 was covered by collateral pledged in the name of the Village and held by the pledging bank's trust department or agent.

**NOTE C - CAPITAL ASSETS**

Capital asset activity was as follows:

**VILLAGE OF TWIN OAKS, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE C - CAPITAL ASSETS (Continued)**

**For The Year Ended December 31, 2015**

	<b>Balance December 31 2014</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance December 31 2015</b>
Capital assets not being depreciated:				
Land	\$ 1,295,701	-	-	1,295,701
Construction in progress	224,325	20,677	200,697	44,305
Total Capital Assets Not Being Depreciated	<u>1,520,026</u>	<u>20,677</u>	<u>200,697</u>	<u>1,340,006</u>
Capital assets being depreciated:				
Buildings	290,842	-	-	290,842
Building improvements	93,641	-	-	93,641
Improvements other than buildings	1,169,012	87,226	-	1,256,238
Machinery and equipment	53,152	20,299	1,915	71,536
Furniture and fixtures	13,553	-	-	13,553
Infrastructure	1,384,582	206,712	-	1,591,294
Total Capital Assets Being Depreciated	<u>3,004,782</u>	<u>314,237</u>	<u>1,915</u>	<u>3,317,104</u>
Less - Accumulated depreciated for:				
Buildings	23,633	10,577	-	34,210
Building improvements	31,225	2,358	-	33,583
Improvements other than buildings	465,282	68,821	-	534,103
Machinery and equipment	36,939	8,491	1,915	43,515
Furniture and fixtures	13,553	-	-	13,553
Infrastructure	371,803	74,397	-	446,200
Total Accumulated Depre- ciation	<u>942,435</u>	<u>164,644</u>	<u>1,915</u>	<u>1,105,164</u>
Total Capital Assets Being Depreciated, Net	<u>2,062,347</u>	<u>149,593</u>	<u>-</u>	<u>2,211,940</u>
Total Capital Assets, Net	<u>\$ 3,582,373</u>	<u>170,270</u>	<u>200,697</u>	<u>3,551,946</u>

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

	<b>For The Year Ended December 31 2015</b>
Administration	\$ 8,748
Parks	69,218
Stormwater	7,838
Streets	<u>78,840</u>
 Total	 <u>\$ 164,644</u>

**VILLAGE OF TWIN OAKS, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE D - LONG-TERM DEBT**

A summary of the changes in long-term liabilities is as follows:

	<b>For The Year Ended December 31, 2015</b>			<b>Amount Due Within One Year</b>	
	<b>Balance December 31 2014</b>	<b>Additions</b>	<b>Reductions</b>		<b>Balance December 31 2015</b>
	<b>2014</b>	<b>Additions</b>	<b>Reductions</b>		<b>2015</b>
Compensated absences	\$ 3,847	6,163	4,640	5,370	2,685

Compensated absences are generally liquidated by the General Fund.

**NOTE E - OPERATING LEASES**

The Village is obligated under leases for office facilities and equipment, which are accounted for as operating leases. Total costs under these leases were \$28,980 for the year ended December 31, 2015.

The following is a schedule of future minimum rental payments required:

<b>For The Years Ending December 31</b>	<b>Real Estate</b>	<b>Equipment</b>
2016	\$ 27,800	795
2017	28,200	-
2018	4,700	-

**NOTE F - COMMITMENTS AND CONTINGENCIES**

The Village contracted the St. Louis County Police Department to provide services. Payments for services for the year ended December 31, 2015 amounted to \$102,460. This amount can be adjusted when both parties agree that special circumstances arise which require additional related costs.

The Village contracted with a company for the construction design of a new Village Center. As of December 31, 2015, the Village has an amount of \$143,100 committed to the project.

The Village is a defendant in a lawsuit pertaining to matter which is incidental to performing routine governmental functions. Based on the current status of these legal proceedings, it is the opinion of management that this will not have a material effect on the Village's financial position.

**VILLAGE OF TWIN OAKS, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE G - INTERFUND TRANSFERS**

Interfund transfers are as follows:

<u>Transfer In</u>	<u>Transfer Out</u>	<b>For The Year Ended December 31 2015</b>
Road Fund	Capital Improvements Fund	\$ 169,032

Interfund transfers were used to move revenues from the fund that ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them.

**NOTE H - PENSION PLAN**

*Plan Description*

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

*Benefits Provided*

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

	<b><u>2015 Valuation</u></b>
Benefit multiplier	1.5% for life
Final average salary	3 years
Member contributions	4%

**VILLAGE OF TWIN OAKS, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE H - PENSION PLAN (Continued)**

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

***Employees Covered By Benefit Terms***

At June 30, 2015, the following employees were covered by the benefit terms:

Inactive employees and beneficiaries	-
Inactive employees, nonretired members	4
Active employees	<u>2</u>
Total	<u>6</u>

***Contributions***

The Village 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 do not contribute to the pension plan. The Village's contribution rates are 7.6% (General) of annual covered payroll.

***Net Pension Liability (Asset)***

The Village's net pension liability (asset) was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of February 28, 2015.

***Actuarial Assumptions***

The total pension liability in the February 28, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.5% wage inflation; 3% price inflation
Salary Increase	3.5% to 6.8% including wage inflation
Investment rate of return	7.25%, net of investment and administrative expenses

Mortality rates were based on 105% of the 1994 Group Annuity Mortality Table set back zero years for both males and females.

The actuarial assumptions used in the February 28, 2015 valuation were based on the results of an actuarial experience study for the period March 1, 2005 through February 28, 2010.

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-

**VILLAGE OF TWIN OAKS, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE H - PENSION PLAN (Continued)**

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:

<u>Asset Class</u>	<u>Allocation</u>	<u>Long-term Expected Real Rate Of Return</u>
Equity	48.50%	5.50%
Fixed income	25.00	2.25
Real assets	20.00	4.50
Strategic assets	6.50	7.50

***Discount Rate***

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

**Changes in the Net Pension Liability**

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (Asset) (a)-(b)</u>
<b>Balances at June 30, 2014</b>	<u>\$ 193,945</u>	<u>195,097</u>	<u>(1,152)</u>
<b>Changes for the year</b>			
Service cost	12,619	-	12,619
Interest	14,510	-	14,510
Difference between expected and actual experience	(35,372)	-	(35,372)
Contributions - employer	-	8,457	(8,457)
Contributions - employee	-	4,381	(4,381)
Net investment income	-	3,922	(3,922)
Administrative expense	-	(559)	559
Other changes	-	8,842	(8,842)
Net Changes	<u>(8,243)</u>	<u>25,043</u>	<u>(33,286)</u>
<b>Balances at June 30, 2015</b>	<u>\$ 185,702</u>	<u>220,140</u>	<u>(34,438)</u>

**VILLAGE OF TWIN OAKS, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE H - PENSION PLAN (Continued)**

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

The following presents the net pension liability (asset) of the employer, calculated using the discount rate of 7.25%, as well as what the employer's net pension liability (asset) would be using a discount rate that is 1% point lower (6.25%) or 1% point higher (8.25%) than the current rate.

	<u>1% Decrease</u>	<u>Current Single Discount Rate Assumption</u>	<u>1% Increase</u>
Net pension liability (asset)	\$220,788	(34,438)	(62,435)

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

For the year ended December 31, 2015, the Village recognized an actuarially determined negative pension expense of \$7,323. Reported deferred outflows and inflows of resources are related to the following sources:

	<u>Outflows</u>	<u>Inflows</u>	<u>Net Outflows</u>
Differences in experience	\$ -	(27,716)	(27,716)
Excess (deficit) investment returns	8,780	-	8,780
Contributions subsequent to the measurement date*	<u>5,630</u>	<u>-</u>	<u>5,630</u>
Total	<u>\$ 14,410</u>	<u>(27,716)</u>	<u>(13,306)</u>

\*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending December 31, 2016.

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

	<u>For The Years Ending December 31</u>	
2016		\$ 169
2017		(5,461)
2018		(5,461)
2019		<u>(2,553)</u>
Total		<u>\$ (13,306)</u>

**VILLAGE OF TWIN OAKS, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE I - RESTRICTED NET POSITION**

The government-wide statement of net position reports \$1,342,045 of restricted net position which is restricted by enabling legislation.

**NOTE J - RESTATEMENT OF NET POSITION**

The previously stated net position has been restated as follows:

	<u><b>Governmental Activities</b></u>
Net position, December 31, 2014, as previously reported	\$ 5,451,561
Restatement for GASB 68 implementation	<u>5,352</u>
Net Position, December 31, 2014, As Restated	<u><u>\$ 5,456,913</u></u>

**REQUIRED SUPPLEMENTAL INFORMATION SECTION**

**VILLAGE OF TWIN OAKS, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<b>Original And Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
Taxes:			
Sales tax and sales tax interest	\$ 478,500	483,898	5,398
Motor vehicle sales tax	4,900	4,982	82
Cigarette tax	1,100	1,127	27
Property tax	30,000	29,469	(531)
Total Taxes	514,500	519,476	4,976
Licenses and fees:			
Merchants licenses	49,700	49,236	(464)
Liquor licenses	3,300	2,450	(850)
Cable franchise fee	8,600	8,493	(107)
Total Licenses And Fees	61,600	60,179	(1,421)
Investment income - interest	6,300	6,867	567
Permits:			
Administrative permits	500	300	(200)
Occupancy permits	1,800	2,000	200
Total Permits	2,300	2,300	-
Other revenues:			
Miscellaneous revenue	500	1,555	1,055
Tower lease agreements	14,900	14,515	(385)
Total Other Revenues	15,400	16,070	670
Total Revenues	600,100	604,892	4,792

(Continued)

**VILLAGE OF TWIN OAKS, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND (Continued)**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<b>Original And Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>EXPENDITURES</b>			
Administration:			
Salaries and related costs:			
Salaries	134,500	132,453	(2,047)
Payroll taxes and benefits	40,900	35,184	(5,716)
Total Salaries And Related Costs	175,400	167,637	(7,763)
Professional fees:			
Legal fees	50,800	115,236	64,436
Engineering	200	1,600	1,400
Audit	10,800	10,490	(310)
Total Professional Fees	61,800	127,326	65,526
Office expenditures and related costs:			
Rental	40,800	44,267	3,467
Office supplies	4,100	22,812	18,712
Telephone	6,500	7,451	951
Postage	500	521	21
Printing	900	810	(90)
Accounting	6,000	6,630	630
Total Office Expenditures And Related Costs	58,800	82,491	23,691
Other expenditures:			
Codification	4,000	2,649	(1,351)
Land/property maintenance	23,200	3,085	(20,115)
Dues, education, and travel	10,200	10,157	(43)
Public hearings and notices	300	713	413
Election	200	309	109
Insurance	17,800	20,128	2,328
Miscellaneous	7,400	8,776	1,376
Municipal court	8,000	-	(8,000)
Total Other Expenditures	71,100	45,817	(25,283)
Total Administration	367,100	423,271	56,171

**(Continued)**

**VILLAGE OF TWIN OAKS, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND (Continued)**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>EXPENDITURES (Continued)</b>			
Sanitation and other health costs:			
Trash collection	45,000	36,383	(8,617)
Outside labor	11,400	11,357	(43)
Total Sanitation And Other Health Costs	<u>56,400</u>	<u>47,740</u>	<u>(8,660)</u>
 Police	 <u>103,700</u>	 <u>102,460</u>	 <u>(1,240)</u>
 Capital outlay	 <u>4,000</u>	 <u>2,221</u>	 <u>(1,779)</u>
Total Expenditures	<u>531,200</u>	<u>575,692</u>	<u>44,492</u>
 <b>NET CHANGE IN FUND BALANCE</b>	 <u><u>\$ 68,900</u></u>	 <u>29,200</u>	 <u><u>(39,700)</u></u>
 FUND BALANCE, JANUARY 1		 <u>723,577</u>	
 FUND BALANCE, DECEMBER 31		 <u><u>\$ 752,777</u></u>	

**VILLAGE OF TWIN OAKS, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -**  
**PARKS/STORMWATER SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<b>Original And Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
Sales tax	\$ 304,700	317,691	12,991
Intergovernmental	9,600	1,644	(7,956)
Miscellaneous	-	200	200
Total Revenues	314,300	319,535	5,235
<b>EXPENDITURES</b>			
Parks:			
Salaries	32,700	30,956	(1,744)
Utilities	10,700	10,563	(137)
Maintenance and improvements	63,100	67,626	4,526
Engineering	27,000	10,387	(16,613)
Events and entertainment	30,200	34,390	4,190
Tools and supplies	1,400	359	(1,041)
Capital outlay	60,000	15,752	(44,248)
Total Parks	225,100	170,033	(55,067)
Stormwater:			
Repairs and maintenance	2,500	32,904	30,404
Engineering	2,600	9,009	6,409
Total Stormwater	5,100	41,913	36,813
Total Expenditures	230,200	211,946	(18,254)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 84,100</b>	<b>107,589</b>	<b>23,489</b>
FUND BALANCE, JANUARY 1		371,700	
<b>FUND BALANCE, DECEMBER 31</b>		<b>\$ 479,289</b>	

**VILLAGE OF TWIN OAKS, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - ROAD SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<b>Original And Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
Gasoline tax	\$ 10,600	10,374	(226)
Road tax	16,700	15,413	(1,287)
Total Revenues	27,300	25,787	(1,513)
<b>EXPENDITURES</b>			
Streets:			
Salaries	33,300	30,325	(2,975)
Street lights	8,900	9,586	686
Street maintenance and landscaping	47,300	56,624	9,324
Street engineering	-	8,357	8,357
Street tools and supplies	-	7,217	7,217
Snow removal	25,000	15,401	(9,599)
Capital outlay	25,000	67,309	42,309
Total Expenditures	139,500	194,819	55,319
<b>REVENUES UNDER EXPENDITURES</b>	(112,200)	(169,032)	(56,832)
<b>OTHER FINANCING SOURCES</b>			
Transfers in	112,200	169,032	56,832
<b>NET CHANGE IN FUND BALANCE</b>	\$ -	-	-
FUND BALANCE, JANUARY 1		-	
<b>FUND BALANCE, DECEMBER 31</b>		\$ -	

**VILLAGE OF TWIN OAKS, MISSOURI  
REQUIRED SUPPLEMENTAL INFORMATION - NOTES TO  
SCHEDULES OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2015**

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**Budgetary Data**

The Village follows these procedures in establishing the budgetary data:

- a. Formal budgetary integration is employed as a management control device. This budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America except capital leases and related capital outlay are not budgeted.
- b. The budget includes proposed expenditures and the means of financing them.
- c. The legal level of budgetary control is at the line item level.
- d. Trustee approval is required for budget amendments.
- e. Appropriations lapse at the end of the year.

**VILLAGE OF TWIN OAKS, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF CHANGES**  
**IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**Total Pension Liability**

Service cost	\$ 12,619
Interest on the total pension liability	14,510
Difference between expected and actual experience	(35,372)
Benefit payments	-
Net Change In Total Pension Liability	(8,243)
Total Pension Liability Beginning	193,945
Total Pension Liability Ending (a)	\$ 185,702

**Plan Fiduciary Net Position**

Contributions - employer	\$ 8,457
Contributions - employee	4,381
Pension plan net investment income	3,922
Benefit payments	-
Pension plan administrative expense	(559)
Other	8,842
Net Change In Plan Fiduciary Net Position	25,043
Plan Fiduciary Net Position Beginning	195,097
Plan Fiduciary Net Position Ending (b)	\$ 220,140

**Net Pension Liability (Asset) Ending (a-b)**

**\$ (34,438)**

Plan Fiduciary Net Position as a Percentage  
of the Total Pension Liability 118.54 %

Covered Employee Payroll (for February 28/29 Valuation) \$ 85,641

Net Pension Liability (Asset) as a Percentage of  
Covered Employee Payroll (40.21) %

Notes:

Information is not available for fiscal years prior to 2015.

The amounts noted above are as of the measurement date which is June 30 prior to the end of the fiscal year.

**VILLAGE OF TWIN OAKS, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF PENSION CONTRIBUTIONS**  
**LAST EIGHT FISCAL YEARS**

	Fiscal Year							
	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined pension contribution	\$ 9,837	8,626	9,233	13,342	11,839	10,954	11,045	9,813
Contributions in relation to the actuarially determined contribution	<u>9,837</u>	<u>8,626</u>	<u>9,233</u>	<u>13,342</u>	<u>11,839</u>	<u>10,954</u>	<u>11,045</u>	<u>9,813</u>
Contribution Deficiency	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered Employee Payroll	\$ 119,969	118,166	119,913	168,891	147,988	142,260	143,441	119,675
Covered Employee Payroll Contributions as a Percentage of Covered Employee Payroll	8.20 %	7.30	7.70	7.90	8.00	7.70	7.70	8.20

Notes to schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of February 28 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
Amortization method	Level percent of payroll, closed
Remaining amortization period	Multiple bases from 15 to 21 years
Asset valuation method	5 years smoothed market; 20% corridor
Inflation	3.5% wage inflation; 3% price inflation
Salary increases	3.5% to 6.8% including wage inflation
Investment rate of return	7.25%, net of investment and administrative expenses
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	105% of the 1994 Group Annuity Mortality Table set back zero years for men and zero years for women. Based upon experience observed during the most recent 5-year period study, it appears that the current table provides for an approximate 13% margin for future mortality improvement.

Notes:

There were no benefit changes during the year.  
Information prior to 2008 not available.

**OTHER SUPPLEMENTAL INFORMATION SECTION**

**VILLAGE OF TWIN OAKS, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -**  
**CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>			
Sales tax	\$ 258,900	270,037	11,137
<b>EXPENDITURES</b>			
Capital outlay	<u>1,423,000</u>	<u>6,670</u>	<u>(1,416,330)</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,164,100)</u>	<u>263,367</u>	<u>1,427,467</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	(112,200)	(169,032)	56,832
Debt proceeds	<u>1,300,000</u>	<u>-</u>	<u>(1,300,000)</u>
Total Other Financing Sources (Uses)	<u>1,187,800</u>	<u>(169,032)</u>	<u>1,356,832</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u><u>\$ 23,700</u></u>	<u>94,335</u>	<u><u>70,635</u></u>
<b>FUND BALANCE, JANUARY 1</b>		<u>714,503</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u><u>\$ 808,838</u></u>	

**VILLAGE OF TWIN OAKS, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - SEWER LATERAL SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

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	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>			
Investment income - interest	\$ 300	246	(54)
Sewer lateral fees	<u>4,800</u>	<u>4,780</u>	<u>(20)</u>
Total Revenues	5,100	5,026	(74)
<b>EXPENDITURES</b>			
Sewer lateral improvements	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u><u>\$ 3,100</u></u>	5,026	<u><u>1,926</u></u>
FUND BALANCE, JANUARY 1		<u>48,892</u>	
<b>FUND BALANCE, DECEMBER 31</b>		<u><u>\$ 53,918</u></u>	

**SECTION III - STATISTICAL SECTION**

# VILLAGE OF TWIN OAKS, MISSOURI

## STATISTICAL SECTION

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

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	45 - 50
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the Village's local revenue sources. Given the limited number of businesses, it would not be possible to break out sales tax information on industries because of the confidentiality of individual businesses.	51 - 53
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future. Since the Village has not had any long-term debt, these schedules are generally not applicable.	54 - 55
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	56 - 57
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	58 - 60

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

**VILLAGE OF TWIN OAKS, MISSOURI**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**

	<b>December 31</b>									
	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 3,551,946	3,582,373	2,731,259	2,645,403	2,738,040	2,432,026	2,110,038	1,945,913	1,118,324	934,438
Restricted	1,342,045	1,135,095	1,099,489	936,429	711,275	794,485	812,181	650,731	701,137	508,244
Unrestricted	780,923	734,093	651,273	550,754	495,988	523,856	605,464	525,754	396,852	397,517
 Total Governmental Activities Net Position	 <u>\$ 5,674,914</u>	 <u>5,451,561</u>	 <u>4,482,021</u>	 <u>4,132,586</u>	 <u>3,945,303</u>	 <u>3,750,367</u>	 <u>3,527,683</u>	 <u>3,122,398</u>	 <u>2,216,313</u>	 <u>1,840,199</u>

**VILLAGE OF TWIN OAKS, MISSOURI**  
**CHANGE IN NET POSITION**  
**LAST TEN FISCAL YEARS**

	For The Years Ended December 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>EXPENSES</b>										
Administration	\$ 417,647	333,695	326,932	353,864	386,811	417,958	361,315	293,951	334,081	269,520
Sanitation and other health costs	47,953	53,276	53,698	53,438	56,745	55,790	53,926	52,056	50,101	49,183
Police	102,460	99,010	98,971	96,132	98,676	97,348	96,438	93,236	90,252	86,596
Streets	205,169	200,439	182,038	140,141	143,749	103,645	61,504	54,583	43,972	63,481
Parks	222,730	217,603	201,969	217,431	170,017	124,971	157,231	149,385	116,529	141,568
Stormwater	9,338	13,781	24,452	49,857	11,837	6,468	10,231	6,390	5,200	13,246
Sewer lateral	-	-	2,088	-	-	2,000	8	9,410	-	-
Interest on long-term debt	-	-	-	-	133	301	461	667	557	-
Total Expenses	<u>1,005,297</u>	<u>917,804</u>	<u>890,148</u>	<u>910,863</u>	<u>867,968</u>	<u>808,481</u>	<u>741,114</u>	<u>659,678</u>	<u>640,692</u>	<u>623,594</u>
<b>PROGRAM REVENUES</b>										
Charges for services:										
Administration	54,036	53,979	53,905	55,962	55,156	56,145	49,931	50,333	40,769	32,635
Parks	200	-	1,875	2,499	1,250	-	-	-	-	-
Sewer lateral	4,780	4,844	4,496	4,895	4,847	4,662	5,007	-	1,554	4,856
Operating grants and contributions	17,000	58,869	145,713	24,353	23,200	13,871	17,421	13,940	15,262	15,211
Capital grants and contributions	-	710,000	8,200	-	-	-	5,788	426,038	71,588	42,512
Total Program Revenues	<u>76,016</u>	<u>827,692</u>	<u>214,189</u>	<u>87,709</u>	<u>84,453</u>	<u>74,678</u>	<u>78,147</u>	<u>490,311</u>	<u>129,173</u>	<u>95,214</u>
<b>NET REVENUES (EXPENSES)</b>	<u>(929,281)</u>	<u>(90,112)</u>	<u>(675,959)</u>	<u>(823,154)</u>	<u>(783,515)</u>	<u>(733,803)</u>	<u>(662,967)</u>	<u>(169,367)</u>	<u>(511,519)</u>	<u>(528,380)</u>
<b>GENERAL REVENUES AND OTHER CHANGE IN NET POSITION</b>										
Taxes	1,124,149	1,033,721	984,170	977,669	941,298	912,168	1,020,640	1,022,816	805,020	544,508
Investment income	7,113	6,792	7,027	7,879	10,981	16,418	21,885	26,316	48,415	28,225
Other	16,020	19,139	34,197	24,889	26,172	27,901	25,727	26,320	34,198	22,970
Total General Revenues And Other Change In Net Position	<u>1,147,282</u>	<u>1,059,652</u>	<u>1,025,394</u>	<u>1,010,437</u>	<u>978,451</u>	<u>956,487</u>	<u>1,068,252</u>	<u>1,075,452</u>	<u>887,633</u>	<u>595,703</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ 218,001</u>	<u>969,540</u>	<u>349,435</u>	<u>187,283</u>	<u>194,936</u>	<u>222,684</u>	<u>405,285</u>	<u>906,085</u>	<u>376,114</u>	<u>67,323</u>

**VILLAGE OF TWIN OAKS, MISSOURI**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	December 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>General Fund</b>										
Reserved	\$ -	-	-	-	-	6,733	6,684	6,417	2,888	5,983
Unreserved	-	-	-	-	-	521,911	603,548	521,595	399,032	394,872
Nonspendable	8,804	7,357	7,135	6,566	6,957	-	-	-	-	-
Unassigned	743,973	716,220	631,922	532,070	492,257	-	-	-	-	-
<b>Total General Fund</b>	<u>\$ 752,777</u>	<u>723,577</u>	<u>639,057</u>	<u>538,636</u>	<u>499,214</u>	<u>528,644</u>	<u>610,232</u>	<u>528,012</u>	<u>401,920</u>	<u>400,855</u>
<b>All Other Governmental Funds</b>										
Special revenue - unreserved	\$ -	-	-	-	-	794,485	812,181	650,731	701,137	508,244
Special revenue - restricted	533,207	420,592	273,127	197,383	154,070	-	-	-	-	-
Capital improvements - restricted	808,838	714,503	826,362	739,046	557,205	-	-	-	-	-
<b>Total All Other Governmental Funds</b>	<u>\$ 1,342,045</u>	<u>1,135,095</u>	<u>1,099,489</u>	<u>936,429</u>	<u>711,275</u>	<u>794,485</u>	<u>812,181</u>	<u>650,731</u>	<u>701,137</u>	<u>508,244</u>

GASB Statement No. 54 was implemented in 2011.

**VILLAGE OF TWIN OAKS, MISSOURI**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	For The Years Ended December 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>REVENUES</b>										
Taxes	\$ 1,132,991	1,042,322	990,146	968,767	948,261	919,406	1,028,068	1,031,720	815,320	554,913
Licenses and fees	60,179	60,169	58,737	59,974	59,575	61,033	54,522	48,676	40,851	34,641
Intergovernmental	1,644	43,964	129,833	10,240	-	-	9,760	426,038	-	-
Investment income - interest	7,113	6,792	7,027	7,879	10,981	16,418	21,885	26,316	48,415	28,225
Permits	2,300	2,105	2,685	3,365	2,315	1,745	1,430	1,880	4,880	2,800
Other revenues	16,270	19,139	45,943	27,388	36,925	27,901	25,727	26,320	61,486	65,482
Sewer lateral fees	4,780	4,844	4,496	4,895	4,847	4,662	5,007	4,813	1,554	4,856
Total Revenues	<u>1,225,277</u>	<u>1,179,335</u>	<u>1,238,867</u>	<u>1,082,508</u>	<u>1,062,904</u>	<u>1,031,165</u>	<u>1,146,399</u>	<u>1,565,763</u>	<u>972,506</u>	<u>690,917</u>
<b>EXPENDITURES</b>										
Administration	423,271	323,320	319,616	340,640	370,316	437,010	338,139	294,274	328,064	266,293
Sanitation and other health costs	47,740	52,898	53,284	52,939	57,999	55,311	53,926	52,056	50,101	49,183
Police	102,460	99,010	98,971	96,132	98,676	97,348	96,438	93,236	90,252	86,596
Streets	127,510	140,903	113,453	73,340	77,069	79,166	52,756	153,344	38,920	58,430
Parks	154,281	155,641	147,683	137,773	119,489	143,832	126,584	91,281	109,774	119,405
Stormwater	41,913	6,729	17,400	42,805	4,785	1,530	7,406	18,504	2,375	10,421
Sewer lateral	-	-	2,088	-	-	2,000	8	9,410	-	-
Capital outlay	91,952	280,708	222,891	74,303	444,148	311,628	224,848	775,129	168,096	79,408
Debt service:										
Principal	-	-	-	-	2,929	2,323	2,163	2,176	1,411	-
Interest	-	-	-	-	133	301	461	667	557	-
Total Expenditures	<u>989,127</u>	<u>1,059,209</u>	<u>975,386</u>	<u>817,932</u>	<u>1,175,544</u>	<u>1,130,449</u>	<u>902,729</u>	<u>1,490,077</u>	<u>789,550</u>	<u>669,736</u>
<b>REVENUES OVER (UNDER)</b>										
<b>EXPENDITURES</b>	<u>236,150</u>	<u>120,126</u>	<u>263,481</u>	<u>264,576</u>	<u>(112,640)</u>	<u>(99,284)</u>	<u>243,670</u>	<u>75,686</u>	<u>182,956</u>	<u>21,181</u>
<b>OTHER FINANCING</b>										
<b>SOURCES (USES)</b>										
Capital lease	-	-	-	-	-	-	-	-	11,002	-
Transfers in	169,032	304,584	146,425	48,909	46,659	157,362	-	-	80,211	43,384
Transfers out	(169,032)	(304,584)	(146,425)	(48,909)	(46,659)	(157,362)	-	-	(80,211)	(43,384)
Total Other Financing										
Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,002</u>	<u>-</u>
<b>NET CHANGES IN FUND</b>										
<b>BALANCES</b>	<u>\$ 236,150</u>	<u>120,126</u>	<u>263,481</u>	<u>264,576</u>	<u>(112,640)</u>	<u>(99,284)</u>	<u>243,670</u>	<u>75,686</u>	<u>193,958</u>	<u>21,181</u>
Debt service as a percentage of noncapital expenditures	-	%	-	-	-	0.4	0.4	0.3	0.2	-

**VILLAGE OF TWIN OAKS, MISSOURI**  
**PROGRAM REVENUES BY FUNCTIONS/PROGRAMS**  
**LAST TEN FISCAL YEARS**

FUNCTIONS/PROGRAMS	December 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental activities:										
Administration	\$ 54,036	763,979	63,776	55,962	55,156	56,145	49,931	45,520	42,323	37,491
Streets	15,356	14,905	22,409	14,113	13,697	13,871	19,237	439,978	42,550	57,723
Parks	1,844	43,964	123,508	12,739	10,753	-	3,972	-	44,300	-
Sewer lateral	4,780	4,844	4,496	4,895	4,847	4,662	5,007	4,813	-	-
Total Governmental Activities	<u>\$ 76,016</u>	<u>827,692</u>	<u>214,189</u>	<u>87,709</u>	<u>84,453</u>	<u>74,678</u>	<u>78,147</u>	<u>490,311</u>	<u>129,173</u>	<u>95,214</u>

**VILLAGE OF TWIN OAKS, MISSOURI**  
**TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Sales Tax</u>	<u>Gasoline Tax</u>	<u>Road Tax</u>	<u>Property Tax</u>	<u>Other</u>	<u>Total</u>
2015	\$1,076,608	10,374	15,413	29,469	1,127	1,132,991
2014	989,937	10,206	14,897	27,282	-	1,042,322
2013	936,311	9,931	14,556	29,348	-	990,146
2012	932,288	9,978	14,453	12,048	-	968,767
2011	919,783	9,938	18,540	-	-	948,261
2010	892,796	10,243	16,367	-	-	919,406
2009	1,002,135	9,984	11,405	-	4,544	1,028,068
2008	1,001,028	10,233	15,565	-	4,894	1,031,720
2007	784,677	10,554	14,160	-	5,929	815,320
2006	526,382	10,368	12,046	-	6,117	554,913

**VILLAGE OF TWIN OAKS, MISSOURI**  
**PROPERTY TAX RATES - DIRECT AND ALL OVERLAPPING GOVERNMENTS (1)**  
**LAST TEN FISCAL YEARS**

	December 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Village of Twin Oaks, Missouri	\$ 0.312	0.342	0.337	0.326	-	-	-	-	-	-
Overlapping governments:										
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
County General	0.2050	0.2090	0.2000	0.2000	0.2000	0.2000	0.1900	0.1900	0.1900	0.1900
County Park Maintenance	0.0490	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0350
County Bond Retirement	0.0190	0.0190	0.0280	0.0280	0.0280	0.0280	0.0280	0.0630	0.0630	0.0630
Roads and Bridges	0.1030	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050
County Health	0.1370	0.1400	0.1400	0.1400	0.1400	0.1400	0.1500	0.1500	0.1500	0.1650
St. Louis Community College	0.2126	0.2200	0.2200	0.2200	0.2200	0.2179	0.2136	0.2013	0.2003	0.2233
Special School District	1.2348	1.2609	1.2400	1.0123	1.0125	0.9950	0.9384	0.9184	0.9084	0.8235
Metro Zoo	0.2777	0.2797	0.2797	0.2684	0.2671	0.2546	0.2493	0.2344	0.2330	0.2611
County Library	0.2590	0.2250	0.2500	0.1730	0.1630	0.1565	0.1380	0.1440	0.1400	0.1500
Sheltered Workshop	0.0880	0.0900	0.0890	0.0840	0.0840	0.0790	0.0740	0.0690	0.0700	0.0900
MSD-Extension	0.0195	0.0197	0.0196	0.0186	0.0185	0.0180	-	-	0.0167	0.0187
Valley Park School District	5.4965	5.5910	5.6526	5.0587	4.9435	4.7174	4.5653	4.2722	4.1311	4.5613
Metro Sewer District	0.0879	0.0879	-	-	-	-	-	-	0.0700	0.0687
Valley Park Fire District	1.1860	1.3100	1.2780	1.1950	1.1530	1.1310	1.0230	1.0130	1.0040	1.1945
West County Fire District	1.2940	1.0000	0.0961	0.8960	0.8980	0.9130	0.7190	0.7260	0.7730	0.7820
Parkway School District	4.6796	4.1279	4.0743	3.9361	3.6761	3.5672	3.4100	3.2300	3.2300	3.4270

(1) Source: St. Louis County Collector (rates stated per \$100 assessed valuation), Tax District 108AS

**VILLAGE OF TWIN OAKS, MISSOURI**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1)**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Railroads And Utilities (2)</u>	<u>Total</u>		<u>Direct Tax Rate</u>
				<u>Assessed Value</u>	<u>Estimated Actual Value</u>	
2015	\$ 13,974,450	1,385,867	141,446	15,477,146	58,579,229	\$ 0.312
2014	13,014,620	1,368,210	130,019	14,512,849	55,376,137	0.342
2013	13,118,659	1,295,160	127,978	14,541,797	54,931,683	0.337
2012	13,802,015	1,310,830	128,955	15,241,800	58,217,489	0.326
2011	14,091,252	1,498,310	132,753	15,722,315	59,636,241	-
2010	14,316,865	1,807,220	132,272	16,256,357	61,417,961	-
2009	14,252,783	2,219,070	131,272	16,603,125	62,314,152	-
2008	12,576,490	2,522,500	131,183	15,230,173	59,741,275	-
2007	12,349,910	1,484,080	136,337	13,970,327	51,502,194	-
2006	9,727,570	1,521,430	142,072	11,391,072	46,719,701	-

(1) Source: St. Louis County Assessor (rates stated per \$100 assessed valuation)

(2) Beginning in 2009, the real estate position of railroads and utilities is included with the real estate category.

**VILLAGE OF TWIN OAKS, MISSOURI**  
**PROPERTY TAX LEVIES AND COLLECTIONS (1)**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Original Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent Collected As Current</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Total Collections As Percent Of Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Portion Of Tax Levy Delinquent</u>
2015	\$ 28,701	16,317	57 %	-	16,317	57 %	12,385	43 %
2014	28,446	14,297	50	195	14,492	100	-	-
2013	28,082	13,690	49	14,392	28,082	100	-	-
2012	27,773	12,048	43	15,725	27,773	100	-	-
2011	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-

(1) Source: St. Louis County Collector's office

**VILLAGE OF TWIN OAKS, MISSOURI**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**DECEMBER 31, 2015**

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<u>Name Of Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share Of Overlapping Debt</u>
St. Louis County	\$ 105,615,000	0.01 %	\$ 10,561
Parkway School District	138,541,423	0.01	13,854
Valley Park School District	14,080,000	0.10	14,080
West County Fire Protection District	17,565,000	0.11	19,322
			<u>57,817</u>
Village direct debt	-	100.00 %	-
Total Direct And Overlapping Debt			<u><u>\$ 57,817</u></u>

Source: Information was obtained by contacting the Taxing Jurisdiction and the St. Louis County Collector's office. The percentage applicable to the Village is based on the Jurisdiction's assessed value within the boundaries of the Village.

**VILLAGE OF TWIN OAKS, MISSOURI**  
**OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

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<u>Fiscal Years</u>	<u>Capital Lease</u>
2015	\$ -
2014	-
2013	-
2012	-
2011	-
2010	2,929
2009	5,252
2008	7,415
2007	9,591
2006	-

**VILLAGE OF TWIN OAKS, MISSOURI**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Median Age (1)</u>	<u>Personal Income (1)</u>	<u>Per Capita Income (1)</u>	<u>Unemployment Rate</u>
2015	393	57.0	15,253,116	38,812	0.90 %
2014	392	49.0	13,580,000	35,831	0.60
2013	392	49.0	13,580,000	35,831	0.60
2012	392	49.0	13,580,000	35,831	0.60
2011	392	49.0	13,580,000	35,831	0.60
2010	392	49.0	13,580,000	35,831	0.60
2009	354	46.3	11,793,864	33,316	0.60
2008	354	46.3	11,793,864	33,316	0.60
2007	354	46.3	11,793,864	33,316	0.60
2006	354	46.3	11,793,864	33,316	0.60

(1) Source: U.S. Bureau of Census

**VILLAGE OF TWIN OAKS, MISSOURI**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND EIGHT YEARS AGO**

<u>Employer</u>	<u>2015</u>			<u>2007</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage Of Total Village Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage Of Total Village Employment</u>
Schnucks Market	163	1	30 %	138	1	26 %
Shop N' Save	72	2	13	110	2	21
Dairy Queen	48	3	9	43	3	8
Imo's Pizza	31	4	6	31	5	6
Krieger's Pub & Grill	28	5	5	30	7	5
Walgreens Pharmacy	23	6	5	31	6	6
Nicoletti's	21	7	4	35	4	7
Hardees	18	8	4	14	9	3
Pizza Hut	17	9	3	23	8	4
Subway	12	10	3	12	10	2
Total	<u>433</u>		<u>82 %</u>	<u>467</u>		<u>88 %</u>

Source: Village Business License Applications for 2015

Note:

The Village now includes employment data on annual business license applications. 2007 is the oldest available.

Total persons employed in the Village for 2015 is 556 persons.

**VILLAGE OF TWIN OAKS, MISSOURI**  
**FULL-TIME EQUIVALENT VILLAGE GOVERNMENT EMPLOYEES BY FUNCTIONS/PROGRAMS**  
**LAST TEN FISCAL YEARS**

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FUNCTIONS/PROGRAMS	December 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Administration:										
Village clerk	1	1	1	1	1	1	1	1	1	1
Assistant clerk/administrative assistant	1	1	1	1	1	1	1	1	1	1
Accounting clerk	-	1	1	1	1	1	1	1	1	1
Streets/parks:										
Maintenance/landscaping	1	1	1	1	1	1	1	1	1	-

Source: Annual Budget Document and Payroll Records

**VILLAGE OF TWIN OAKS, MISSOURI**  
**OPERATING INDICATORS BY FUNCTIONS/PROGRAMS**  
**LAST TEN FISCAL YEARS**

FUNCTIONS/PROGRAMS	December 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Administration:										
Village clerk (1):										
Site development/concept plans	-	-	1	2	-	-	-	1	-	1
Rezoning applications	-	-	-	-	-	1	-	-	-	-
Text amendments	-	-	-	-	-	-	-	-	-	2
Building permits	12	16	11	17	12	13	7	15	21	19
Building/housing inspections	12	9	13	7	10	10	8	10	19	8
Assistant clerk (2):										
Accounts payable processed	579	589	673	674	692	578	621	519	768	423
Payroll checks authorized	214	213	172	184	181	177	167	276	154	228
Public records requested	-	2	6	1	9	2	1	1	1	6
Collector (3):										
Business licenses issued	37	37	34	35	35	34	31	31	31	27
Liquor licenses issued	14	14	14	14	14	14	12	12	12	9
Sewer lateral fees collected	167	160	161	164	163	156	165	165	163	157
Streets/parks:										
Maintenance/landscaping	1	1	1	1	1	1	1	1	1	N/A

(1) Source: Office records and St. Louis County Public Works Department records

(2) Source: Annual Budget Document and Payroll Records

(3) Source: Office Records/Business and Liquor License Applications

**VILLAGE OF TWIN OAKS, MISSOURI**  
**CAPITAL ASSETS STATISTICS BY FUNCTIONS/PROGRAMS**  
**LAST TEN FISCAL YEARS**

FUNCTIONS/PROGRAMS	December 31									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Parks:										
Number of parks	1	1	1	1	1	1	1	1	1	1
Acres of parks	11	11	11	11	11	11	11	11	11	9
Streets:										
Miles of streets	3	3	3	3	3	3	3	3	3	3
Street lights and signals	52	52	52	52	52	52	52	51	38	38

Source: Office records

**SECTION IV - INTERNAL CONTROL AND  
COMPLIANCE SECTION**

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS***

June 8, 2016

Board of Trustees  
**VILLAGE OF TWIN OAKS, MISSOURI**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **VILLAGE OF TWIN OAKS, MISSOURI** (the Village), as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated June 8, 2016.

**INTERNAL CONTROL OVER FINANCIAL REPORTING**

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented, or detected and corrected on a timely basis. A

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significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

## **COMPLIANCE AND OTHER MATTERS**

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

## **PURPOSE OF THIS REPORT**

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

*Hochschild, Bloom & Company LLP*  
CERTIFIED PUBLIC ACCOUNTANTS