PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 3, 2026.

NEW ISSUE
BOOK-ENTRY ONLY

S&P RATING: A+
See "BOND RATING" herein.

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

$14,000,000*
CITY OF HAZELWOOD, MISSOURI
GENERAL OBLIGATION BONDS
SERIES 2026

Dated: Date of Issuance **Due: March 1, as shown on the inside cover**

The General Obligation Bonds, Series 2026 (the **"Bonds"**), will be issued by the City of Hazelwood, Missouri (the **"City"**), for the purpose of providing funds to pay the (a) costs of acquiring, constructing, reconstructing, replacing, installing and equipping the City's fire stations including related facilities and infrastructure, and acquiring any land necessary therefor and (b) the costs of issuance related to the Bonds, as further described herein under the caption **"PLAN OF FINANCING."**

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

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

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

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

The Bonds are offered when, as and if issued by the City and accepted by the Underwriter, subject to the approval of validity by Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel to the City, and subject to certain other conditions. Bond Counsel will also pass on certain matters relating to this Official Statement. Piper Sandler & Co. is serving as financial advisor to the City in connection with the issuance of the Bonds. It is expected that the Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York, on or about September 30, 2026.

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

* Preliminary; subject to change.

$14,000,000*
CITY OF HAZELWOOD, MISSOURI
GENERAL OBLIGATION BONDS
SERIES 2026

MATURITY SCHEDULE

Base CUSIP:

SERIAL BONDS

Maturity (March 1)	Principal Amount*	Interest Rate	Price	CUSIP Extension
2027	$ 175,000	%	%	
2028	380,000			
2029	450,000			
2030	500,000			
2031	525,000			
2032	555,000			
2033	580,000			
2034	610,000			
2035	645,000			
2036	675,000			
2037	710,000			
2038	745,000			
2039	785,000			
2040	825,000			
2041	865,000			
2042	910,000			
2043	950,000			
2044	990,000			
2045	1,040,000			
2046	1,085,000			

* Preliminary; subject to change.

CITY OF HAZELWOOD, MISSOURI

415 Elm Grove Lane
Hazelwood, MO 63042
(314) 839-3700

ELECTED OFFICIALS

Matthew G. Robinson, *Mayor*
William C. Hoops, *Councilmember*
Charles McGhee, *Councilmember*
Lesli Henderson, *Councilmember*
Kevin Foley, *Councilmember*
Lisa M. Matlock, *Councilmember*
Lisa Simpson, *Councilmember*
Robert C. Smith, *Councilmember*
Jen M. Hatton, *Councilmember*

ADMINISTRATIVE OFFICIALS

James Hudanick, *Interim City Manager*
Brandi Enzwiler, *Director of Finance*
Julie Lowery, *City Clerk*

CITY'S COUNSEL

Curtis, Heinz, Garrett & O'Keefe, P.C.
Clayton, Missouri

BOND AND DISCLOSURE COUNSEL

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

FINANCIAL ADVISOR

Piper Sandler & Co.
Leawood, Kansas

PAYING AGENT

UMB Bank, N.A.
St. Louis, Missouri

REGARDING USE OF THIS OFFICIAL STATEMENT

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

The information set forth herein has been obtained from the City and other sources that are deemed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the City. The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

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

This Preliminary Official Statement is in a form deemed final by the City for purposes of Rule 15c2-12 issued under the Securities Exchange Act of 1934, as amended, except for certain information permitted to be omitted pursuant to Rule 15c2-12(B)(1).

TABLE OF CONTENTS

THIS PAGE INTENTIONALLY

LEFT BLANK

OFFICIAL STATEMENT

CITY OF HAZELWOOD, MISSOURI

$14,000,000*
GENERAL OBLIGATION BONDS
SERIES 2026

INTRODUCTION

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

General

This Official Statement, including the cover page and appendices hereto, is furnished to prospective purchasers in connection with the offering and sale of $14,000,000* aggregate principal amount of General Obligation Bonds, Series 2026 (the **"Bonds"**), by the City of Hazelwood, Missouri (the **"City"**). The issuance and sale of the Bonds is expected to be authorized by an ordinance of the City Council to be adopted on September 16, 2026 (the **"Ordinance"**). *All capitalized terms used herein and not otherwise defined herein have the meanings assigned to those terms in the Ordinance.*

Authorization and Purpose of the Bonds

On August 4, 2026, the voters of the City approved the issuance of general obligation bonds in the amount of not to exceed $14,000,000. The Bonds are being issued for the purpose of providing funds to pay (a) the costs of acquiring, constructing, reconstructing, replacing, installing and equipping the City's fire stations including related facilities and infrastructure, and acquiring any land necessary therefor, and (b) the costs of issuance related to the Bonds (collectively, the **"Project"**). See the section herein captioned **"PLAN OF FINANCING."**

Security for the Bonds

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

Continuing Disclosure

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

---

* Preliminary; subject to change.

THE BONDS

General

The Bonds are being issued in the aggregate principal amount of $14,000,000*. The Bonds are dated as of the date of original issuance and delivery thereof. Principal is payable on March 1 in the years and in the principal amounts set forth on the inside cover page hereof, subject to redemption and payment prior to maturity, upon the terms and conditions described under the section herein captioned **"THE BONDS – Redemption Provisions."** Interest on the Bonds is calculated at the rates per annum set forth on the inside cover page, computed on the basis of a 360-day year of twelve 30-day months. The Bonds shall consist of fully-registered bonds in denominations of $5,000 or any integral multiple thereof. Interest on the Bonds is payable from the date thereof or the most recent date to which interest has been paid and is payable semiannually on March 1 and September 1 in each year, beginning March 1, 2027.

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

Redemption Provisions

Optional Redemption. At the option of the City, the Bonds or portions thereof maturing on and after March 1, 2037 may be subject to redemption and payment prior to maturity on and after March 1, 2036 in whole or in part at any time in such amounts for each Stated Maturity as shall be determined by the City (Bonds of less than a single maturity to be selected in multiples of $5,000 principal amount), at the Redemption Price of 100% of the principal amount thereof, plus accrued interest thereon to the Redemption Date.

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

In the case of a partial redemption of Bonds, when Bonds of denominations greater than $5,000 are then-Outstanding, then for all purposes in connection with such redemption each $5,000 of face value shall be treated as though it were a separate Bond of the denomination of $5,000. If it is determined that one or more, but not all, of the $5,000 units of face value represented by any Bond are selected for redemption, then upon notice of intention to redeem such $5,000 unit or units, the Registered Owner of such Bond or the Registered Owner's duly authorized agent shall present and surrender such Bond to the Paying Agent (1) for payment of the price at which such Bond is to be redeemed (the **"Redemption Price"**) and interest to the date fixed for

* Preliminary; subject to change.

redemption (the **"Redemption Date"**) of such $5,000 unit or units of face value called for redemption and (2) for exchange, without charge to the Registered Owner thereof, for a new Bond or Bonds of the aggregate principal amount of the unredeemed portion of the principal amount of such Bond. If the Registered Owner of any such Bond shall fail to present such Bond to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the Redemption Date to the extent of the $5,000 unit or units of face value called for redemption (and to that extent only).

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

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

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

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

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

Book-Entry Only System

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

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

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

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

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

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

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

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

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

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

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

Registration, Transfer and Exchange of Bonds

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

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

SECURITY FOR THE BONDS

Pledge of Full Faith and Credit

The Bonds will constitute general obligations of the City and will be payable as to both principal and interest from ad valorem taxes, which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the City. The full faith, credit and resources of the City are irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Levy and Collection of Annual Tax

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

RISK FACTORS

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

Ad Valorem Property Taxes

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

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

Senior Property Tax Credit Program

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

For 2025, 1,113 parcels within the City participated in the Senior Property Tax Credit Program, amounting to $1,427.59 in property tax credits for such eligible taxpayers.

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

Potential Impact of Public Health Emergencies

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

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

Secondary Market Prices and Liquidity

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

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

Rating

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC (the **"Rating Agency"**), has assigned the Bonds the rating set forth under **"BOND RATING"** in this Official Statement. The rating reflects only the views of the Rating Agency, and an explanation of the significance of such rating may be obtained therefrom. There is no assurance that the rating will remain in effect for any given period of time or that it will not be revised, either downward or upward, or withdrawn entirely, by the Rating Agency if, in its judgment, circumstances warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

Bankruptcy

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

Amendment of the Ordinance

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

Loss of Premium from Redemption

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

Tax-Exempt Status and Risk of Audit

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

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

Defeasance Risks

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

Future Economic, Demographic and Market Conditions

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

Cybersecurity Risks

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

Robertson Fire Protection District Litigation

In June 1994, the City annexed an area that was served by Robertson Fire Protection District (**"Robertson"**). A judicial order associated with the annexation provided that Robertson would continue to provide fire services to the annexed area and that the City would pay Robertson for such services (rather than Robertson imposing a property tax within the annexed area). In April 1995, the City and Robertson entered into a Fire Service Agreement memorializing the terms of the City's agreement to pay Robertson. The City's costs under the Fire Service Agreement rose dramatically over the next two decades and, as the City alleges, became inequitable, unaffordable and unsustainable. In December 2017, the City Council adopted a resolution repudiating its obligations under Fire Service Agreement. In February 2018, Robertson filed suit against the City to enforce the Fire Service Agreement (St. Louis County Circuit Court Case No. 18SL-CC00749). Robertson continues to provide fire service to the annexed area and the City and Robertson have agreed to some partial settlement agreements for some of the claims in the lawsuit and some interim agreements which currently provide for the City to pay a negotiated amount to Robertson for each year while the litigation is pending, rather than the higher amount that would be required under the Fire Service Agreement. However, the litigation has not yet been resolved and there is no permanent settlement between the parties. A final resolution of the litigation that is adverse to the City that would require the City to pay Robertson any amount Robertson could have gotten by levying taxes in the annexed area could materially impact the City's finances and operations.

PLAN OF FINANCING

Authorization of Bonds

The Bonds are authorized pursuant to and in full compliance with the Constitution and statutes of the State of Missouri, including particularly Article VI, Section 26 of the Missouri Constitution and Section 95.115 *et seq.*, of the Revised Statutes of Missouri. On August 4, 2026, the voters of the City approved, by a vote of 3,087 for and 1,621 against, the issuance of general obligation bonds in the amount of not to exceed $14,000,000 to finance the costs of the Project. The Bonds are being issued pursuant to the Ordinance.

The Project

Bond proceeds are expected to be used to acquire real property and construct and equip a replacement facility for the City's Fire Station No. 1 on such property (the **"Project"**). The City has engaged Navigate Building Solutions as the construction manager for Project and JEMA as the architect for the Project.

Navigate Building Solutions is a St. Louis, Missouri-based firm that provides owner's representative, project management, and construction management solutions to both public agencies and private owners seeking to build or renovate facilities. Navigate Building Solutions has been involved in over 500 project in the Midwest.

JEMA is a St. Louis, Missouri-based firm that has provided architecture and design services on numerous civic and municipal projects in the greater St. Louis area, including fire stations in the St. Louis area cities of Ferguson, Lake St. Louis, Maplewood, St. Charles, Valley Park and Webster Groves.

Sources and Uses of Funds

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

Sources of Funds:	
Par Amount of the Bonds	$14,000,000*
[*Net*] Original Issue Premium	
Total	$__________
Uses of Funds:	
Project Costs	$__________
Costs of Issuance (including Underwriter's Discount)	
Total	$__________

LEGAL MATTERS

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

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

TAX MATTERS

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

---

* Preliminary; subject to change.

Opinion of Bond Counsel

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

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

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

Bank Qualification. The Bonds have not been designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the **"Code"**).

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

Other Tax Consequences

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

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

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

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

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

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

CONTINUING DISCLOSURE UNDERTAKING

The Undertaking

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

Prior Compliance

The City has made similar undertakings with respect to its outstanding obligations to annually file its audited financial statements and certain operating data (together, the **"Annual Report"**) and notices of the occurrence of certain enumerated events. To the best of the City's knowledge and belief, the City has complied in all material respects with its prior continuing disclosure undertakings under the Rule for the past five years, except as follows:

- The City's financial and operating data for the fiscal years ended June 30, 2021 through 2025 was not timely filed.
- Certain required operating data in the District's Annual Reports was in a format different than the original official statements.

- In addition, while the City's audited financial statements and operating data were available elsewhere on EMMA, in each of the last five years, the City failed to link certain CUSIPs or issues to the filings.

Ongoing Compliance

The City's Director of Finance has been designated as the City's bond compliance officer and oversees the City's continuing disclosure obligations. The City intends to contract with Gilmore & Bell, P.C. to assist the City's bond compliance officer with preparation of annual reports and filing on EMMA.

BOND RATING

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

LITIGATION

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

The City is involved in on-going litigation with Robertson Fire Protection District and the outcome of that litigation could materially impact the City's finances and operations. See **"RISK FACTORS – Robertson Fire Protection District Litigation."** However, any outcome of that litigation is not anticipated to affect security for the Bonds, including the levy and collection of a tax to pay the principal of and interest on the Bonds. See **"SECURITY FOR THE BONDS."**

UNDERWRITING

Based upon bids received by the City on September ___, 2026, the Bonds were awarded to [*Purchaser*] __________, __________ (the **"Underwriter"**). The Underwriter has agreed, subject to certain conditions, to purchase the Bonds at a price equal to $___________ (representing the aggregate principal amount of the Bonds, plus [*a net*][*an*] original issue premium of $__________, less an underwriting discount of ___________). The Underwriter is purchasing the Bonds from the City for resale in the normal course of the Underwriter's business activities. The Underwriter reserves the right to offer any of the Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine. The Underwriter reserves the right to join with dealers and other purchasers in offering the Bonds to the public. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) at prices lower than the public offering prices.

FINANCIAL ADVISOR

Piper Sandler & Co., Leawood, Kansas (the **"Financial Advisor"**), has been employed by the City as financial advisor to provide certain professional services in connection with the Bonds. The Financial Advisor has not undertaken an independent investigation into the accuracy of the information presented in this Official Statement.

CERTAIN RELATIONSHIPS

Gilmore & Bell, P.C., Bond Counsel to the City, has represented the Paying Agent and the Financial Advisor in transactions unrelated to the issuance of the Bonds but is not representing either of them in connection with the issuance of the Bonds.

MISCELLANEOUS

Information set forth in this Official Statement has been furnished or reviewed by certain officials of the City and other sources which are believed to be reliable. Any statements made in this Official Statement involving matters of opinion, estimates or projections, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or projections will be realized.

Simultaneously with the delivery of the Bonds, the Mayor of the City, acting on behalf of the City, will furnish to the Underwriter a certificate which shall state, among other things, that to the best knowledge and belief of such officer, this Official Statement (and any amendment or supplement hereto) as of the date of sale and as of the date of delivery of the Bonds does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements herein, in light of the circumstances under which they were made, not misleading in any material respect.

The form of this Official Statement, and its distribution and use by the Underwriter, has been approved by the City. Neither the City nor any of its officers, members or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the City or the City's ability to make payments required of it; and further, neither the City nor its officers, members or employees assumes any duties, responsibilities or obligations in relation to the issuance of the Bonds other than those either expressly or by fair implication imposed on the City by the Ordinance.

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

CITY OF HAZELWOOD, MISSOURI

By: ______________________________
Interim City Manager

THIS PAGE INTENTIONALLY

LEFT BLANK

APPENDIX A

INFORMATION REGARDING THE CITY

THIS PAGE INTENTIONALLY

LEFT BLANK

TABLE OF CONTENTS

The information contained in this appendix relates to and has been obtained from the City of Hazelwood, Missouri (the "City") and the sources cited herein. The delivery of this Official Statement does not create any implication that there has been no change in the affairs of the City since the date hereof or that the information contained or incorporated by reference in this appendix is correct as of any time subsequent to its date.

GENERAL INFORMATION CONCERNING THE CITY

General

The City is located in north St. Louis County and occupies approximately 16.04 square miles. The City was initially incorporated as a village in 1949 after a group of determined farmers resisted annexation into the city of Florissant, Missouri. The City is a home-rule charter City with an estimated population of 25,114. Approximately 800 businesses operate within the City.

The City has several parks within its boundaries that offer tennis courts, playgrounds, a community center, a sports complex, a public aquatic center, trails, fishing ponds, disc golf and more. The City offers several weekly activities for residents through these recreational spaces.

Type of Government

The City is governed by a Mayor, elected at-large, and an eight-member City Council, one from each of the City's eight wards. The Mayor and Council members are elected to serve in three-year terms. The current Mayor and members of the City Council are as follows:

	Year Elected	Year Present Term Expires
Matthew G. Robinson, Mayor	2009	2027
William C. Hoops, Ward 1	2022	2028
Charles McGhee, Ward 2	2026	2029
Lesli Henderson, Ward 3	2025	2028
Kevin Foley, Ward 4	2026	2029
Lisa M. Matlock, Ward 5	2021	2028
Lisa Simpson, Ward 6	2026	2029
Robert C. Smith, Ward 7	2021	2028
Jen M. Hatton, Ward 8	2023	2029

The City Charter provides that a City Manager will be nominated by the Mayor and appointed with the advice and consent of a majority of the authorized membership of the City Council. The City Manager is responsible for the day-to-day administration of the City and the supervision of all City departments, including, without limitation, the City's Finance Department. A Director of Finance, appointed by the City Manager, is the head of the City's Finance Department and reports to the City Manager. The current City Manager and Director of Finance are as follows:

James Hudanick, *Interim City Manager*. Mr. Hudanick was appointed Interim City Manager in April 2026. He has served the City since August 1989, beginning his career with the City as a police officer and advancing through the ranks of the Police Department. Mr. Hudanick, a U.S. Army veteran who served honorably as a Military Policeman, holds a bachelor's degree from Illinois State University and is a graduate of the FBI National Academy. Mr. Hudanick currently serves as Chief of Police in addition to his role as Interim City Manager. His more than 35 years of service to the City provide extensive institutional knowledge and experience in municipal operations, public safety, and organizational leadership.

Brandi Enzwiler, *Director of Finance*. Brandi Enzwiler was appointed Director of Finance in January 2026. Ms. Enzwiler joined the City in 2022 as Assistant Director of Finance. Prior to joining the City, she had more than ten years of accounting and financial management experience in the private sector. Ms. Enzwiler holds both a bachelor's degree and a master's degree from Eastern Illinois University. As Director of Finance, she is responsible for the City's financial operations, including budgeting, financial reporting, treasury management, debt administration, and financial planning.

Employees

The City currently has 177 full-time employees. Benefits provided to full-time employees include health insurance and life insurance, a retirement plan (see the caption **"Pension Plans"** herein), paid vacation and sick leave. In 2007, the Missouri Supreme Court held that public employees have a constitutional right to collectively bargain under Missouri's Constitution. Two employee groups, firefighters and police officers, are covered by collective bargaining units. The City has no record of any work stoppages or labor disputes.

Pension Plans

The City has a defined benefit pension plan ("**the Pension Plan**") that provides certain retirement and disability benefits to plan members. The Pension Plan was created and is governed by City ordinance.

Schedule of City Contributions

Year Ended June 30	Actuarially Determined Contribution	Actual Employer Contributions	Contribution Excess/(Deficiency)
2024	$1,828,394	$1,629,819	$ (198,575)
2023	955,106	1,041,319	86,213
2022	871,848	854,162	(17,686)
2021	1,092,904	1,024,489	(68,415)
2020	1,465,058	1,302,776	(162,282)

The City has implemented Governmental Accounting Standards Board (**"GASB"**) Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*. This Statement requires the City to record net pension liability and pension expense on its financial statements. The net pension liability is the difference between the total pension liability and the plan's fiduciary net position. The pension expense recognized each fiscal year is equal to the change in the net pension liability from the beginning of the year to the end of the year, adjusted for deferred recognition of certain changes in the liability and investment experience.

As of June 30, 2025, the City had 408 participants (144 inactive employees or beneficiaries currently receiving benefits, 78 inactive employees entitled but not yet receiving benefits, 185 active employees, 1 disabled employee) in the Pension Plan. The City's recognized pension expense for the year ended June 30, 2025, was $2,960,744 and the net pension liability (asset) attributable to the Pension Plan as of June 30, 2025, recorded on the City's financial statements, is set forth below.

	Net Pension Liability
Total Pension Liability	$ 63,809,931
Less: Plan Fiduciary Net Position	53,069,985
Net Pension Liability/(Asset)	$ 10,739,946

The City's net pension liability is based on a 7.25% discount rate. The City's net pension liability using a 1% higher or lower discount rate would be as follows:

	Net Pension Liability Sensitivity		
	1.0% Decrease (6.25%)	Rate Assumption (7.25%)	1.0% Increase (8.25%)
Total Pension Liability	$ 71,672,903	$ 63,809,931	$ 57,244,728
Plan Fiduciary Net Position	(53,069,985)	(53,069,985)	(53,069,985)
TOTAL NET PENSION LIABILITY	$18,602,918	$ 10,739,946	$ 4,174,743

Other Post-Employment Benefits

Retiree Health Plan. The City administers a single employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides healthcare insurance for eligible retirees and their spouses through the City's group health insurance plan, which covers both active and retired members until attainment of Medicare Eligibility age. The City funds these benefits on a pay as you go basis.

Risk Management

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

The City is a member of the St. Louis Area Insurance Trust (SLAIT). SLAIT is a not-for-profit, self-insurance risk pool formed by various St. Louis County municipalities. Coverage is provided by the trust for general, police, public officials, cybersecurity, worker's compensation, auto liability and employee health insurance. SLAIT is fully funded by its member participants and employs an outside service company to process all claims. The City's premium payments incurred to the trust totaled $1,755,290 for the fiscal year ended June 30, 2025.

Municipal Utilities and Services

The City provides a full range of services associated with municipalities of similar size and type, including police, fire and emergency medical services, engineering and public works, parks and recreation, legislative, land use management, municipal court, health, welfare and administration. These services are financed from revenues of the City. Missouri-American Water Company provides water service to the City; The Metropolitan St. Louis Sewer District provides sewer service to the City; Republic Services provides waste collection and recycling services; Ameren provides electricity; and Spire Gas provides natural gas.

Public Safety

The City maintains its own police department with 78 full time employees. The department is split into three divisions: Special Operations, Neighborhood Patrol and Community Support Services.

The City also maintains its own fire department with 47 full time employees. The department provides a wide range of services to the community, including all hazards incident response and emergency medical services. The City's fire department provides fire, medical and other emergency services. The fire department performs fire and safety inspections, aggressive fire prevention and public safety education. The City recently received a class 2 insurance rating.

Fire protection for the City is jointly provided by the City's fire department along with the Robertson and Florissant Valley Fire Protection Districts. Approximately 25% of the City is serviced by the Florissant

Valley Fire Protection District and approximately 20% is serviced by the Robertson Fire Protection District, with the remainder (approximately 55%) serviced by the City's fire department. The City and the fire districts cooperate through mutual aid agreements.

The City and Robertson Fire Protection District are involved in on-going litigation regarding payments owed by the City to Robertson. See **"RISK FACTORS – Robertson Fire Protection District Litigation."**

Communications

Telecommunications services are provided by numerous telecommunications providers. Residents of the City can receive broadcast signals from all St. Louis radio and television stations. Local newspapers include the *St. Louis Post-Dispatch* and *Call Newspapers*.

Transportation

The City's geographic location provides easy access to all areas of metropolitan St. Louis via I-70, I-270 and I-170. Regularly scheduled commercial air passenger and air freight service is available at the St. Louis Lambert International Airport located approximately 5 miles south of the City. The City is served by all major freight carriers and package delivery services and several railways serve the greater St. Louis area with the main yards being in downtown St. Louis. Amtrak passenger train service is also available with stations nearby in University City and St. Louis City. Local facilities for barge transportation are located at the Port of Metropolitan St. Louis. The Port is serviced by all major barge lines and is the northern most year-round ice-free port on the inland waterway.

Educational Institutions and Facilities

The City is primarily served by the Hazelwood School District, the Ferguson-Florissant School District and the Pattonville School District.

There are also several top-rated private school options in the St. Louis County area, including but not limited to John Burroughs School, MICDS - Mary Institute & St. Louis Country Day School, and the Whitfield School.

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

Medical and Health Facilities

SSM Health DePaul Hospital is located a few miles outside of the City and offers 24-hour emergency care and a variety of outpatient services and physician practices. The City is also served by Christian Northwest Emergency Department, ArchWell Health and St. Louis Medical Center. Also located in the surrounding area are Washington University Medical Center at Barnes-Jewish Hospital, St. Louis University Hospital, and Mercy Medical Center, as well as numerous doctors' offices, nursing facilities and other healthcare providers.

Employment

The following table sets forth the total labor force, number of employed and unemployed workers in the City and, for comparative purposes, the unemployment rates for the City, St. Louis County, the State of Missouri and the United States for the years 2021 through 2025:

City of Hazelwood Labor Force				Unemployment Rates			
Year	Employed	Unemployed	Total	City of Hazelwood	St. Louis County	State of Missouri	United States
2025	12,901	600	13,501	4.4%	4.1%	4.0%	5.3%
2024	12,893	538	13,431	4.0	3.7	3.7	4.0
2023	12,893	459	13,352	3.4	3.1	3.1	3.6
2022	12,801	437	13,238	3.3	2.6	2.6	3.7
2021	12,546	748	13,294	5.6	4.3	4.1	5.4

Source: U.S. Department of Labor, Bureau of Labor Statistics.

The following list sets forth the names and approximate employment of the top 10 employers in the City as of June 30, 2025:

Employer	Type of Business	Employees
The Boeing Company	Aerospace engineering and manufacturing	5,618
Amazon.com Services, Inc.	Retail	974
BioMerieux, Inc.	Biotechnology	613
Nature's Bakery, LLC(1)	Wholesale bakery	597
Artur Express, Inc.	Trucking	543
Aerospace Composite Center	Aerospace engineering and manufacturing	536
Pivot Bio, Inc.	Agricultural manufacturing	403
Potter Electric Signal Co., LLC	Fire and life safety product manufacturing	242
Fiserv Solutions, Inc.	Financial services technology	181
Silgan Plastics Corporation	Plastics manufacturing	122

(1) Nature's Bakery, LLC gave a WARN notice on July 7, 2026, and announced that the company plans to permanently close its manufacturing plant in the City by September 2027.
Source: City's Draft Annual Comprehensive Financial Report for fiscal year ended June 30, 2025.

Housing

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

City of Hazelwood	$ 167,400
St. Louis County	276,800
State of Missouri	230,300

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

Demographic Statistics

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

	City of Hazelwood		St. Louis County		State of Missouri	
Year	Population	Percentage Change	Population	Percentage Change	Population	Percentage Change
2024	25,114	-1.4%	995,569	-0.8	6,191,814	+0.6%
2020	25,458	-0.9	1,004,125	+0.5	6,154,913	+2.8
2010	25,703	-1.9	998,954	-1.7	5,988,927	+7.0
2000	26,206	N/A	1,016,300	N/A	5,596,683	N/A

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

The following table sets forth the population by age categories for the City, St. Louis County and the State of Missouri:

Age	City of Hazelwood	St. Louis County	State of Missouri
Under 5 years	1,229	55,672	356,811
5-19 years	4,236	187,447	1,186,390
20-24 years	3,110	59,276	405,498
25-44 years	5,803	254,329	1,609,113
45-64 years	6,419	248,526	1,526,259
65 and over	4,317	190,319	1,107,743
Median Age	38.4	40.3	39.0

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

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

	Median Family Income
City of Hazelwood	$ 71,972
St. Louis County	110,950
State of Missouri	91,360

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

The following table presents per capita personal income[1] for St. Louis County and the State of Missouri for the years 2020 through 2024, the latest date for which such information is available:

Year	St. Louis County Per Capita Personal Income	State of Missouri Per Capita Personal Income
2024	$104,775	$64,920
2023	100,798	62,435
2022	93,142	58,525
2021	89,911	56,907
2020	78,956	52,206

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

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

FINANCIAL INFORMATION CONCERNING THE CITY

Accounting, Budgeting and Auditing Procedures

The financial statements of the City have been prepared in conformity with generally accepted accounting principles, as applied to government units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the City are described below.

Basis of Accounting. The City uses a modified accrual basis of accounting: revenues are recorded when measurable and available. Available means collectable within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred. Accrued revenues are those which have been collected on the City's behalf during the fiscal year and remitted to the City in the ensuing year. Most notably, this applies to sales taxes collected by the State in November and December but not remitted to the City until January and February.

Fund Accounting. The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. The various funds are summarized by type in the general purpose financial statements. The fund types and account groups used by the City are discussed below.

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

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

Capital Projects Fund – The Capital Projects Fund is used for the acquisition, construction, improvements, or debt related to major capital facilities.

Debt Service Fund – The Debt Service Fund is used for the payment of certain long-term debt principal, interest and related costs.

Budget Policies. The City follows the following procedures in establishing the budgetary data reflected in the financial statements:

1. The City Manager submits to the City Council a proposed budget for the fiscal year for the General Fund, Capital Projects Fund, Economic Development Fund and Sewer Lateral Fund. This proposed budget includes proposed expenditures and the means of financing them.

2. Public hearing meetings are held to obtain taxpayer comments.

3. (Prior to July 1) The budget is adopted by the City Council.

4. The budget is adopted on a basis generally consistent with accounting principles accepted in the United States. Expenditures modified for year-end accruals may not legally exceed budgeted appropriations at the department level.

5. A motion for the City Council is required to transfer budgeted amounts between funds. Management may transfer budgeted amounts within a department without City Council approval. Appropriations lapse at year-end.

The General Fund

In accordance with established accounting procedures of governmental units, the City records its financial transactions under various funds. The largest is the General Fund, from which all general operating expenses are paid and to which taxes and all other revenues not specifically allocated by law or contractual agreement to other funds are deposited. The City's audited financial statements for the fiscal year ended June 30, 2024, are included in this Official Statement as **APPENDIX B**. Copies of prior fiscal year's audits and financial reports are on file with the City. The following table sets forth the revenues, expenditures and fund balances for the City's General Fund for the last four fiscal years:

[Remainder of Page Intentionally Left Blank.]

SUMMARY OF OPERATIONS
FOR YEARS ENDING JUNE 30

	2025	2024	2023	2022
REVENUES				
Taxes	$ 25,211,710	$ 24,863,387	$ 23,317,886	$ 22,066,840
Permits and inspections	811,709	574,397	737,865	1,151,100
Licenses	5,398,117	5,376,865	4,902,692	4,358,064
Intergovernmental	1,400,723	1,311,772	3,871,229	3,144,792
Fines and forfeitures	653,419	583,355	535,233	421,747
Investment income	1,587,128	1,515,387	180,572	(129,473)
Recreation fees	485,080	433,487	372,698	356,541
Sewer lateral fees	-	-	-	-
Miscellaneous	3,552,213	2,415,715	2,660,778	2,612,917
Total Revenues	$ 39,100,099	$ 37,074,365	$ 36,578,953	$ 33,982,528
EXPENDITURES				
Current:				
Mayor and council	106,268	105,360	91,680	67,087
City manager	576,917	397,649	258,217	261,817
Information systems	587,344	587,710	555,994	512,310
Finance	925,826	730,571	639,352	584,587
Legal	692,570	554,069	660,542	767,617
City clerk	288,514	263,751	232,342	198,080
Courts	306,126	269,436	237,956	214,682
Police	11,716,290	10,020,111	8,830,321	7,860,473
Fire and ambulance	14,662,235	13,392,524	12,540,643	13,935,812
Public works:				
Administration	1,748,666	1,453,794	1,386,967	1,216,573
General maintenance	1,303,816	1,042,486	832,524	727,300
Park maintenance	1,163,673	957,282	1,124,244	908,615
Recreation	2,807,698	2,264,453	1,734,254	1,527,184
Sewer lateral	-	-	-	-
Economic development	-	-	-	-
Capital outlay	683,201	1,756,654	301,526	122,281
Debt service:				
Principal	126,747	4,879	-	-
Interest and fiscal charges	3,653	521	-	-
Total Expenditures	$ 37,699,544	$ 33,801,250	$ 29,426,562	$ 28,904,418
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 1,400,555	$ 3,273,115	$ 7,152,391	$ 5,078,110
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	1,300	10,185
Other proceeds	486,217	56,227	24,126	-
Transfers in	-	-	-	-
Transfers out	(546,543)	(547,213)	(551,594)	(549,506)
Total	$ (60,326)	$ (490,986)	$ (526,168)	$ (539,321)
FUND BALANCE -- BEGINNING OF YEAR	$ 25,305,045	$ 22,522,916	$ 15,896,693	$ 11,357,904
FUND BALANCE -- END OF YEAR	$ 26,645,274	$ 25,305,045	$ 22,522,916	$ 15,896,693

Source: City's Audited Financial Statements for the years ended June 30, 2022-2024 and City's Draft Annual Comprehensive Financial Report for the year ended June 30, 2025.

Sources of Revenue

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

Source	Amount	Percent of Total
Taxes	$ 30,807,268	66.39%
Permits and inspections	811,709	1.75
Licenses	5,398,117	11.63
Intergovernmental	1,532,219	3.30
Fines and forfeitures	653,419	1.41
Investment income	1,795,776	3.87
Recreation fees	485,080	1.05
Sewer lateral fees	73,221	0.16
Miscellaneous	4,845,536	10.44
Total Revenues	$ 46,402,345	100.00%

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

Sales Taxes. The City's largest source of revenue is its share of a 1% county-wide sales tax on retail sales through a pool comprised of unincorporated St. Louis County and many of the cities throughout St. Louis County. The amount of sales tax distributed is based on a two-part formula providing for either a distribution based upon retail sales that occur within the pre-1984 municipal boundaries or on a per capita basis as a part of a "county-wide pool" of those cities who do not opt to receive sales tax on a point-of-sale basis. Per capita distribution is adjusted on a decennial basis using the latest census figures and is not adjusted on an interim basis except in the case of incorporation of new cities or growth by annexation.

Beginning in 2017, pool cities generally receive at least 50% of the tax revenue generated in that specific city or unincorporated area. No city or unincorporated area receives less than the amount of sales tax revenue it received in 2014. Future State legislation may affect the distribution of the county-wide sales tax which could adversely impact the City's finances.

City voters have also approved the imposition of a one-half percent capital improvement sales tax (which is also subject to a countywide pool), a one-half percent park and stormwater sales tax, a one-half percent economic development sales tax, one-half percent local sales tax, and a one-quarter percent fire sales tax.

In 2017, the voters of St. Louis County approved a one-half percent public safety sales tax, a portion of which is distributed to the City based on population.

The following table shows the proceeds of the one percent general sales tax, one-half percent capital improvement sales tax, one-half percent park and stormwater sales tax, one-half percent economic development sales tax, one-quarter percent fire sales tax, one-quarter percent local sales tax and one-half percent public safety sales tax for the last 5 years:

[Remainder of Page Intentionally Left Blank]

Year	0.50% Capital Improvement Sales Tax	0.50% Park and Stormwater Sales Tax	0.50% Economic Development Sales Tax	0.50% County Public Safety Sales Tax	0.50% Fire Sales Tax	0.25% Local Sales Tax
2025	2,105,910	1,958,726	2,105,910	1,667,705	1,959,072	837,918
2024	2,132,329	1,984,691	1,984,693	1,686,102	1,979,806	849,640
2023	2,004,862	1,736,860	1,813,022	1,624,944	1,513,128	777,080
2022	1,924,367	1,630,130	1,726,849	1,573,395	1,628,932	741,878
2021	1,755,954	1,693,420	1,621,200	1,394,073	1,227,611	696,881

Source: City's Director of Finance.

Utilities Gross Receipt Tax. The City levies a gross receipts tax on electric, natural gas, cable, wireless providers and water companies within the City. The utility tax accounted for approximately 7.55% of the City's general fund revenues in the fiscal year ended June 30, 2024. The utility tax is collected by the utility companies at the time of monthly billing and is remitted to the City within 20 days following the last day of each month.

Property Tax. The City levies a property tax on the assessed valuation of all real and personal property within the City as established by the St. Louis County Assessor. The City's personal property tax levy for the fiscal year ending June 30, 2025 was $0.7540 per $100 of assessed valuation for personal property. For further information, see the caption **"PROPERTY TAX INFORMATION."**

DEBT STRUCTURE OF THE CITY

General Obligation Indebtedness

The following table sets forth all of the outstanding general obligation indebtedness of the City as of the issuance of the Bonds.

Description of Indebtedness	Dated Date	Amount Outstanding
The Bonds	September 30, 2026*	14,000,000*

Legal Debt Capacity

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

* Preliminary; subject to change.

The legal debt margin of the City based upon the 2025 assessed valuation is calculated as follows:

2025 Assessed Valuation[(1)]	$782,208,773
Debt Limit - 10% of Assessed Valuation.........................	78,220,877
Less: General Obligation Indebtedness Outstanding[(2)]	(14,000,000*)
Less: General Obligation Bonds Authorized but Unissued	(0)
Legal Debt Margin..	$64,220,877*

(1) Assessed valuation based on the assessment for property owned as of January 1, 2025, as finally adjusted and equalized by the Board of Equalization.
(2) Includes the Bonds.

Debt Service Requirements

The following schedule shows the yearly principal and interest requirements for the Bonds*:

The Bonds

Fiscal Year	Principal	Interest	Total
2027	$ 175,000	$ 283,360.94	$ 458,360.94
2028	380,000	666,812.50	1,046,812.50
2029	450,000	647,812.50	1,097,812.50
2030	500,000	625,312.50	1,125,312.50
2031	525,000	600,312.50	1,125,312.50
2032	555,000	574,062.50	1,129,062.50
2033	580,000	546,312.50	1,126,312.50
2034	610,000	517,312.50	1,127,312.50
2035	645,000	486,812.50	1,131,812.50
2036	675,000	454,562.50	1,129,562.50
2037	710,000	420,812.50	1,130,812.50
2038	745,000	385,312.50	1,130,312.50
2039	785,000	348,062.50	1,133,062.50
2040	825,000	308,812.50	1,133,812.50
2041	865,000	267,562.50	1,132,562.50
2042	910,000	224,312.50	1,134,312.50
2043	950,000	185,637.50	1,135,637.50
2044	990,000	142,887.50	1,132,887.50
2045	1,040,000	98,337.50	1,138,337.50
2046	1,085,000	51,537.50	1,136,537.50
Total	$14,000,000	$7,835,948.44	$21,835,948.44

Overlapping General Obligation Indebtedness

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

* Preliminary; subject to change.

Taxing Jurisdiction	**Outstanding General Obligation Bonds**[1]	**Percent Applicable to the City**	**Dollar Amount Applicable to the City**
St. Louis County	$ 92,890,000.00	2.02%	$ 1,876,378.00
Hazelwood School District	307,420,871.25	23.76	73,043,199.01
Ferguson Florissant School District	35,660,000.00	7.78	2,774,348.00
Pattonville R-III School District	108,115,000.00	0.97	1,048,715.50
Total	$544,085,871.25		$78,742,640.51

(1) This table excludes lease obligations and neighborhood improvement bonds.
Source: St. Louis County Clerk, taxing jurisdictions' records and the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system.

Debt Ratios and Related Information

Population:	25,114
Assessed Valuation (2025)[1]:	$782,208,773
Estimated Actual Value (2025):	$3,088,161,317
Outstanding Direct General Obligation Debt[2]:	$14,000,000*
Per Capita Direct General Obligation Debt:	$557*
Ratio of Direct General Obligation Debt to Assessed Valuation:	1.79%*
Ratio of Direct General Obligation Debt to Estimated Actual Value:	0.45%*
Overlapping General Obligation Debt[3]:	$78,742,641
Direct and Overlapping General Obligation Debt[2]:	$92,742,641*
Per Capita Direct and Overlapping General Obligation Debt:	3,693*
Ratio of Direct and Overlapping General Obligation Debt to Assessed Valuation:	11.86%*
Ratio of Direct and Overlapping General Obligation Debt to Estimated Actual Value:	3.00%*

(1) Includes state and locally assessed real estate and personal property.
(2) Includes the Bonds.
(3) For further details see the caption **"DEBT STRUCTURE OF THE CITY – Overlapping General Obligation Indebtedness."**
Source: St. Louis County Department of Revenue; U.S. Census Bureau Estimates.

Annual Appropriation Obligations

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

The City previously issued its Refunding Certificates of Participation, Series 2015 (City of Hazelwood, Missouri, Lessee) (the **"Series 2015 Certificates"**), on September 9, 2015 in the aggregate principal amount of $3,895,000 for the purposes of (1) refunding the City's Certificates of Participation (City of Hazelwood, Missouri, Lessee), Series 2008, originally issued in the aggregate principal amount of $5,485,000, and (2) paying the costs of delivering the Series 2015 Certificates. The Series 2015 Certificates bear interest at rates ranging from 2.0% to 4.0% and are payable (subject to annual appropriation), as to principal, annually in varying amounts on each April 1, which commenced April 1, 2016. The Series 2015

* Preliminary, subject to change

Certificates are currently outstanding in the principal amount of $390,000 and have a final maturity of April 1, 2027.

The Industrial Development Authority of the City previously issued its Taxable Annual Appropriation Capital Project Bonds, Series 2007 (the **"Series 2007 IDA Bonds"**), on March 15, 2007, in the aggregate principal amount of $5,845,000 for the purposes of (1) financing a wildlife museum, indoor aquarium, and related attractions within a retail store specializing in hunting, fishing, and outdoor gear, (2) funding a Debt Service Reserve Fund for the Series 2007 IDA Bonds, (3) funding a portion of the capitalized interest on the Series 2007 IDA Bonds and (4) paying the costs of issuing the Series 2007 IDA Bonds. The Series 2007 IDA Bonds are special obligations of the IDA payable solely from certain revenues pledged by the City. The City pledged a portion of its parks and stormwater sales tax, capital improvements sales tax, and hotel/motel tax to pay the Series 2007 IDA Bonds. The Series 2007 IDA Bonds bear interest at rates ranging from 5.310% to 5.875% and are payable (subject to annual appropriation), as to principal, annually in varying amounts on each February 1, which commenced February 1, 2011. The Series 2007 IDA Bonds are currently outstanding in the principal amount of $520,000 and have a final maturity of February 1, 2027.

Tax Increment Financing

The Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, Revised Statutes of Missouri, makes available tax increment financing for redevelopment projects in certain areas determined by the governing body of a municipality or county to be a "blighted area," "conservation area" or "economic development area," each as defined in such statute.

Tax increment financing does not diminish the amount of property tax revenues currently collected by the City in an affected area, but instead acts to freeze such revenues at current levels and deprives the City and other taxing districts of future increases (in whole or in part, depending on the terms of the transaction) of ad valorem property tax revenues that otherwise would have resulted from increases in assessed valuation in such areas until the tax increment financing obligations issued are repaid or the tax increment financing period terminates. Additionally, tax increment financing "captures" 50% of most local incremental sales and utility tax revenues generated within the tax increment financing district.

The City has one currently-existing tax increment financing district, known as the Lambert Redevelopment Area, which was designed to encourage the development of an industrial park. The City authorized the issuance of Tax Increment Revenue Notes (Lambert Redevelopment Project), Series A and B, which are held by the current owner of the industrial park. The Notes are outstanding in the principal amount of $415,875.72 and $16,639,124.28, respectively. The Notes are payable solely from tax increment financing revenues and not from any other revenues of the City.

Future Debt

The City is not currently anticipating any future borrowings.

History of Debt Payment

The City has never defaulted on any indebtedness.

PROPERTY TAX INFORMATION

Property Valuations

Assessment Procedure. All taxable real and personal property within the City is assessed by the County Assessor. State law requires that personal property be assessed at various levels up to 33-1/3% of true value and that real property be assessed at the following percentages of true value:

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

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

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

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

Category	Assessed Valuation	Assessment Rate	Estimated Actual Valuation
Real estate:			
Residential	$ 309,124,610	19%	$1,626,971,632
Commercial[1]	307,928,480	32	962,276,500
Agricultural	299,260	12	2,493,833
State Assessed Railroad and Utility	14,797,066	32	46,240,831
Sub-Total	$ 632,149,416		$2,637,982,796
Personal property			
Regular[1]	$ 148,695,140	33-1/3[2]	$ 446,085,866
State Assessed Railroad and Utility	1,364,217	33-1/3[2]	4,092,655
Sub-Total	$ 150,059,357		$ 450,178,521
TOTAL	$ 782,208,773		$3,088,161,317

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

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

Source: St. Louis County Department of Revenue.

History of Property Valuations. The total assessed valuation of all tangible real, personal taxable and state assessed railroad and utilities property situated in the City according to the assessments of December 31 in the years 2021 through 2025 is as follows:

Year	**Assessed Valuation**	**% Change**
2025	$782,208,773	+9.15%
2024	$716,638,554	+16.30
2023	$616,223,711	+3.80
2022	$593,665,780	+7.16
2021	$553,984,367	N/A

Source: City's audited financial statements for the years ended June 30, 2021-2024, and St. Louis County Department of Revenue.

Property Tax Levies and Collections

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

The County Clerk receives the county tax books from the County Assessor, which sets forth the assessments of real and personal property. The County Clerk enters the tax rates certified to him by the local taxing bodies in the tax books and assesses such rates against all taxable property in the City as shown in the books. Once finalized, the County Clerk forwards the tax books to the County Collector, who is charged with levying and collecting taxes as shown therein. The County Collector extends the taxes on the tax rolls and issues the tax statements in early December. Taxes are due by December 31 and become delinquent if not paid to the County Collector at that time. All tracts of land and city lots on which delinquent taxes are due are charged a penalty of eighteen percent of each year's delinquency. All lands and lots on which taxes are delinquent and unpaid are subject to sale at public auction in August of each year.

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

Tax Rates

The City may levy a property tax for operating expenses without annual voter approval but the City Council cannot raise the rate above the levy approved in the last election without voter approval. The City is allowed to increase the total revenue received from property taxes by an annual approved growth in the consumer price index and for new construction.

Political subdivisions in St. Louis County must establish separate tax rates for residential, commercial, agricultural and personal property, except for the tax rate for payment of general obligation bonds. The purpose of the law is to help reduce the property tax burden on homeowners in areas where residential assessments are increasing at a faster rate than commercial assessments. The following table shows the City's general revenue fund ad valorem tax rate (per $100 of assessed valuation) for each of the following calendar years based on the assessment categories:

	2021	2022	2023	2024	2025
Residential	$0.7010	$0.7010	$0.6230	$0.6240	$0.5790
Agricultural	0.7490	0.7780	0.7780	0.7780	0.6680
Commercial	0.7210	0.6170	0.6390	0.6630	0.6080
Personal	0.7540	0.7540	0.7540	0.7540	0.7540

Source: Missouri State Auditor's Office.

The City is also authorized under Article VI, Section 26(f) of the Missouri Constitution to levy an annual tax on all taxable tangible property therein sufficient to pay the interest and principal of any bonded indebtedness as it falls due and to retire the same within 20 years from the date of issue. The City Council may set the tax rate for debt service, without limitation as to the rate or amount, at the level required to make such payments. The City does not currently levy a property tax for debt service but will levy such a tax while the Bonds are outstanding. The City expects the tax rate for the debt service fund for 2026 to equal $0.16 (per $100 of assessed valuation).

Tax Collection Record

The County Collector currently collects ad valorem taxes for the City and deducts a commission for its services. The following table sets forth the tax collection information for the City for the last five fiscal years:

Fiscal Year Ended June 30	Total Adjusted Levy	Real Property Assessed Valuation	Total Taxes Levied(1)	Total Taxes Collected(2)	Percentage of Assessment Collected(3)
2025	0.7540	$782,208,773	$5,902,934	$5,651,348	95.74%
2024	0.8670	716,638,554	6,063,448	5,933,165	97.85
2023	0.9440	616,223,711	5,509,987	5,426,152	98.48
2022	0.9760	593,665,780	5,184,223	5,147,185	99.29
2021	0.9760	553,984,367	5,024,421	4,972,877	98.97

(1) Net Tax Levy, after adjustments by the St. Louis County Board of Equalization.
(2) Includes delinquent taxes from prior years and protested taxes, fines and penalties.
(3) Because delinquent taxes are shown in the year payment is received, the percentage of assessment collected may exceed 100%.
Source: City's Draft Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025; City's Director of Finance; Missouri State Auditor Office.

[Remainder of Page Intentionally Left Blank]

Major Property Taxpayers

The 10 largest property taxpayers in the City according to their 2024 assessed valuations are listed below:

	Name	Assessed Valuation	Percent of Total Assessed Value
1.	BioMerieux, Inc.	$ 19,974,990	2.87%
2.	The Boeing Company	19,603,860	2.82
3.	Natures Bakery, LLC(1)	13,730,510	1.97
4.	Chapter 100 City of Hazelwood	12,003,550	1.73
5.	McDonnell Douglas Corporation	11,045,480	1.59
6.	DP Properties, LP	8,954,690	1.29
7.	Exeter 5801-5895 N. Lindbergh, LLC	8,656,260	1.24
8.	Refinitiv US, LLC	8,266,020	1.19
9.	4702 Park 370 Holding, LLC	8,196,830	1.18
10.	Timberland STL, LLC	6,477,350	0.93
	Total	$116,909,540	16.80%

(1) Nature's Bakery, LLC gave a WARN notice on July 7, 2026, and announced that the company plans to permanently close its manufacturing plant in the City by September 2027.
Source: City's Draft Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025.

* * *

THIS PAGE INTENTIONALLY

LEFT BLANK

APPENDIX B

AUDITOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Hazelwood

City of Hazelwood, Missouri

Annual Comprehensive Financial Report

For The Year Ended
June 30, 2024

much more than you imagine

Prepared by the Finance Department
David L. Tuberty, Assistant City Manager –Finance

City of Hazelwood, Missouri
Table of Contents
For the year ended June 30, 2024

City of Hazelwood, Missouri
Table of Contents
For the year ended June 30, 2024

Section III - Statistical Section

Section I

Introductory Section

City of Hazelwood, Missouri

Principal City Officials at June 30, 2024

Position	Name	Election/Hire Date	Term Dates
MAYOR	Matthew Robinson	4/2009	4/2024-4/2027
COUNCIL-WARD 1	William Hoops	4/2022	4/2022-4/2025
COUNCIL-WARD 2	Robert Aubuchon	4/1997	4/2023-4/2026
COUNCIL-WARD 3	Donald Ryan	4/2010	4/2022-4/2025
COUNCIL-WARD 4	Kelly Wadlow	4/2023	4/2023-4/2026
COUNCIL-WARD 5	Lisa Matlock	5/2021	4/2022-4/2025
COUNCIL-WARD 6	Warren Taylor	4/2008	4/2023-4/2026
COUNCIL-WARD 7	Robert Smith	12/2021	4/2022-4/2025
COUNCIL-WARD 8	Jen Hatton	4/2023	4/2023-4/2026
CITY MANAGER	Matt Zimmerman	10/30/13	
ASSISTANT CITY MANAGER-ECONOMIC DEVELOPMENT	David Leezer	06/01/22	
ASSISTANT CITY MANAGER-FINANCE	David Tuberty	09/11/17	
CITY CLERK	Julie Lowery	07/01/20	
JUDGE	Patrick Monahan	2022	
PROSECUTING ATTORNEY	Stephanie Karr	2004	
CITY ATTORNEY	Kevin O'Keefe	02/07/94	
POLICE CHIEF	James Hudanick	08/21/89	
FIRE CHIEF	Daniel Luley	12/20/99	
PUBLIC WORKS DIRECTOR	David Stewart	07/31/09	
PARKS & REC SUPERINTENDENT	Douglas Littlefield	11/30/92	

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Hazelwood
Missouri

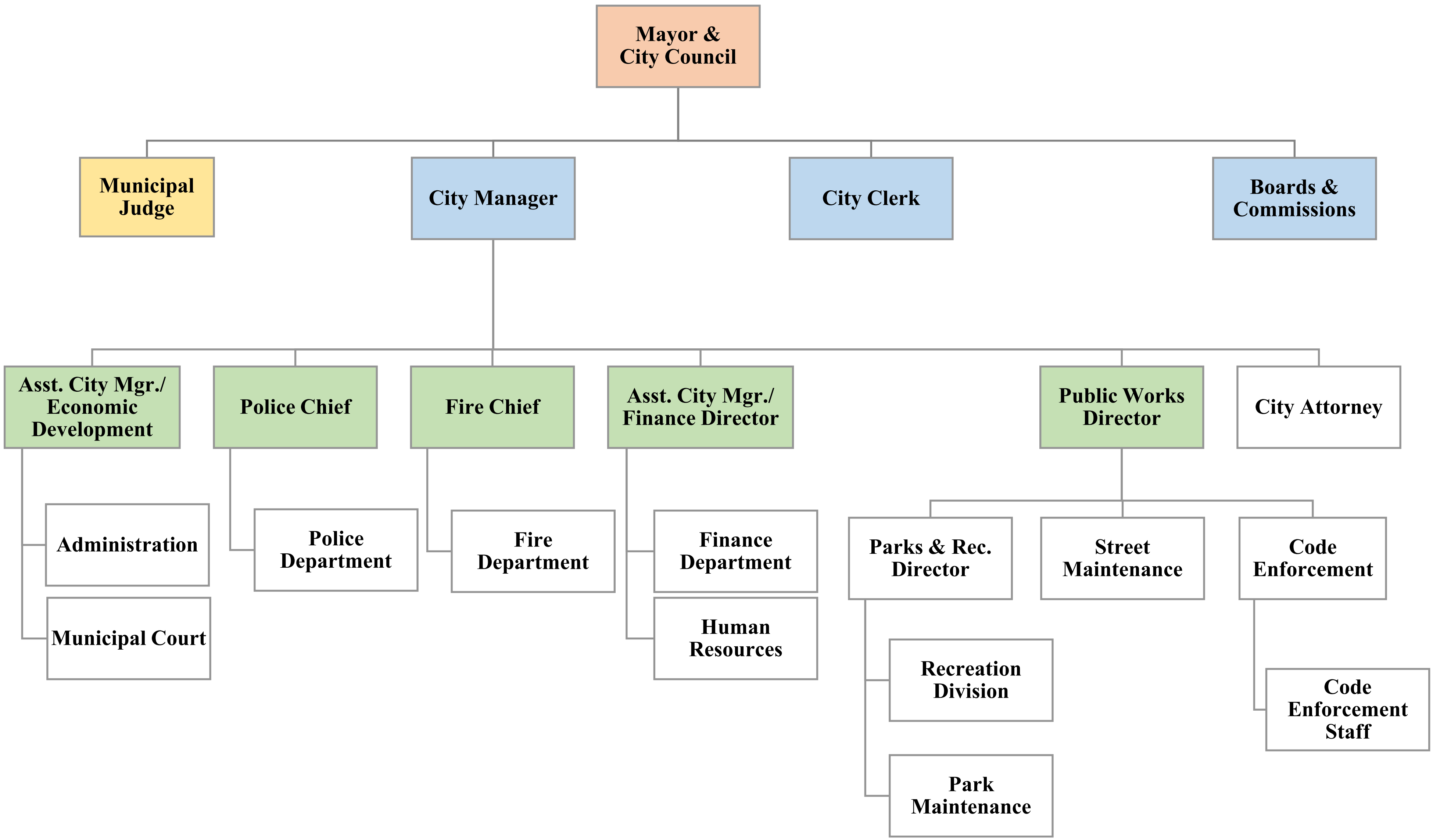
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

City of Hazelwood
Organizational Chart



June 10, 2025

The Honorable Mayor, City Council, and
the Citizens of Hazelwood, Missouri

Ladies and Gentlemen:

We are pleased to present the annual comprehensive financial report of the City of Hazelwood, Missouri (the City) for the fiscal year ended June 30, 2024. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to accurately present the financial position and results of operations of the City. All disclosures necessary to provide an understanding of the City's financial activities have been included.

This report was prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), which are uniform minimum standards and guidelines for financial accounting and reporting in the United States. This report is intended to provide sufficient information to permit the assessment of stewardship and accountability and to demonstrate legal compliance.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it.

This report includes all funds and activities of the City. The City provides a full range of services including police protection, fire and emergency medical response services, construction and maintenance of streets and infrastructure, parks and recreation services, municipal court, city planning and building inspection, and administration.

Economic Condition and Outlook

The City is located in North St. Louis County, which is on the eastern border of the State of Missouri immediately north of Lambert International Airport at the intersections of Highways I-170; I-270 and MO-370, and less than five minutes from I-70. A major interchange of Highway 370 connects the Missouri River Bottoms area, which is home to Cabela's and two business parks, including Park 370 and Hazelwood TradePort, to St. Charles County. Hazelwood TradePort is complete and most, if not all buildings are fully leased.

Hazelwood is a transportation crossroads, with a prime location for businesses and residents alike. The mix of major industrial and commercial areas, which transitions to beautiful parks and residential neighborhoods, is an unusual and diverse blend.

There are also two large industrial parks in the southern portion of the City: Aviator Business Park, site of the former Ford Motor Plant, and Hazelwood Logistics Center. Aviator is approved for mixed commercial and industrial uses and contains nine large industrial buildings and one small industrial building, and two commercial lots. Aviator was declared fully leased in 2024. Hazelwood Logistics Center contains 8 large industrial buildings, with the Center now completely built out in 3.5 years, ahead of the estimated 8 years.

The central business district of the City of St. Louis is 20 miles to the southeast. Interstates 70 and 170 and U.S. Highway 61-67 provide access to St. Louis City and St. Louis County.

The unemployment rate, according to the Missouri Economic Research and Information Center, for the U.S. has increased for the year to 4.1%, and the unemployment rate for the St. Louis area has increased to 4.3%. These decreases are attributable to recovery from the COVID-19 pandemic which has had major impact on the U.S. and regional economy. City staff are continuously monitoring economic conditions and has adjusted the budget as needed.

Though the outlook for the nation's economy is still volatile, the City continues to benefit from some positive and offsetting attributes. The City's location near the Lambert International Airport, with Class I rail service, and at the hub of major state and national highways is an asset that cannot be bought at any price. Also, the City's unique blend of industrial, commercial, and residential property provides a diverse and robust foundation. Sales taxes in total have increased by about 10% in the General Fund and by about 4% across all City funds. The most significant sales tax increases come from those taxes not subject to the St. Louis County sales tax pool. Hazelwood is a municipality in which the original City areas are not subject to the Pool (A-areas). The annexed areas are in the County Pool (B-areas). The A-area 1% tax increased by 26%. The Fire Sales Tax, which was also increased from a quarter-cent to a half-cent tax in FY2021, increased by 13.8%. The half-cent Public Safety Tax increased by 3.8%. The City staff have and will continue to look for efficiencies and ways to decrease costs while providing the same level of services to our citizens and customers.

MAJOR GOALS

The City Council and administrative staff regularly develop, and update improvement plans designed to improve the quality of community life while maintaining the financial stability of the City.

Goal - Financial vigilance

Short-term goals include continuing the City's full-service status while exercising vigilant stewardship of the City's financial position. Monthly budget reports are utilized.

During FY2018 the Hazelwood City Council voted to terminate the fire protection services contract with the Robertson Fire Protection District. In making this move, the City saved approximately $3.2 million from budgeted expenditures for FY2018. The plan was for the City of Hazelwood to provide fire protection to the area which would have cost an additional $1.8 million to implement in FY2019. The District sued the City and currently all plans are suspended. The City paid the District just over $2 million for fire protection service in FY2019, just over $4.0 million for FY2020, and $4.2 million for FY2021. A settlement was reached early in FY2022 regarding the unpaid fees and the City paid the District $2,446,000. The City currently expects to pay over $4.5 million in FY2024 and FY2025 while working toward a long-term settlement.

In FY2022, the City reviewed its pay situation for the first time since 2015. A new pay plan was developed which was intended to help the City be more competitive in the municipal labor market. This new pay plan was approved and implemented by the City Council in June 2022 to begin in FY2023. For FY2024, the City issued both a 5.00% COLA and a step increase. Management is consistently looking for more efficient ways of operating while staying competitive in the labor market.

Goal - Economic Development and Business Retention

The City passed a one-half cent economic development sales tax effective July 1, 2007. The funds have been used for a variety of projects: street improvements and maintenance, operating the economic development office and GIS program, matching state and federal grants, advertising and marketing and participating in regional programs.

One of the most effective programs funded by the sales tax has been a local option loan fund. Since its inception, it has been used to attract or retain a number of businesses in the community. 22 loans have been made from the fund to date, totaling around $12.5 million. These loans have been used to retain or attract approximately 2,000 jobs.

Goal – Encourage Energy Efficiency

The City is continuously expanding its commitment to raising awareness and investing in green technology.

The City established the Green Committee which was formed to lead Hazelwood into becoming a community in which residents and visitors will enthusiastically take sustainable action to conserve the environment and our natural resources.

Since FY2017, Hazelwood has received an annual grant to promote Recycle Day (collection of electronics, appliances, usable household items, cardboard and single stream recyclables). In 2021, the City also installed new controls to regulate energy use in City Hall.

Goal - Invest in vehicles, buildings, parks, and equipment to maintain service level

The following items were some of the investment purchases made by the City in FY2024: Fire House parking lot, a new deck for the Aquatic Center, 2 maintenance vehicles for the Public Works Department, and 6 vehicles for the Police Department. Both the Police and Fire Departments acquired needed equipment. These investments are intended to protect the City's excellent service level. Due to supply chain problems experienced around the country, many construction projects and other acquisitions planned for FY2024 were delayed until FY2025.

Goal - Preserve the Quality of Residential Neighborhoods

People are the City's greatest asset, and the neighborhoods in which they reside are one of the most important responsibilities of a government. The provision of high-quality basic services, including police, fire, road maintenance, parks, and solid waste collection, are critical for their continued desirability. Uniformity in the provision of services is a goal.

The existing housing inspection program prescribes minimum maintenance requirements for structures and premises to assure safety and provide for abatement of potential hazards. This program helps assure the preservation of the City's neighborhoods. Also, the City administers a residential occupancy permit requirement designed to protect property values.

FINANCIAL INFORMATION

Management of the City is responsible for establishing and maintaining internal controls. The controls are designed to ensure the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The controls are designed to provide reasonable, but not absolute, assurance these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgeting Controls

The City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the City Council. General Fund, Capital Projects Fund, Sewer Lateral Fund, and Economic Development Fund activities are included in the annual budget. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management. The legal level of budgetary control, which is the level at which management cannot overspend the budget without the approval of the City Council, is the Department level.

Compliance and Internal Control

As a recipient of federal financial assistance, the City is responsible for maintaining adequate internal controls to ensure compliance with applicable laws and regulations related to those programs. As the cost of a control should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of material misstatement.

Pension Trust Fund Operations

The City contributed 100% of the annual recommended contribution, determined as of the beginning of the fiscal year, to the Pension Plan in FY2024. According to the most recent actuarial valuation for the FY ending June 30, 2023, the plan fiduciary net position as a percentage of total pension liability is 84.28% compared to 88.86% in 2023, 87.00% in 2022, and 107.82% in 2021. The decreases are a result of annual increases in covered payroll.

Long-term Debt

As of June 30, 2024, the City had long-term debt in the amount of $21,239,774. This is in addition to $1,849,217 for compensated absences and severance benefits bringing the total debt of the City, $23,088,991 as detailed in the notes to the financial statements. Missouri statutes set the City's legal general obligation debt limit at 10% of the City's total assessed valuation of real and personal property, a limit of approximately $71.7 million.

OTHER INFORMATION

Independent Audit

Missouri statutes require an annual audit by independent certified public accountants. The certified public accounting firm of Stopp & VanHoy was selected by the City Council to perform the 2024 audit. The auditor's report on basic financial statements is included in the financial section of this report. As independent auditors, Stopp & VanHoy, also provide an objective outside review of management's performance in reporting operating results and financial condition.

Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the twenty-sixth consecutive year that the City received this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of the annual comprehensive financial report was made possible by the cooperation of the entire administrative staff of the various departments of the City. The finance staff especially contributed a great deal of time and diligence.

We would also like to acknowledge the assistance of our independent public accountants, Stopp & VanHoy, in formulating this report. And we would like to extend our sincere gratitude to you, Mayor and City Council, for your interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

David Leezer	David L. Tuberty
Interim City Manager	Assistant City Manager-Finance

Section II

Financial Section

Stopp&VanHoy
2705 Dougherty Ferry Road
Ste. 103
St. Louis, MO 63122

Independent Auditor's Report

Honorable Mayor and City Council
City of Hazelwood, Missouri

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Hazelwood, Missouri, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Hazelwood, Missouri and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

City of Hazelwood, Missouri's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in net pension liability and related ratios, schedule of actuarially determined contributions, and schedule of changes in other post-employment benefit liability on pages 4 through 10 and 47 through 52 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Hazelwood, Missouri's basic financial statements. The combining nonmajor fund financial statements and budgetary comparison schedules are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements and budgetary comparison schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. 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 combining nonmajor fund financial statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial reporting. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2025 on our consideration of City of Hazelwood, Missouri'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Hazelwood, Missouri's internal control over financial reporting and compliance.

Stopp & VanHoy

St. Louis, Missouri
June 10, 2025

CITY OF HAZELWOOD, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2024

As management of the City of Hazelwood, Missouri (the "City"), we offer this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $18,687,922 (net position).

- The net position of the City decreased by ($168,922).

- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $41,496,720, an increase of $3,194,442 in comparison with the prior year fund balance.

- At the end of the current fiscal year, the unassigned fund balance for the General Fund was $24,862,284 or 74% of total General Fund expenditures.

- The City's long-term liabilities increased by a net $1,742,063 during the most recent fiscal year. The City continues to reduce the balances in long-term debt; the pension liability has increased.

- The City's pension liability increased by $3,445,823 to $9.2 million. This is due mostly to a significant increase in payroll.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, streets, economic development, and culture and recreation. The City does not have any business-type activities.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate Industrial Development Authority. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

Fund financial statements - is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and fiduciary funds.

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 inflows and outflows of spendable resources, as well as on balances of spendable 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 City's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General Fund, Capital Projects Fund, Debt Service Fund, 370/MO Bottom Road Tax Increment Financing District Fund, and Economic Development Fund, which are considered to be major funds. Data from the other three funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund, Capital Projects Fund, Sewer Lateral Fund, and Economic Development Fund. Budgetary comparison statements are provided for these funds to demonstrate compliance with these budgets.

Fiduciary funds - are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

Required supplemental information - This Management's Discussion and Analysis, the General Fund and Economic Development Fund budgetary comparison schedules, and pension schedules represent financial information required by accounting principles generally accepted in the United States of America to be presented.

Such information provides users of this report with additional data that supplements the government-wide financial statements, fund financial statements, and notes (referred to as "the basic financial statements").

Other supplemental information - This part of the annual report includes optional financial information such as combining statements for the non-major governmental funds and budgetary comparison schedules for the Capital Projects Fund and Sewer Lateral Fund. This other supplemental financial information is provided to address certain specific needs of various users of the City's annual report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $18,687,922 at the close of the most recent fiscal year.

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

A condensed version of the statement of net position is as follows:

	June 30		2024 Change	
	2024	2023	Amount	Percent
Assets				
Current and other assets	$ 46,951,023	$ 42,492,168	$ 4,458,855	10.49%
Noncurrent assets	27,697,614	26,713,534	984,080	3.68%
Total Assets	74,648,637	69,205,702	5,442,935	7.86%
Deferred Outflows of Resources	5,386,472	3,428,757	1,957,715	57.10%
Liabilities				
Current and other liabilities	27,515,114	22,907,644	4,607,470	20.11%
Noncurrent liabilities	30,413,676	28,671,613	1,742,063	6.08%
Total Liabilities	57,928,790	51,579,257	6,349,533	12.31%
Deferred Inflows of Resources	3,418,397	2,198,358	1,220,039	55.50%
Net Position				
Net investment in capital assets	23,535,011	21,122,535	2,412,476	11.42%
Restricted	16,516,069	16,310,946	205,123	1.26%
Unrestricted	(21,363,158)	(18,576,637)	(2,786,521)	15.00%
Total Net Position	$ 18,687,922	$ 18,856,844	$ (168,922)	-0.90%

Governmental activities decreased the City's net position by ($168,922).

A condensed version of the statement of activities is as follows:

	June 30		2024 Change	
	2024	2023	Amount	Percent
REVENUES				
Program revenues:				
Charges for service	$ 8,222,890	$ 8,210,462	$ 12,428	0.15%
Operating grants and contributions	2,982,612	5,499,876	(2,517,264)	-45.77%
Capital grants and contributions	131,307	104,852	26,455	25.23%
General revenues:				
Taxes	30,282,805	29,201,496	1,081,309	3.70%
Licenses and other	2,901,273	1,661,683	1,239,590	74.60%
Total Revenues	44,520,887	44,678,369	(157,482)	-0.35%
EXPENSES				
General government	3,598,922	3,332,141	266,781	8.01%
Police	11,031,228	9,724,936	1,306,292	13.43%
Fire and ambulance	14,294,075	13,097,723	1,196,352	9.13%
Public works	4,641,627	3,875,529	766,098	19.77%
Parks and recreation	3,520,283	3,172,541	347,742	10.96%
Economic development	2,377,685	2,039,479	338,206	16.58%
Sewer lateral	89,115	97,184	(8,069)	-8.30%
Interest on long-term debt	5,136,874	1,419,173	3,717,701	261.96%
Total Expenses	44,689,809	36,758,706	7,931,103	21.58%
CHANGE IN NET POSITION	$ (168,922)	$ 7,919,663	$ (8,088,585)	-102.13%

Revenues decreased, taxes and licenses increased but was offset by a $2.5 million decrease in grants. Sales taxes and charges for City services rebounded as a result of increased development and increased retail activity for Hazelwood and the entire St. Louis County. Property taxes increased due to increased commercial development.

In the government-wide financial statements capital, debt and pension liability expense is allocated to the various departments that are not reported in the governmental statements. The largest increase in departmental expenses is for Police. The Police department is closer to fully staffed than in previous years. Pay increases for the year are shown higher in this department because Police has the largest staff. Fire and ambulance increased because of the increase in staff. The SAFER grant has allowed the City to increase its Fire staff and the increase is reimbursed. This grant will be ending in the next fiscal year. Other increases in expenses are a result of payroll increases in the last two fiscal years.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental funds - the focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances, of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resource available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $41,496,720, an increase of $3,194,442, in comparison with the prior year. The City currently has an unassigned fund balance of $24,862,284. The remainder of fund balance is non-spendable or restricted to indicate that it is not available for general new spending because it has already been designated.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was $24,862,284, while total fund balance reached $25,305,045. As a measure of the General Fund's liquidity, it may be useful to compare total fund balance to both total fund expenditures and unassigned fund balance. The General Fund's fund balance represents 74% of total General Fund expenditures and 98% of the balance is unassigned. The fund balance of the General Fund increased by $2,782,129 during the fiscal year. Sales taxes increased by over $1.4 million. Investment income increased by $1.3 million. The completion of the ARPA grant funding is the main reason for the $2.6 million decrease in grants.

The Capital Projects Fund balance decreased $506 thousand during the fiscal year to $1,171,263. Capital spending decreased primarily due to a number of projects that were postponed to FY 2025.

The Debt Service Fund increased its fund balance $558 thousand during the fiscal year to $1,496,595. The result reflects the expected debt service activity for the year. The entire fund balance is restricted for payment of the general obligation bonds.

The Economic Development Fund increased its fund balance $168 thousand during the fiscal year to $10,299,865. The increase is due to projects delayed until FY 2025.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, there were budget transfers out of the General Fund to the Capital Fund for debt service obligations. Revenues were $3.9 million over the budgeted amount of $33,099,500. Expenditures were $2.2 million less than the budgeted amount of $35,971,080.

CAPITAL ASSETS

Capital asset balances (net of accumulated depreciation) are detailed below. More information on capital asset activity during the year is provided in the notes to financial statements in Note 5.

Capital Assets, Net of Depreciation			
	June 30		
	2024	2023	Variance
Land, right-of-way, and construction in progress	$ 5,808,256	$ 5,690,761	$ 117,495
Buildings and improvements	8,112,524	8,570,227	(457,703)
Infrastructure	9,097,658	9,344,124	(246,466)
Machinery and equipment	1,430,246	1,189,998	240,248
Automotive equipment	3,049,474	1,848,245	1,201,229
Right to use lease assets	31,313	49,206	(17,893)
Right to use SBITA assets	168,143	20,973	147,170
Total Capital Assets	$ 27,697,614	$ 26,713,534	$ 984,080

LONG-TERM DEBT

The City's governmental activities debt is detailed below. More information is provided in the notes to financial statements in Note 6.

Governmental Activities			
	June 30		
	2024	2023	Variance
General obligation bonds	$ 2,139,710	$ 3,189,086	$ (1,049,376)
Certificates of participation	1,178,231	1,546,706	(368,475)
Tax increment revenue notes	17,055,000	17,055,000	-
Finance lease obligations	674,034	849,554	(175,520)
Lease liability	31,905	49,390	(17,485)
SBITA liability	160,894	20,281	140,613
Postretirement benefits	468,465	421,665	46,800
Total Long-term Debt	$ 21,708,239	$ 23,131,682	$ (1,423,443)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Economic conditions may be highlighted as follows at the close of fiscal year 2024:

- Gas prices average $3.780 in the Midwest and $3.455 nationally for all grades (all history) at June 30, 2024 per www.eia.gov/petroleum/gasdiesel/.
- Midwest urban wage earners and clerical workers consumer price index at June 30, 2024 has increased 3.0% since June 30, 2023 according to the Bureau of Labor Statistics.
- The unemployment rate in the United States has increased from fiscal year 2023 to 4.1% according to the Bureau of Labor Statistics. The St. Louis Metropolitan Area's unemployment rate in June 2024 is 4.3%.
- Total 2024 General Fund revenues were $495,412 or 1.35%, greater than 2023. Property tax increased

by just over $32 thousand. Sales taxes increased by over $1.4 million. Investment income increased due to increased interest rates.
- Sales taxes are expected to be flat for the 2025 budget.
- 2023 was a reassessment year. The assessment for 2023, which is included in the result of FY 2024, resulted in a 7.8% increase in values and an 9.0% increase in revenue; the budget flatlines revenues in real estate taxes in fiscal year 2024.
- The City's Fund Balance policy requires a minimum General Fund unassigned fund balance of 17% of revenue. 2024 unassigned fund balance represents 75% of expenditures, which is above the City's informal ideal balance of 25%.
- The City has seen some increase in revenues over the last few years from grant income that will not be repeating in FY 2025 and beyond. Other revenues have increased but at levels that have not kept pace with increases in expenditure; management of the City will remain vigilant in examining revenue trends and react as needed.
- The City will continue to look for efficiencies and ways to cut expenditures costs, as well as any "rightsizing" opportunities.
- The City's 2025 budget includes payroll increases for cost of living and merit.
- The 2025 Budget projects a $2,994,648 decrease in the General Fund balance (unassigned fund balance of 48.86% of expenditures).

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our residents and taxpayers with a general overview of the City's finances and to show the City's accountability for the money it receives.

If you have questions about this report or would like additional financial information, please contact the Finance Office 415 Elm Grove Lane, Hazelwood, MO 63042, or telephone at 314-839-3700.

City of Hazelwood, Missouri
Statement of Net Position
June 30, 2024

	Primary Government		Component Unit	
	Governmental Activities		Industrial Dvlp. Authority	
Assets				
Current Assets:				
Cash and cash equivalents	$	22,813,508	$	578,397
Investments		15,802,307		136,779
Restricted cash and cash equivalents		492,396		4,166
Restricted investments		-		573,288
Receivables, net:				
Property taxes		601,722		-
Sales taxes		3,415,033		-
Ambulance		149,277		-
Court		127,776		-
Interest		53,927		-
Other		1,188,923		-
Prepaid items		79,073		-
Due from fiduciary fund		7,298		-
Lease receivable		2,219,783		-
Total Current Assets		46,951,023		1,292,630
Noncurrent Assets:				
Land and construction in progress		5,808,256		-
Other capital assets, net		21,689,902		-
Intangible right-to-use lease assets, net		31,313		-
Intangible subscription IT assets, net		168,143		-
Total Noncurrent Assets		27,697,614		-
Deferred Outflows of Resources				
Deferred loss on refunding		135,070		-
Deferred outflows related to pension		5,049,275		-
Deferred outflows related to other post-employment benefits		202,127		-
Total Deferred Outflows of Resources		5,386,472		-
Liabilities				
Current Liabilities:				
Accounts payable		615,010		-
Accrued payroll and related benefits		814,877		-
Accrued interest payable		22,415,618		36,107
Other liabilities		1,031,671		-
Unearned revenue		60,000		-
Current portion of compensated absences payable		966,526		-
Current portion of lease liabilities		18,024		-
Current portion of subscription IT liabilities		26,790		-
Current portion of long-term debt payable		1,566,598		465,000
Total Current Liabilities		27,515,114		501,107
Noncurrent Liabilities:				
Compensated absences payable - long-term portion		414,226		-
Lease liabilities - long-term portion		13,881		-
Subscription IT liabilities - long-term portion		134,104		-
Long-term debt, net - long-term portion		19,480,377		1,000,602
Postretirement benefits payable		468,465		-
Net pension liability		9,158,425		-
Other post-employment benefits liability		744,198		-
Total Noncurrent Liabilities		30,413,676		1,000,602
Deferred Inflows of Resources				
Deferred inflows related to leases		2,188,567		-
Deferred inflows related to pension		606,817		-
Deferred inflows related to other post-employment benefits		623,013		-
Total Deferred Inflows of Resources		3,418,397		-
Net Position				
Net investment in capital assets		23,535,011		-
Restricted:				
Asset forfeiture		332,472		-
Capital projects		1,211,015		-
Debt service		1,496,595		1,178,453
Sewer lateral		501,744		-
Economic development		12,974,243		-
Unrestricted		(21,363,158)		(1,387,532)
Total Net Position	$	18,687,922	$	(209,079)

See Notes to the Financial Statements

City of Hazelwood, Missouri
Statement of Activities
For the year ended June 30, 2024

Functions/Programs	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Net Revenues (Expenses) and Changes in Net Position: Primary Government	Net Revenues (Expenses) and Changes in Net Position: Component Unit
Primary Government						
Governmental Activities:						
General government	$ 3,598,922	$ 5,992,796	$ 9,200	$ -	$ 2,403,074	$ -
Police	11,031,228	463,344	378,335	70,148	(10,119,401)	-
Fire and ambulance	14,294,075	1,190,472	841,591	-	(12,262,012)	-
Public works	4,641,627	-	1,753,486	55,499	(2,832,642)	-
Parks and recreation	3,520,283	433,487	-	-	(3,086,796)	-
Economic development	2,377,685	-	-	5,660	(2,372,025)	-
Sewer lateral	89,115	142,791	-	-	53,676	-
Interest and fiscal charges	5,136,874	-	-	-	(5,136,874)	-
	44,689,809	8,222,890	2,982,612	131,307	(33,353,000)	-
Component Unit						
Industrial Development Authority	$ 113,766	$ -	$ -	$ -	-	(113,766)
General Revenues:						
Taxes:						
Property					6,742,072	-
Sales					20,741,585	-
Utility					2,799,148	-
Other					-	717,046
Investment income					1,670,914	52,228
Gain on disposal of assets					-	-
Other miscellaneous revenue					1,230,359	-
Total General Revenues					33,184,078	769,274
Change in Net Position					$ (168,922)	$ 655,508
Net Position - Beginning of Year					18,856,844	(864,587)
Net Position - End of Year					$ 18,687,922	$ (209,079)

See Notes to the Financial Statements

City of Hazelwood, Missouri
Balance Sheet - Governmental Funds
June 30, 2024

	General Fund	Capital Projects Fund	Debt Service Fund	370/MO Bottom Rd. TIF Fund	Economic Development Fund	Nonmajor Governmental Funds	Total
Assets							
Cash and cash equivalents	$ 11,218,694	$ 971,649	$ 1,496,860	$ 2,528,685	$ 5,929,928	$ 667,692	$ 22,813,508
Investments	11,624,436	-	-	-	4,177,871	-	15,802,307
Restricted cash and cash equivalents	492,396	-	-	-	-	-	492,396
Restricted investments	-	-	-	-	-	-	-
Receivables, net:							
Property taxes	601,722	-	-	-	-	-	601,722
Sales taxes	2,684,126	362,240	-	25,307	324,297	19,063	3,415,033
Ambulance	149,277	-	-	-	-	-	149,277
Court	127,776	-	-	-	-	-	127,776
Interest	53,927	-	-	-	-	-	53,927
Other	1,188,923	-	-	-	-	-	1,188,923
Prepaid items	79,073	-	-	-	-	-	79,073
Due from other funds	7,298	-	-	-	-	-	7,298
Lease receivable	2,219,783	-	-	-	-	-	2,219,783
Total Assets	30,447,431	1,333,889	1,496,860	2,553,992	10,432,096	686,755	46,951,023
Deferred Outflows of Resources	-	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	$ 30,447,431	$ 1,333,889	$ 1,496,860	$ 2,553,992	$ 10,432,096	$ 686,755	$ 46,951,023
Liabilities							
Accounts payable	$ 324,126	$ 162,626	$ 265	$ -	$ 111,198	$ 16,795	$ 615,010
Accrued payroll and related benefits	806,404	-	-	-	8,473	-	814,877
Other payables	1,019,111	-	-	-	12,560	-	1,031,671
Unearned revenue	60,000	-	-	-	-	-	60,000
Total Liabilities	2,209,641	162,626	265	-	132,231	16,795	2,521,558
Deferred Inflows of Resources							
Unavailable revenue - property taxes	597,858	-	-	-	-	-	597,858
Unavailable revenue - public safety	18,544	-	-	-	-	-	18,544
Unavailable revenue - court	127,776	-	-	-	-	-	127,776
Unavailable revenue - grants	-	-	-	-	-	-	-
Unavailable revenue - leases	2,188,567	-	-	-	-	-	2,188,567
Total Deferred Inflows of Resources	2,932,745	-	-	-	-	-	2,932,745
Fund Balances							
Nonspendable:							
Prepaid items	79,073	-	-	-	-	-	79,073
Leases	31,216	-	-	-	-	-	31,216
Restricted:							
Asset forfeiture	332,472	-	-	-	-	-	332,472
Capital projects	-	1,171,263	-	-	-	-	1,171,263
Debt service	-	-	1,496,595	-	-	-	1,496,595
Sewer lateral	-	-	-	-	-	501,744	501,744
Economic development	-	-	-	2,553,992	10,299,865	168,216	13,022,073
Unassigned	24,862,284	-	-	-	-	-	24,862,284
Total Fund Balances	25,305,045	1,171,263	1,496,595	2,553,992	10,299,865	669,960	41,496,720
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 30,447,431	$ 1,333,889	$ 1,496,860	$ 2,553,992	$ 10,432,096	$ 686,755	$ 46,951,023

See Notes to the Financial Statements

City of Hazelwood, Missouri
Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position
June 30, 2024

Total Fund Balances - Governmental Funds	$ 41,496,720
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 funds	27,498,158
Intangible right-to-use assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	31,313
Intangible subscription IT assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	168,143
Receivables not collected in the current period are not available to pay current expenditures and, therefore, are not reported in the funds	744,178
Interest payable recorded in the statement of net position does not require the use of current financial resources and, therefore, is not reported in the funds	(22,415,618)
Long-term liabilities, including bonds payable, compensated absences, and postretirement benefits are not due and payable in the current period and, therefore, are not reported in the funds:	
Compensated absences	(1,380,752)
Lease liabilities	(31,905)
Subscription IT liabilities	(160,894)
Long-term debt	(20,929,034)
Postretirement benefits	(468,465)
Net pension liability	(9,158,425)
Other post-employment benefits liability	(744,198)
Certain assets and liabilities are not financial resources (uses) and, therefore, are not reported in the governmental funds:	
Deferred outflows related to pension	5,049,275
Deferred outflows related to other post-employment benefits	202,127
Deferred inflows related to pension	(606,817)
Deferred inflows related to other post-employment benefits	(623,013)
Deferred gains and losses on refunding bonds, bond premiums, and bond discounts are to be amortized over the life of the bonds and are not reported in the funds. Deferred gains and losses, bond premiums, and bond discounts at year-end consist of:	
Deferred loss on refunding, net of amortization	135,070
Bond premiums, net of amortization	(117,941)
Total Net Position of Governmental Activities	$ 18,687,922

See Notes to the Financial Statements

City of Hazelwood, Missouri
Combined Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2024

	General Fund	Capital Projects Fund	Debt Service Fund	370/MO Bottom Rd. TIF District Fund	Economic Development Fund	Nonmajor Governmental Funds	Total
Revenues							
Property taxes	$ 4,651,801	$ -	$ 1,631,028	$ -	$ -	$ 375,565	$ 6,658,394
Sales taxes	15,671,450	2,132,329	-	145,312	1,984,693	807,801	20,741,585
Utility taxes	2,799,148	-	-	-	-	-	2,799,148
Other taxes	1,740,988	-	-	-	-	-	1,740,988
Permits and inspections	574,397	-	-	-	-	-	574,397
Licenses	5,376,865	-	-	-	-	-	5,376,865
Intergovernmental	1,311,772	55,499	-	-	40,021	-	1,407,292
Fines and forfeitures	583,355	-	-	-	-	-	583,355
Investment income	1,515,387	1,392	-	-	148,736	5,399	1,670,914
Recreation fees	433,487	-	-	-	-	-	433,487
Sewer lateral fees	-	-	-	-	-	142,791	142,791
Miscellaneous	2,415,715	4,907	-	-	90,000	-	2,510,622
Total Revenues	37,074,365	2,194,127	1,631,028	145,312	2,263,450	1,331,556	44,639,838
Expenditures							
Current:							
Mayor and council	105,360	-	-	-	-	-	105,360
City manager	397,649	-	-	-	-	-	397,649
Information systems	587,710	-	-	-	-	-	587,710
Finance	730,571	-	583	-	-	-	731,154
Legal	554,069	-	-	-	-	-	554,069
City clerk	263,751	-	-	-	-	-	263,751
Courts	269,436	-	-	-	-	-	269,436
Police	10,020,111	-	-	-	-	-	10,020,111
Fire and ambulance	13,392,524	-	-	-	-	-	13,392,524
Public works:							
Administration	1,453,794	-	-	-	-	-	1,453,794
General maintenance	1,042,486	-	-	-	-	-	1,042,486
Park maintenance	957,282	-	-	-	-	-	957,282
Recreation	2,264,453	-	-	-	-	-	2,264,453
Sewer lateral	-	-	-	-	-	89,115	89,115
Economic development	-	727,826	-	-	1,116,329	513,835	2,357,990
Capital outlay	1,756,654	2,400,833	-	-	836,986	-	4,994,473
Debt service:							
Principal	4,879	451,151	990,000	-	124,250	-	1,570,280
Interest and fiscal charges	521	67,565	81,627	-	17,468	682,929	850,110
Total Expenditures	33,801,250	3,647,375	1,072,210	-	2,095,033	1,285,879	41,901,747
Excess (Deficiency) of Revenues over Expenditures	3,273,115	(1,453,248)	558,818	145,312	168,417	45,677	2,738,091
Other Financing Sources (Uses)							
Proceeds from sale of capital assets	-	135,135	-	-	-	-	135,135
Insurance proceeds	56,227	92,101	-	-	-	-	148,328
Lease/SBITA proceeds	-	172,888	-	-	-	-	172,888
Transfers in	-	547,213	-	-	-	-	547,213
Transfers out	(547,213)	-	-	-	-	-	(547,213)
	(490,986)	947,337	-	-	-	-	456,351
Net Change in Fund Balance	$ 2,782,129	$ (505,911)	$ 558,818	$ 145,312	$ 168,417	$ 45,677	$ 3,194,442
Fund Balance (Deficit), July 1	22,522,916	1,677,174	937,777	2,408,680	10,131,448	624,283	38,302,278
Fund Balance (Deficit), June 30	$ 25,305,045	$ 1,171,263	$ 1,496,595	$ 2,553,992	$ 10,299,865	$ 669,960	$ 41,496,720

City of Hazelwood, Missouri
Reconciliation of the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities
For the year ended June 30, 2024

Change in fund balance - total governmental funds	$	3,194,442
Amounts reported for governmental activities in the statement of activities are different because:		
Revenues that do not provide current financial resources are not included in the fund financial statements		(267,279)
The acquisition of capital assets requires the use of current financial resources but has no effect on net position		4,104,724
The cost of capital assets is allocated over their estimated useful lives and are reported as depreciation expense in the statement of activities		(3,217,267)
In the statement of activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increases financial resources		(32,654)
The acquisition of right-to-use lease assets requires the use of current financial resources but has no effect on net position		-
The cost of right-to-use assets is allocated over their estimated useful lives and are reported as amortization expense in the statement of activities		(17,893)
The acquisition of subscription IT assets requires the use of current financial resources but has no effect on net position		172,888
The cost of subscription IT assets is allocated over their estimated useful lives and are reported as amortization expense in the statement of activities		(25,718)
Issuance of principal on lease liabilities and subscription IT liabilities are revenues in the governmental funds, but the issuance increases long-term liabilities in the statement of net position		(172,888)
Repayment of principal on bonds, lease liabilities, subscription IT liabilities, and financed purchased obligations are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position		1,570,280
The increase in interest payable and the amortization of bond premium/discount do not require the use of current financial resources and, therefore, are not reported as an expenditure in governmental funds		(4,286,764)
Increase in compensated absences and accumulated post retirement benefits are recorded when earned in the statement of activities		(1,190,793)
Change in net position of governmental activities	$	(168,922)

See Notes to the Financial Statements

City of Hazelwood, Missouri
Statement of Fiduciary Net Position
Pension Trust Fund
June 30, 2024

Assets		
Investments at fair value:		
Money market funds	$	2,630,460
Common stock		12,423,305
Mutual funds and exchange traded funds - equity		11,434,245
Mutual funds - international equities		6,411,453
U.S. Government agencies and mortgage backed securities		2,379,593
U.S. Treasuries		6,100,022
Corporate obligations		5,802,604
Asset backed securities		915,549
Municipal bonds		845,900
Interest receivable		156,243
Total Assets		49,099,374
Liabilities		
Due to other funds		7,298
Total Liabilities		7,298
Net Position		
Restricted for pension benefits		49,092,076
Total Net Position	$	49,092,076

City of Hazelwood, Missouri
Statement of Changes in Fiduciary Net Position
Pension Trust Fund
For the year ended June 30, 2024

Additions		
Contributions:		
Employer	$	1,800,417
Investment income:		
Interest and dividends		1,161,143
Investment return		4,037,332
Less: investment fees		(189,665)
Net investment income		5,008,810
Total Additions		6,809,227
Deductions		
Distributions		3,242,733
Total Deductions		3,242,733
Change in Net Position Restricted for Pension Benefits	$	3,566,494
Net Position, Restricted for Pension Benefits, July 1		45,525,582
Net Position, Restricted for Pension Benefits, June 30	$	49,092,076

Note 1 - Summary of Significant Accounting Policies

The City of Hazelwood, Missouri ("the City") was incorporated as a village within St. Louis County, Missouri on September 7, 1949. The residents voted to approve the City of Hazelwood becoming a home rule Charter City in October of 1969. The City is governed by a Council/Manager form of government, with an elected mayor and eight council members representing eight wards. The City Manager is the administrative officer. The City's major operations include police protection, street maintenance and improvements, parks and recreation, community development, and general administrative services. The basic financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental agencies. The significant accounting policies applied by the City in the preparation of the accompanying financial statements are summarized below:

Reporting Entity

The City applies the criteria set forth in Statement No. 61 of the Governmental Accounting Standards Board, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34* (GASB 61), to determine which governmental organizations should be included in the reporting entity. The inclusion or exclusion of component units is based on the elected officials accountability to their constituents. The financial reporting entity follows the same accountability. In addition, the financial statements of the reporting entity should allow the user to distinguish between the primary government (including its blended component units, which are, in substance, part of the primary government) and discretely presented component units. Criteria for inclusion of an entity into the primary governmental unit (in blended or discrete presentation) includes, but is not limited to, legal standing, fiscal dependency, imposition of will, and the primary recipient of services.

The City's financial reporting entity consists of the City and its discretely presented component unit, the Industrial Development Authority (IDA). The members of the governing board of the IDA are approved by the City. Although the City cannot impose its will on the IDA, the City provides a material subsidy to the IDA primarily to finance the operations of the organization. Together, the City and the IDA form the reporting entity for financial purposes. Complete financial information for the IDA can be obtained from the City's finance department.

Basic Financial Statements

Basic financial statements consist of the following:

- Government-wide financial statements
- Fund financial statements, and
- Notes to the basic financial statements

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities and reports information on all of the nonfiduciary activities of the Primary Government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from the component unit for which the City is financially accountable. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges that would distort direct costs and program revenues reported for the various functions concerned.

The Statement of Activities demonstrates the degree to which the direct and indirect expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Indirect expenses are allocated based on an annual cost allocation plan. Program revenue includes: charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity and grants and contributions. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Note 1 - Summary of Significant Accounting Policies (continued)

Basic Financial Statements (continued)

Separate fund based financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, deferred outflows, liabilities, deferred inflows, revenues or expenditures/expenses of either fund category for the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

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 or, for property tax revenues, in the period for which levied. Expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due (i.e. matured).

For the governmental fund financial statements, the City considers all revenues susceptible to accrual and recognizes revenue if the accrual criteria are met. Specifically, sales taxes, franchise taxes, licenses, interest, special assessments, charges for services, and other miscellaneous revenue are considered to be susceptible to accrual and have been recognized as revenue in the current fiscal period. Resources received in advance or before eligibility requirements are met are reported as unearned revenues.

The accounts of the City are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions.

The City reports the following major governmental funds:

General Fund - The City's primary operating fund, which accounts for all the financial resources and the legally authorized activities of the City except those required to be accounted for in other specialized funds.

Capital Projects Fund - The City uses this fund to account for financial resources to be used for the acquisition, construction, improvements, or debt related major capital facilities and infrastructure.

Debt Service Fund - The City uses this fund to account for the accumulation of resources for, and the payment of, certain long-term debt principal, interest, and related costs.

370/MO Bottom Road Tax Increment Financing District Fund - The City uses this fund to account for special revenues received from the TIF District which are required to be segregated into a special allocation fund designated for use in the TIF District only.

Note 1 - Summary of Significant Accounting Policies (continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

Economic Development Fund - The City uses this special revenue fund to account for economic development sales tax, which is required to be used for economic development within the City.

The other governmental funds of the City are considered nonmajor. They are special revenue funds which account for specific revenue sources that are legally restricted to expenditures for specific purposes.

Additionally, the City uses fiduciary fund types to account for assets held by the City in a trustee capacity as an agent or on behalf of others. Trust funds account for assets held by the City under the terms of a formal trust agreement. The City reports the following fiduciary funds:

Pension Trust Fund - The City uses this fund to account for assets held by the City in a trustee capacity for the City's employee retirement plan.

The *Industrial Development Authority* is included as a discretely presented component unit of the City and is accounted for similar to a governmental fund type.

Cash, Cash Equivalents, and Investments

The City pools the cash of all funds, except for monies deposited with fiscal agents in accordance with related bond indentures. The cash and investments balance in each fund represents that fund’s equity share of the City’s cash and investment pool. The City’s investments are carried at fair value or cost, as applicable per investment type. Interest income earned on pooled cash and investments is allocated to the various funds. Interest income on restricted cash and investments is credited directly to the related fund.

The City is authorized to invest funds not immediately needed for the purposes to which the funds are applicable in obligations of the United States Treasury, federal agencies, commercial papers, corporate bonds, and repurchase agreements. The Pension Trust Fund is also authorized to invest in corporate common or preferred stocks, bonds and mortgages, real or personal property, and other evidence of indebtedness or ownership, but excluding any debt of the city itself, and individual insurance policies.

Restricted Assets

Certain cash and investments are restricted for the construction or purchase of assets, the repayment of special revenue bonds, activities of special revenue funds, to ensure defendants' court appearances, and public safety expenses.

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 expenditures/expenses when consumed rather than when purchased.

Allowance for Doubtful Accounts

Ambulance fee receivables are shown net of an allowance for uncollectible accounts of $964,080.

Note 1 - Summary of Significant Accounting Policies (continued)

Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the City are depreciated using a straight-line method over the following estimated useful lives:

Major Group	Life
Buildings and improvements	5 - 40 years
Infrastructure	10 - 20 years
Machinery, equipment, and furniture and fixtures	5 - 30 years
Vehicles and associated automotive equipment	5 - 30 years

Leasing Arrangements

For arrangements where the City is a lessee, a lease liability and a right of use (ROU) intangible asset are recognized at the commencement of the lease term. ROU assets represent the City's right to use an underlying asset for the lease term and lease liabilities represent the City's obligation to make lease payments arising from the lease. The City recognizes lease liabilities with an initial, individual or aggregate value of $10,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

For fund financial statements, an expenditure and other financing source will be reported in the period the lease is initially recognized. The expenditure and other financing source should be measured as noted in the previous paragraph. Subsequent governmental fund lease payments are accounted for consistent with the principles of debt service payments on long-term debt.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The City uses an estimated incremental borrowing rate that represents the rate at which it would borrow funds to calculate the present value of lease payments when the rate implicit in the lease is not known. The City includes lease extension and termination options in the lease term if, after considering relevant economic factors, it is reasonably certain the City will exercise the option. The City has elected to combine lease and nonlease components for all lease contracts and also has not recognized ROU assets and lease liabilities for leases with terms for 12 months or less.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the ROU assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liability.

Note 1 - Summary of Significant Accounting Policies (continued)

Leasing Arrangements (continued)

For government-wide and fund financial statements, for arrangements in which the City is the lessor, a lease receivable and deferred inflow of resources is recognized at the commencement of the lease term. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The deferred inflows should be measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that related to future periods.

Subscription Based Information Technology Arrangements (SBITA)

For arrangements where the City is an end user, a subscription IT liability and a right of use (ROU) intangible asset are recognized at the commencement of the SBITA term. ROU assets represent the City's right to use an underlying asset for the SBITA term and subscription IT liabilities represent the City's obligation to make subscription payments arising from the arrangement. The City recognizes subscription IT liabilities with an initial, individual or aggregate value of $10,000 or more.

At the commencement of an arrangement, the City initially measures the subscription IT liability at the present value of payments expected to be made during the arrangement term. Subsequently, the subscription IT liability is reduced by the principal portion of subscription payments made. The subscription IT asset is measured as the initial amount of the subscription IT liability, adjusted for subscription payments made at or before the arrangement commencement date, plus certain initial direct costs. Subsequently, the subscription IT asset is amortized on a straight-line basis over its useful life.

For fund financial statements, an expenditure and other financing source will be reported in the period the SBITA is initially recognized. The expenditure and other financing source should be measured as noted in the previous paragraph. Subsequent governmental fund subscription payments are accounted for consistent with the principles of debt service payments on long-term debt.

Key estimates and judgments related to SBITA's include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments. The City uses an estimated incremental borrowing rate that represents the rate at which it would borrow funds to calculate the present value of subscription payments when the rate implicit in the SBITA is not known. The City includes subscription extension and termination options in the SBITA term if, after considering relevant economic factors, it is reasonably certain the City will exercise the option. The City has not recognized ROU assets and subscription IT liabilities for arrangements with terms for 12 months or less.

The City monitors changes in circumstances that would require a remeasurement of its SBITA's and will remeasure the ROU assets and liabilities if certain changes occur that are expected to significantly affect the amount of the subscription IT liability.

Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Initial-issue bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. The difference between the reacquisition price of refunding bonds and the net carrying amount of refunded debt (deferred amount on refunding) is amortized over the shorter of the lives of the refunding debt or remaining life of the refunded debt. Bonds payable are reported net of the unamortized portion of applicable premium or discount. Bond issuance costs, including underwriters' discount, are included as an expense. Amortization of bond premiums or discounts and deferred amounts on refunding are included in interest expense.

Note 1 - Summary of Significant Accounting Policies (continued)

Long-Term Liabilities (continued)

Also recorded in long-term liabilities is the City's severance package liability. The City pays to each employee with 25 years of service upon retirement an amount equal to one month salary. The City records in long-term liabilities an amount equal to the estimated liability at year-end based on the length of service of each employee. The change in this liability is recorded in the government-wide statements to match the expense of providing this benefit to the period it is earned by the employee.

Compensated Absences

The City provides compensation to employees for earned but unused vacation leave, emergency leave, and compensatory time. Vacation leave is granted to employees based on years of continuous services as of the anniversary date of employment. Unused vacation leave can be accumulated and carried over one year beyond the year earned. Emergency leave is accumulated at the rate of one day per month to a maximum of 90 days. Unused emergency leave is paid at 25% of the amount accrued upon voluntary separation of employment from the City. Compensatory time may be accumulated to a maximum of 10 days. Unused compensatory time is payable upon termination of employment. The City records the liability for compensated absences to City employees as earned in the government-wide financial statements. Liabilities for compensated absences are generally liquidated by the General Fund or the Economic Development Fund.

Net Position and Fund Balance/Equity

In the government-wide financial statements, net position is reported in three categories: net investment in capital assets; restricted; and unrestricted. Net investment in capital assets represents capital assets less accumulated depreciation less outstanding principal on related debt. Net investment in capital assets does not include the unspent proceeds of capital debt. Restricted net position represents amounts restricted by parties outside of the City (such as creditors, grantors, contributors, laws and regulations of other governments) and includes unspent proceeds of bonds issued to acquire or construct capital assets, net of outstanding principal on related debt. All remaining net position is considered unrestricted.

When both restricted and unrestricted sources are available for use, it is the City's policy to use restricted first, then unrestricted resources as they are needed. The government-wide Statement of Net Position reports a restricted portion of $16,516,069, of which $16,183,597 is restricted by enabling legislation.

Fund Balance Classification - The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable - Resources which cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact.

Restricted - Resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.

Committed - Resources which are subject to limitations the government imposes upon itself by passing a resolution by the City Council, and that remain binding unless removed in the same manner.

Note 1 - Summary of Significant Accounting Policies (continued)

Net Position and Fund Balance/Equity (continued)

Assigned - Resources neither restricted nor committed for which a government has a stated intended use as established by the City Council or an official to which the City Council has delegated the authority to assign amounts for specific purposes.

Unassigned - Resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

The City would typically use Restricted fund balances first, followed by Committed resources and Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first.

The fund balance of the City's General Fund has been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities. The target is to maintain an unassigned fund balance of not less than 17% and generally not more than 40% of annual operating expenditures for the fiscal year.

Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the Statement of Net Position will sometimes report a separate section of deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Under the modified accrual basis of accounting, unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from various sources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Interfund Transactions

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

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

Due To/Due From Other Funds

Noncurrent portions of long-term interfund loans receivable (reported in "advances to" asset accounts) are equally offset by a fund balance reserve account which indicates they do not constitute "available spendable resources" since they are not a component of net current assets. Current portions of long-term interfund loan receivable (reported in "due from" asset accounts) are considered "available spending resources" and are subject to elimination upon consolidation.

Note 1 - Summary of Significant Accounting Policies (continued)

Pensions

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

Use of Estimates

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

Note 2 - Deposits and Investments

Deposits

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

At June 30, 2024, the City's and the IDA's bank balances were entirely secured and collateralized with securities held by the City or by its agent in the City's name.

Investments

The City's formal investment policies are as follows:

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's policy states that it will minimize credit risk by prequalifying financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business and diversify the portfolio to reduce potential losses on individual securities.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investment. Investment held for longer periods are subject to increased risk of adverse interest rate changes. The City's policy states that they minimize interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing primarily in shorter term securities.

Note 2 - Deposits and Investments (continued)

Investments (continued)

Concentration of Credit Risk - For an investment, concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's policy states that they minimize concentration of credit risk by diversifying its investment portfolio.

Custodial Credit Risk - For an investment, the custodial risk is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investment, or collateral securities that are in the possession of an outside party. In accordance with its policy, the City addresses custodial risk by prequalifying institutions with which the City places investment, diversifying the investment portfolio, and maintaining a standard of quality for investments.

As of June 30, 2024, the City's investments consisted of the following:

	Fair Value	No Maturity	Less Than One Year	1 - 5 Years	6 - 10 Years	More Than 10 Years
Primary Government:						
Money market funds	$ 77,915	$ 77,915	$ -	$ -	$ -	$ -
Certificates of deposit	5,557,119	-	2,183,445	3,373,674	-	-
Federal agency bonds						
Rated AAA	1,367,561	-	-	1,367,561	-	-
U.S. Treasury notes						
Rated AAA	8,877,627	-	7,391,964	1,485,663	-	
	15,880,222	77,915	9,575,409	6,226,898	-	-
Component Unit (IDA):						
Money market funds	484,092	484,092	-	-	-	-
Certificates of deposit	136,779	-	136,779	-	-	-
Federal agency bonds						
Rated AAA	442,983	-	-	442,983	-	-
U.S. Treasury notes						
Rated AAA	130,305	-	-	130,305	-	-
	1,194,159	484,092	136,779	573,288	-	-
Fiduciary Fund:						
Money market funds	2,630,460	2,630,460	-	-	-	-
Common stock	12,423,305	12,423,305	-	-	-	-
Mutual funds - equity	9,708,757	9,708,757	-	-	-	-
Exchange traded funds	1,157,896	1,157,896	-	-	-	-
Emerging markets	567,592	567,592	-	-	-	-
Mutual funds - equity						
international	6,411,453	6,411,453	-	-	-	-

Note 2 - Cash and Investments (continued)

Investments (continued)

	Fair Value	No Maturity	Less Than One Year	1 - 5 Years	6 - 10 Years	More Than 10 Years
Federal agency bonds						
FHLMC - Not rated	723,692	-	-	3,899	38,469	681,324
FNMA - Not rated	504,694	-	-	-	229,820	274,874
GNMA - Not rated	356,020	-	-	-	-	356,020
FFCB - AA+	148,818	-	-	148,818	-	-
FHLB - AA+	222,323	-	122,471	99,852	-	-
FNMA - AA+	120,543	-	120,543	-	-	-
Not rated	303,503	-	-	303,503	-	-
U.S. Treasuries						
Bonds - Rated AAA	982,637	-	-	-	-	982,637
Notes - Rated AAA	5,117,385	-	1,188,345	2,757,288	1,171,752	-
Corporate obligations						
Rated AA	103,618	-	-	-	-	103,618
Rated AA-	219,970	-	-	-	-	219,970
Rated A+	164,195	-	-	-	29,865	134,330
Rated A	1,362,527	-	-	540,722	404,615	417,190
Rated A-	1,767,532	-	98,430	1,105,720	366,000	197,382
Rated BBB+	847,072	-	29,507	503,506	60,515	253,544
Rated BBB	1,137,891	-	29,852	704,769	146,582	256,688
Rated BBB-	126,219	-	-	126,219	-	-
Not rated	73,580	-	73,580	-	-	-
Asset backed securities						
Rated AAA	915,549	-	-	688,353	-	227,196
Municipal bonds						
Rated AAA	278,441	-	-	138,351	140,090	-
Rated AA+	141,504	-	-	141,504	-	-
Rated AA	141,438	-	-	141,438	-	-
Rated AA-	284,517	-	-	284,517	-	-
	48,943,131	32,899,463	1,662,728	7,688,459	2,587,708	4,104,773
Total Investments	$ 66,017,512	$ 33,461,470	$ 11,374,916	$ 14,488,645	$ 2,587,708	$ 4,104,773

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets and liabilities [such as interest rates, yield curves, volatilities, loss severities, credit risks, and default rates] or other market corroborated inputs); and Level 3 inputs are significant unobservable inputs. The City uses the following recurring fair value measurements as of June 30, 2024:

Note 2 - Cash and Investments (continued)

Fair Value Measurements (continued)

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Primary Government:				
Money market funds	$ 77,915	$ 77,915	$ -	$ -
Federal agency bonds	1,367,561	-	1,367,561	-
U.S. Treasury notes	8,877,627	8,877,627	-	-
	10,323,103	8,955,542	1,367,561	-
Component Unit (IDA):				
Money market funds	484,092	484,092	-	-
Federal agency bonds	442,983	-	442,983	-
U.S. Treasury notes	130,305	130,305	-	-
	1,057,380	614,397	442,983	-
Fiduciary Fund:				
Money market funds	2,630,460	2,630,460	-	-
Common stock	12,423,305	12,423,305	-	-
Mutual funds - equity	9,708,757	9,708,757	-	-
Exchange traded funds	1,157,896	1,157,896	-	-
Emerging markets	567,592	567,592	-	-
Mutual funds - equity international	6,411,453	6,411,453	-	-
Federal agency bonds	2,379,593	-	2,379,593	-
U.S. Treasury bonds/notes	6,100,022	6,100,022	-	-
Corporate obligations	5,802,604	-	5,802,604	-
Asset backed securities	915,549	-	915,549	-
Municipal bonds	845,900	-	845,900	-
	48,943,131	38,999,485	9,943,646	-
Total Fair Market Value of Investments	$ 60,323,614	$ 48,569,424	$ 11,754,190	$ -

The City values level 2 inputs based on quoted prices in active markets for similar assets. All other investments are reported using a cost-based measure in accordance with the requirements of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools.*

Investments measured at amortized cost:

Certificates of Deposit	$ 5,693,898

Note 3 - Property Taxes

Property taxes are levied in October of each year on the assessed value as of the prior January 1 for all property located in the City. Property taxes attach as an enforceable lien on property as of January 1 and are due upon receipt of billing and become delinquent.

Real estate taxes are billed and collected by St. Louis County and remitted by the County to the City. Property tax revenue is recognized to the extent it is collected within the current period or expected to be collected within 60 days after year-end. Taxes collected subsequent to the 60 day period are considered to be unavailable on the fund financial statements, but are recognized as revenue in the government-wide financial statements.

Note 4 - Interfund Transactions

The following transfers were made during the fiscal year ending June 30, 2024:

	Transfers In	Transfers Out
General Fund	$ -	$ 547,213
Capital Projects Fund	547,213	-
	$ 547,213	$ 547,213

Interfund transfers were 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 restricted 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.

Individual interfund assets and liabilities as of June 30, 2024 are as follows:

	Receivable fund	Payable fund
General Fund	$ 7,298	$ -
Pension Trust Fund	-	7,298
	$ 7,298	$ 7,298

The outstanding balances between the funds result mainly from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. All interfund balances are expected to be repaid during the fiscal year ended June 30, 2025.

Note 5 - Capital Assets

Capital asset activity for the primary government for the year ended June 30, 2024 is as follows:

	Balance at 06/30/23	Additions	Deletions	Balance at 06/30/24
Governmental activities:				
Non-depreciable capital assets:				
Land and right-of-way	$ 5,059,741	$ -	$ -	$ 5,059,741
Construction in process	631,020	117,495	-	748,515
Total non-depreciable capital assets	5,690,761	117,495	-	5,808,256

Note 5 - Capital Assets (continued)

Depreciable capital assets:				
Buildings and improvements	25,302,194	268,474	-	25,570,668
Infrastructure	41,037,836	1,192,235	-	42,230,071
Machinery, equipment, and furniture and fixtures	7,131,834	607,220	(60,021)	7,679,033
Automotive equipment	6,858,498	1,919,300	(261,022)	8,516,776
Right-to-use lease assets	53,679	-	-	53,679
Right-to-use subscription IT assets	25,681	172,888	-	198,569
Total depreciable capital assets	80,409,722	4,160,117	(321,043)	84,248,796
Less: accumulated depreciation				
Buildings and improvements	(16,731,967)	(726,177)	-	(17,458,144)
Infrastructure	(31,693,712)	(1,438,701)	-	(33,132,413)
Machinery, equipment, and furniture and fixtures	(5,941,836)	(366,972)	60,021	(6,248,787)
Automotive equipment	(5,010,253)	(685,417)	228,368	(5,467,302)
Right-to-use lease assets	(4,473)	(17,893)	-	(22,366)
Right-to-use subscription IT assets	(4,708)	(25,718)	-	(30,426)
Total accumulated depreciation	(59,386,949)	(3,260,878)	288,389	(62,359,438)
Total depreciable capital assets, net	21,022,773	899,239	(32,654)	21,889,358
Total capital assets, net	$ 26,713,534	$ 1,016,734	$ (32,654)	$ 27,697,614

Depreciation and amortization expense was charged to functions/programs of the primary government for the year ended June 30, 2024 as follows:

General government	$ 508,647
Police	305,286
Fire and ambulance	529,618
Public works	1,726,129
Parks	191,198
	$ 3,260,878

Note 6 - Long-Term Debt

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

	Balance at 06/30/23	Additions	Reductions	Balance at 06/30/24	Due Within One Year
Primary Government:					
General obligation bonds	$ 3,055,000	$ -	$ (990,000)	$ 2,065,000	$ 1,020,000
Add: Issuance premiums	134,086	-	(59,376)	74,710	-
Certificates of participation	1,490,000	-	(355,000)	1,135,000	365,000
Add: Issuance premiums	56,706	-	(13,475)	43,231	-
Tax increment revenue notes	17,055,000	-	-	17,055,000	181,598
Financed purchase obligations	849,554	-	(175,520)	674,034	-
Postretirement benefits	421,665	101,385	(54,585)	468,465	-
Total Primary Government	$ 23,062,011	$ 101,385	$ (1,647,956)	$ 21,515,440	$ 1,566,598
Component Unit (IDA):					
Capital projects bonds	$ 1,905,000	$ -	$ (435,000)	$ 1,470,000	$ 465,000
Less: Issuance discounts	(6,047)	-	1,649	(4,398)	-
	$ 1,898,953	$ -	$ (433,351)	$ 1,465,602	$ 465,000

Primary Government:

General Obligation Bonds

In 2012, the City issued general obligation bonds in the amount of $5,289,047 for the purpose of providing funds to 1) refund the City's outstanding general obligation street bonds, Series 2005, maturing on March 1, 2016, 2) pay the interest on the bonds to and including March 1, 2015, and 3) pay the costs of issuing the bonds. Interest rates on the bonds range from 1.250% to 2.200%. The bonds include $64,047 of capital appreciation bonds which were paid in full on March 1, 2022 and included $340,953 of accreted interest. The remaining current interest bonds mature on March 1, 2025.

In 2015, the City issued general obligation bonds in the amount of $3,945,000 for the purpose of providing funds to 1) advance refund the portion of the City's outstanding general obligation street bonds, Series 2007, maturing on March 1, 2019 and thereafter, outstanding in the aggregate principal amount of $4,000,000 and 2) pay costs of issuing the bonds. Proceeds from the issue were deposited in to an irrevocable escrow account with a third-party trustee to refund $4,000,000 in existing Series 2007 bonds when called in March 2017. As a result, the refunded portion of the liability for the 2007 bonds has been removed from the Statement of Net Position. Interest rates on the bonds range from 2.000% - 4.000%, and the bonds are due to mature on March 1, 2026.

A summary of principal and interest debt service requirements for the general obligation bonds is as follows:

Year ended, June 30,	Principal	Interest	Total
2025	$ 1,020,000	$ 53,333	$ 1,073,333
2026	1,045,000	23,512	1,068,512
	$ 2,065,000	$ 76,845	$ 2,141,845

Note 6 - Long-Term Debt (continued)

Certificates of Participation

In 2015, the City issued refunding certificates of participation in the amount of $3,895,000 for the purpose of providing funds to 1) refund the City's certificates of participation, Series 2008, originally issued in the aggregate principal amount of $5,485,000 with principal amount remaining of $4,045,000 and 2) pay the costs of delivering the Series 2015 certificates. The original Series 2008 certificates were used for acquiring, constructing, furnishing and equipping a new aquatic center and improving Fire Station #1. Proceeds from the issue were deposited into an irrevocable escrow account with a third-party trustee to refund $4,045,000 in existing Series 2008 certificates of participation when called in March 2018. As a result, the liability for the 2008 certificates of participation has been removed from the Statement of Net Position. The current refunding resulted in a cash flow savings of $705,170 and an economic gain (difference between the present value of the debt service payments on the old and new debt) of $546,367. Interest rates on the certificates of participation range from 2.000% - 4.000%, and the certificates are due to mature on April 1, 2027.

A summary of principal and interest debt service requirements for the certificates of participation is as follows:

Year ended, June 30,	Principal	Interest	Total
2025	$ 365,000	$ 36,888	$ 401,888
2026	380,000	25,025	405,025
2027	390,000	12,675	402,675
	$ 1,135,000	$ 74,588	$ 1,209,588

Tax Increment Revenue Notes

The City has tax increment revenue notes (Series A and Series B) which are special limited obligations of the City, payable solely from payments in lieu of taxes attributable to the increase in assessed value of real property, incremental increases in economic activity taxes in the project area, and monies on deposit in the Debt Service Reserve Fund. The notes do not constitute a general obligation of the City. The City does not own the assets for which the debt was issued to build. The tax exempt portion of the Series A notes have an interest rate of 6.750% and the taxable portion of the Series B notes have an interest rate of 8.250%. Accrued interest on these notes at June 30, 2024 amounted to $22,376,186. These notes are due to mature on October 3, 2029.

Financed Purchase Obligations

The City entered into financed purchase agreements with various banks to purchase capital assets which are accounted for as financed purchase obligations with interest rates ranging from 1.225% to 5.040%. Lease payments under the terms of these agreements are recorded as lease/purchase expenditures in the Capital Projects Fund. The City currently has three financed purchase obligations outstanding for a fire truck, fiber optic network installation, and city hall windows and energy upgrades.

Note 6 - Long-Term Debt (continued)

Primary Government (continued)

Financed Purchase Obligations (continued)

A summary of principal and interest debt service requirements for the financed purchase obligations is as follows:

Year ended, June 30,	Principal	Interest	Total
2025	$ 181,598	$ 26,004	$ 207,602
2026	187,915	19,687	207,602
2027	121,714	13,697	135,411
2028	94,606	8,731	103,337
2029	88,201	4,445	92,646
	$ 674,034	$ 72,564	$ 746,598

Postretirement Benefits

As a benefit to employees who have served the City for an extended period of time, the City provides certain benefits upon retirement. Upon retirement full time employees who have been employed by the City for 25 years or more are entitled to receive one month of salary. At June 30, 2024, there were 171 employees eligible to receive benefits upon meeting the service requirements. The City has accrued this liability in the government-wide statements.

Bonds, certificates of participation, tax increment financing notes, and financed purchase obligations are liquidated by the appropriate related fund. Postretirement benefits are liquidated by the General Fund and Economic Development Fund.

Component Unit (IDA)

Capital Project Bonds

In 2007, the IDA issued taxable annual appropriation capital projects bonds for the purpose of 1) financing a wildlife museum, indoor aquarium, and related attractions within a retail store specializing in hunting, fishing, and outdoor gear; 2) funding a Debt Service Reserve Fund for the bonds; 3) funding a portion of the capitalized interest on the bonds; and 4) paying certain costs of issuance of the bonds. These bonds are special obligations of the IDA payable solely from certain revenues pledged by the City. The City pledged a portion of its parks and stormwater sales tax, capital improvements sales tax, and hotel/motel tax to pay the bonds. The museum will be owned by the City. The General Fund transferred $547,213 to the Capital Projects Fund for its portion of the pledged revenues. The Capital Projects Fund paid $727,826 to the IDA for the year ended June 30, 2024. The interest rates on the bonds range from 5.310% to 5.875% and are due to mature on February 1, 2027.

The bonds have a debt service reserve requirement in the sum of $552,244 to be maintained solely for (i) the payment of the principal of and interest on the bonds if moneys otherwise available for such purpose are insufficient to pay the same as they become due and payable, and (ii) unless otherwise provided for, to make the final payment on the bonds. As of June 30, 2024, the balance of the debt service reserve account was $577,454, leaving a surplus of $25,210.

Note 7 - Employee Retirement Plan

<u>General Information about the Defined Benefit Pension Plan</u>

Plan description - The Retirement Plan for Police Officers, Firefighters, and Other Employees of the City of Hazelwood (the Pension Plan) is a single-employer defined benefit pension plan and provides pensions for all permanent full-time police officers, firefighters, and other employees of the City. The Pension Plan was created and is governed by City ordinance. The Pension Plan does not issue a separate stand-alone financial report. The financial information is included as a Trust Fund in the City's financial statements. Information about the Pension Plan is provided in a summary plan description.

Benefits provided - Employees who attain the age of 60 or have 25 years of credited service are entitled to a normal retirement benefit equal to: 1) 2% of their final average monthly compensation multiplied by 2) the employee's years of service not in excess of 30 years. Participants as of 1989 are entitled to no less than the benefit determined in accordance with the provisions of the Pension Plan in effect immediately prior to 1989, based on credited service to the date. The Pension Plan also provides early retirement, late retirement, vested deferred retirement, and disability benefits.

Employees covered by benefit terms - At June 30, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	138
Inactive employees entitled to but not yet receiving benefits	75
Active employees	172
Disabled	1
	386

Contributions - The City contributes to the Pension Plan based on an actuarially determined amount recommended by an independent actuary. The actuarially determined amount is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the City do not contribute to the Pension Plan. For the year ended June 30, 2024, the City's actual contribution to the Pension Plan represented 14.67% of annual covered payroll. In the past, contributions to the Pension Plan have been made from the General Fund.

Investment Policy - The objective of the portfolio is to direct the investment and reinvestment of Pension Plan assets with the primary objective of maximizing long-term total return while protecting principal. It is the policy of the Board to pursue an investment strategy through diversification across a selection of asset classes. The Board has set specific limitations with regard to credit quality ratings and the effective duration of the portfolio. The following was the Board's adopted asset allocation policy as of June 30, 2024:

Asset Class	Target Allocation	Minimum	Maximum
Equities	60%	40%	75%
Fixed-Income	40%	25%	50%

Note 7 - Employee Retirement Plan (continued)

General Information about the Defined Benefit Pension Plan (continued)

Net Pension Liability - The City's net pension liability was measured as of July 1, 2023, and the total pension liability was determined by rolling forward the Pension Plan's total pension liability as of July 1, 2023 to June 30, 2024 using the actuarial assumptions outlined below.

Actuarial Assumptions - The total pension liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary Increase	3.50% average, including inflation
Investment Rate of Return	7.50%, net of investment expenses

Mortality rates were based on the Pub-2010 Table weighted 70% Public Safety and 30% General Employees projected generationally using the Buck-Modified MP-2021 mortality improvement scale.

The actuarial assumptions used in the valuation were based upon an annual review of actual experience compared to previous assumptions used and a perspective on future expectations.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap Select	34.00%	7.9%
Mid Cap	12.00%	8.0%
International Growth	14.00%	8.4%
High Income Bond	12.00%	4.2%
Intermediate Gov/Credit	27.00%	1.5%
Cash	1.00%	0.0%

Discount rate - The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rates assumes that the City contributions will continue to follow the current funding policy of contributing employer normal cost plus plan expenses plus a 15-year amortization (on an open basis) of unfunded liabilities. Based on these assumptions, the pension plan’s fiduciary net position was not projected to be sufficient to make all projected future benefit payments of current plan members. The single discount rate reflects (1) a 7.50% long-term expected rate of return on pension plan investments and (2) a 4.21% municipal bond rate which is derived from the S & P Municipal Bond 20 Year High Grade Rate Index as of July 1, 2023.

Note 7 - Employee Retirement Plan (continued)

Changes in Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/2023	$ 51,298,007	$ 45,585,405	$ 5,712,602
Changes for the year:			
Service cost	816,668	-	816,668
Interest	4,179,661	-	4,179,661
Changes in benefit terms	-	-	-
Difference between expected and actual experience	5,206,196	-	5,206,196
Changes of assumptions	-	-	-
Contributions - employer	-	1,689,819	(1,689,819)
Contributions - employee	-	-	-
Net investment income	-	5,124,665	(5,124,665)
Benefit payments, including refunds	(3,242,734)	(3,242,734)	-
Administrative expense	-	(57,782)	57,782
Other changes	-	-	-
Net changes	6,959,791	3,513,968	3,445,823
Balances at 6/30/2024	$ 58,257,798	$ 49,099,373	$ 9,158,425

Plan Fiduciary Net Position as a percentage of the Total Pension Liability	84.28%

Sensitivity of the net pension liability to changes in the discount rate - The following presents the net pension liability of the City, calculated using the discount rate of 7.50%, as well as what the City's net pension liability would be using a discount rate that is 1.00% lower or 1.00% higher than the current rates.

	1% Decrease	Current Rate	1% Increase
Total Pension Liability	$ 65,250,364	$ 58,257,798	$ 52,397,808
Plan Fiduciary Net Position	(49,099,373)	(49,099,373)	(49,099,373)
Net Pension Liability	$ 16,150,991	$ 9,158,425	$ 3,298,435

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

For the year ended June 30, 2024, the City recognized pension expense of $2,590,583. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	$ 4,250,863	$ (327,323)
Differences in assumptions	110,301	(279,494)
Excess (deficit) investment returns	688,111	-
	$ 5,049,275	$ (606,817)

Note 7 - Employee Retirement Plan (continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

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

Year ended June 30,	Amount
2025	$ 632,299
2026	2,514,371
2027	490,516
2028	658,551
2029	146,721
Thereafter	-
	$ 4,442,458

Note 8 - Other Post Employment Benefits

General Information about the Defined Benefit Other Post-Employment Benefit Plan

Plan description - The City of Hazelwood's Postretirement Health Benefits plan (the "Plan") is a single-employer other post-employment benefit (OPEB) plan that provides its retirees with access to healthcare until attainment of Medicare Eligibility Age. The retiree must pay the full premium of such coverage, but the employer is responsible for any implicit subsidy arising from actual claims in excess of premium amounts. The Plan does not issue a separate stand-alone financial report. Benefits under the Plan are established by ordinance and may be changed by the passage of an ordinance. The City has a fiduciary net position of $0, meaning it has no accumulated assets as defined by GASB Statement No. 75.

The City funds these benefits on a pay as you go basis. Since other post-employment benefits are merely an implicit subsidy and not a direct expenditure of the City, funds used to pay for these benefits are paid out of any fund that incurs health insurance benefit costs. The most significant cost is out of the General Fund.

At June 30, 2024, the date of the last actuarial valuation, the Plan covered the following number of participants for medical coverage:

Inactive employees or beneficiaries currently receiving benefits	2
Active employees	172
	174

Valuations are performed using the Entry Age Normal Cost Method, level percent of salary. Under this method, a salary scale assumption is required; this was chosen to be consistent with the pension valuation.

Actuarial Assumptions - The total other post-employment benefit liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Mortality rate:	Pub-2010 Table weighted 70% Public Safety and 30% General Employees projected generationally using the Buck-Modified MP-2021 mortality improvement scale
Healthcare inflation:	8.00% initially, grading down to 4.50%
Salary increases:	4.50% per annum

Note 8 - Other Post Employment Benefits (continued)

General Information about the Defined Benefit Other Post-Employment Benefit Plan (continued)

Discount rate - The single discount rate reflects a 4.21% municipal bond rate which is derived from the S & P Municipal Bond 20 Year High Grade Rate Index as of June 30, 2024.

During the year the following assumptions were changed:

Measurement date of the liability was updated to June 30, 2024. The per capita cost assumptions were updated to reflect premiums effective June 30, 2024. The discount rate was updated to 4.21% from 4.13%. Healthcare trend rates have been updated to an initial rate of 8.00% from 2024 to 2025 decreasing by 0.50% annually to 6.50% and decreasing by 0.25% annually to an ultimate rate of 4.50%. Participation rate has been reduced from 35% to 20% based on historical review of active employees eligible to retire who retired and elected retiree health coverage from 2018 to 2024.

Changes in OPEB Liability

	Total OPEB Liability
Balances at 6/30/2023	$ 982,720
Changes for the year:	
Service cost	56,799
Interest	42,481
Changes in benefit terms	-
Difference between expected and actual experience	87,729
Changes of assumptions	(403,467)
Benefit payments, including refunds	(22,064)
Administrative expense	-
Other changes	-
Net changes	(238,522)
Balances at 6/30/2024	$ 744,198

Sensitivity of the OPEB liability to changes in the discount rate - The following presents the OPEB liability of the City, calculated using the discount rate of 4.21%, as well as what the City's OPEB liability would be using a discount rate that is 1.00% lower or 1.00% higher than the current rates.

	1% Decrease	Current Rate	1% Increase
Total OPEB Liability	$ 805,139	$ 744,198	$ 687,311

Sensitivity of the healthcare trend sensitivity - The following presents the OPEB liability of the City, calculated using the healthcare trend rate of 8.00% to an ultimate rate of 4.50%, as well as what the City's OPEB liability would be using a trend rate that is 1.00% lower or 1.00% higher than the current rates.

	1% Decrease	Current Rate	1% Increase
Total OPEB Liability	$ 667,265	$ 744,198	$ 834,681

Note 8 - Other Post Employment Benefits (continued)

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

For the year ended June 30, 2024, the City recognized OPEB expense of $59,265. The City reported deferred outflows and inflows of resources related to the OPEB Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	$ 79,768	$ (193,835)
Differences in assumptions	122,359	(429,178)
	$ 202,127	$ (623,013)

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

Year ended June 30,	Amount
2025	$ (40,015)
2026	(40,015)
2027	(40,015)
2028	(40,710)
2029	(41,985)
Thereafter	(218,146)
	$ (420,886)

Note 9 - Leases

Lessee

The City has entered into a lease contract for the right to use forty-four (44) computers for a lease term of 36 months with an incremental borrowing rate of 3.04%. The lease contract will expire in March of 2026. The right-to-use assets are intangible assets and are presented in a separate footnote (Note 5).

The following is a summary of the changes in the City's lease liabilities for the year ended June 30, 2024:

	Balance at 06/30/23	Additions	Reductions	Balance at 06/30/24	Due Within One Year
Computers - lease liability	$ 49,390	$ -	$ (17,485)	$ 31,905	$ 18,024

A summary of principal and interest requirements for the future minimum lease payments is as follows:

Year ended, June 30,	Principal	Interest	Total
2025	$ 18,024	$ 720	$ 18,744
2026	13,881	176	14,057
	$ 31,905	$ 896	$ 32,801

Note 9 - Leases (continued)

Lessor

The City has entered into various leasing arrangements for land owned by the City to various agencies at incremental lending rates of 1.57 - 3.98%. The lease contracts expire at various dates through 2063, assuming that all renewal options are exercised by the lessees. For the fiscal year ended June 30, 2024, the City received $145,222 in lease payments.

The following is a summary of the changes in the City's lease receivables for the year ended June 30, 2024:

	Balance at 06/30/23	Additions	Reductions	Balance at 06/30/24	Due Within One Year
City property - lease receivable	$ 846,810	$ 1,437,851	$ (64,878)	$ 2,219,783	$ 26,925

A summary of principal and interest requirements for the future minimum rental payments to be received is as follows:

Year ended, June 30,	Principal	Interest	Total
2025	$ 26,925	$ 57,770	$ 84,695
2026	27,910	58,690	86,600
2027	28,920	59,635	88,555
2028	32,358	60,605	92,963
2029	33,462	61,564	95,026
2030-2034	187,821	323,149	510,970
2035-2039	192,961	351,320	544,281
2040-2044	220,858	345,323	566,181
2045-2049	281,288	265,239	546,527
2050-2054	280,115	219,994	500,109
2055-2059	427,856	151,907	579,763
2060-2064	479,309	50,312	529,621
	$ 2,219,783	$ 2,005,508	$ 4,225,291

Note 10 - Subscription Based Information Technology Arrangements (SBITA)

The City has entered into various subscription contracts for the right to use public safety software for a term of 60 to 84 months with an incremental borrowing rate of 2.54 - 4.19%. The contracts will expire at various dates through 2031. The subscription IT assets are intangible assets and are presented in a separate footnote (Note 5). For the fiscal year ended June 30, 2024, the City paid $31,365 in subscription payments.

The following is a summary of the changes in the City's SBITA liabilities for the year ended June 30, 2024:

	Balance at 06/30/23	Additions	Reductions	Balance at 06/30/24	Due Within One Year
Public safety software - SBITA liability	$ 20,281	$ 172,888	$ (32,275)	$ 160,894	$ 26,790

Note 10 - Subscription Based Information Technology Arrangements (SBITA) (continued)

A summary of principal and interest requirements for the future minimum subscription payments is as follows:

Year ended, June 30,	Principal	Interest	Total
2025	$ 26,790	$ 6,610	$ 33,400
2026	27,849	5,551	33,400
2027	28,951	4,449	33,400
2028	24,698	3,302	28,000
2029	25,753	2,247	28,000
2030-2031	26,853	1,147	28,000
	$ 160,894	$ 23,306	$ 184,200

Note 11 - Risk Management

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

The City is a member of the St. Louis Area Insurance Trust (SLAIT), a non-for-profit, self insurance risk pool, formed by various St. Louis County municipalities.

In order to operate as a group self-insurer of workers' compensation, SLAIT was formed in August 1986. In addition to insurance protection, the program provides risk management services with emphasis on loss control, claims administration, and management information services. SLAIT is fully funded by its member participants and employs an outside service company to process all claims.

Coverage is provided by the trust for general and auto liability subject to a $500 deductible per occurrence for third party property damage and for law enforcement liability subject to a $2,500 deductible per occurrence. Any damage to city property carries a $5,000 deductible. This trust also employs an outside service company to process all claims.

The trust requires an annual premium payment by members to cover estimated claims payable and reserves for claims. The members of the trust have no legal interest in assets, liabilities, or fund balances of the insurance trust. However, the City is contingently liable to fund its pro rata share of any deficit incurred by the trust should the trust cease operation at some future date. The City's premium payments incurred to the trust totaled $1,249,669 for the year ended June 30, 2024.

The City also purchases commercial insurance to cover risks related to building and other City property, crimes, business, travel, public official liability, earthquakes, and employee blanket bonds. Settled claims resulting from these risks have not exceeded coverage in any of the past three years.

Note 12 - Claims and Contingencies

Litigation

The City has been named in a lawsuit filed by Robertson Fire Protection District related to the termination of a fire services agreement. Robertson's claim is $3,280,114 in fees are unpaid relating to services received by the City in 2018. The City has filed counterclaims related to this matter. In September 2021, a full settlement was reached in the amount of $2.446 million, however, the issue remains ongoing and has not been fully finalized. The City is subject to other various litigation, however, the outcome of those matters is not presently determinable. In addition, the City is subject to potential claims including environment issues for certain real estate development projects. There are no known related legal issues or liabilities regarding these projects.

Federal and State Assisted Programs

The City has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as inappropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds, if determined necessary, will be immaterial. No provision has been made in the accompanying financial statements for the potential refund of grant monies.

Note 13 - Missouri Legislation

House Bill 103 amending Section 302.341.2 RSMo. became effective on August 28, 2013. The amendments to the statute now require municipalities to report an accounting of the percent of annual general operating revenue from fines and court costs for traffic violations. The City was not required to and did not account for the fines and court costs for traffic violations separately from the total fines and court costs prior to August 28, 2013. For the year ended June 30, 2024, total fines and court costs revenues for the fiscal year, which include fines and court costs related to traffic violations, summed to $523,628. “Annual general operating revenue of the city” is not defined in the amended statute and may or may not include various sources of the City’s revenues. However, the City’s general revenue fund tax revenue alone totaled $24,863,387. Using general fund tax revenue and total fines and court costs as the “annual general operating revenue”, the City’s total fines and court costs revenues are only 2.06% of this total “annual general operating revenue”, which is substantially below the 30% threshold requirement of the amended statute. This clearly demonstrates at a minimum that the City in no way exceeded the percentage requirement regardless of how “annual general operating revenue” is calculated.

Note 14 - Unrestricted Net Position

The government-wide Statement of Net Position reflects a negative unrestricted net position of $21,363,158. This total is comprised of $18,107,460 in unrestricted net position for operations and a negative unrestricted net position resulting from the issuance of TIF revenue notes in the amount of $17,055,000 plus $22,415,618 in accrued interest which is for development not owned by the City.

The City's responsibility to repay the TIF notes extends only to the incremental revenues generated by the TIF District. The TIF notes are a special limited obligation of the City and are not used in calculating the City's debt limit.

Note 15 - Tax Increment Revenues Pledged

The City has pledged a portion of future tax revenues to repay tax increment revenue bonds and notes and capital projects bonds issued by the IDA and the City to finance certain improvements within the City's boundaries. The bonds are payable solely from the incremental taxes generated by increased sales and assessed property values in the improved area. Incremental taxes were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds per Note 6 is payable through October 2029.

For the current year, the City's tax increment financing interest paid was $682,929 and total incremental tax revenues were $1,183,366. The IDA's tax increment financing principal and interest paid was $545,819 and total incremental revenues were $717,046.

Note 16 - Economic Development

The City collects a special sales tax to promote economic development within the City. The City has entered into various agreements with companies as incentives to move into the City. Certain agreements are established as forgivable loans as long as the recipient of the loans completes compliance with the terms of the agreement. At June 30, 2024, the City had an outstanding loan receivable balance of $1,573,000. Since compliance is anticipated by all participants in the program, an offsetting allowance has been established for the entire balance.

Note 17 - Conduit Debt Obligations

The City has issued several series of Industrial Revenue Bonds to provide financial assistance to private sector entities for the purpose of acquiring, constructing, and equipping an industrial development project deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the City, the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements. All of the Industrial Revenue bonds are structured to pay the principal balance at maturity.

Note 17 - Conduit Debt Obligations (continued)

The following is a summary of outstanding conduit debt obligations as of June 30, 2024:

Private Sector Entity	Amount Issued	Issuance Date	Maturity Date	Balance Outstanding June 30, 2024
Silgan Plastics Corporation	$ 13,000,000	5/13/2015	12/1/2025	$ 5,224,005
Mitek, Inc.	36,500,000	8/4/2017	12/1/2034	25,339,525
NP Hazelwood 370 Building II, LLC	17,500,000	6/15/2018	Upon completion	105,750
NP Hazelwood 370 Building III, LLC	34,000,000	6/15/2018	Upon completion	147,000
NP McDonnell, LLC	13,500,000	1/1/2019	Upon completion	37,000
Artur Express, Inc.	11,000,000	5/14/2019	12/1/2030	10,952,282
NP Hazelwood Trade Port Project	11,000,000	5/30/2019	Upon completion	11,000,000
Silgan Plastics Corporation	15,000,000	9/4/2020	12/1/2025	3,482,038
NP Hazelwood I, LLC	18,000,000	12/11/2020	12/1/2041	107,000
NP Hazelwood V, LLC	26,000,000	12/11/2020	12/1/2041	129,500
NP Hazelwood IV, LLC	30,000,000	12/16/2020	Upon completion	67,500
NP Hazelwood VI, LLC	33,000,000	6/9/2021	Upon completion	144,500
8th Avenue Food & Provisions, Inc.	35,100,000	9/10/2021	Upon completion	35,100,000
Imperial Dade	8,000,000	10/10/2021	12/1/2032	8,000,000
NP Hazelwood 370 Building 9, LLC	28,500,000	12/22/2021	Upon completion	133,250
NP Hazelwood X, LLC	35,000,000	3/30/2022	Upon completion	149,500
NP Hazelwood 370 Building 7, LLC	35,000,000	3/30/2022	Upon completion	149,500
Marson Foods, LLC	35,000,000	10/5/2022	Upon completion	230,500
Pivot Bio, Inc.	21,200,000	12/22/2022	12/29/2032	10,131,663
600 JSM, LLC (Bamboo Ptrs)	7,000,000	11/2/2023	12/1/2040	77,500
NP Hazelwood Land Holdings Project	7,000,000	12/12/2023	12/31/2027	6,000,000
NP Hazelwood VIII, LLC	7,000,000	12/12/2023	12/31/2027	6,000,000
Hazelwood Business Park, LLC	3,500,000	12/28/2023	12/1/2032	167,500

Note 18 - Tax Abatements

As of June 30, 2024, the City provides tax abatements through the Industrial Development Financing under Chapter 135 and Chapter 353, RSMo.

Enhanced Enterprise Zones under Chapter 135, RSMo. authorized the governing authority having jurisdiction of the area to abate certain entities, in whole or in part, from assessment and payment of ad valorem taxes if at least fifty new jobs (providing at least thirty-five hours of employment per week per job) are created and maintained at the new or expanded facility.

Industrial Development Financing under Chapter 353 tax abatement is an incentive to encourage the redevelopment of blighted areas by providing real property tax abatement. These abatements are under the authority of Chapter 353, RSMo. (the "Urban Redevelopment Corporation Law"). To be eligible for tax abatement, either the City or a private entity must form an Urban Redevelopment Corporation organized for the purpose of clearance, re-planning, reconstruction, or rehabilitation of blighted areas. Tax abatement is only extended to real property that has been found to be a "blighted area" by the City. Under Chapter 353, the City may grant tax abatements up to 100% of annual property taxes for the first 10 years for the increased assessed value over the base land value and up to 50% of annual property taxes for the next 15 years for a maximum 25-year abatement. The length of time abatements are permitted and the amount of abatement allowed is outlined within the guidelines developed for each area or project designated.

Note 18 - Tax Abatements (continued)

Additionally, Industrial Development Financing under Chapter 100, RSMo. authorizes municipalities to issue revenue bonds to finance industrial development projects. Under this type of financing, the company passes title in the real or personal property involved to the City pursuant to a lease-purchase agreement. Because title to the property is held in the name of the City during the lease term, the property acquired with the bond proceeds is tax exempt, effectively resulting in tax abatement for the company.

The following is a summary of tax abatements for the year ended June 30, 2024:

Program	Amount
Chapter 135	$ 29,095
Chapter 353	730,977
Chapter 100	718,366
	$ 1,478,438

Note 19 - Subsequent Events

Management has evaluated events subsequent to June 30, 2024 to assess the need for potential recognition or disclosure in the financial statements. Such events have been evaluated through June 10, 2025, the date the financial statements were available to be issued.

Note 20 - New Accounting Pronouncements

The effect on the City's financial statements of the following statements issued, but not yet adopted, has not yet been determined.

This report does not incorporate GASB Statement No. 102, *Certain Risk Disclosures;* GASB Statement No. 103, *Financial Reporting Model Improvements;* or GASB Statement No. 104, *Disclosure of Certain Capital Assets.*

The effects of the City's financial statements as a result of adoption of these new pronouncements are unknown. The City will adopt and implement these statements at the required time.

Required Supplementary Information

City of Hazelwood, Missouri
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund
For the year ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget Over
	Original	Final	Actual	(Under)
Revenues				
Property taxes	$ 4,585,000	$ 4,585,000	$ 4,651,801	$ 66,801
Sales taxes	14,500,000	14,500,000	15,671,450	1,171,450
Utility taxes	2,600,000	2,600,000	2,799,148	199,148
Other taxes	1,535,000	1,535,000	1,740,988	205,988
Permits and inspections	455,000	455,000	574,397	119,397
Licenses	4,221,500	4,221,500	5,376,865	1,155,365
Intergovernmental	2,760,000	2,760,000	1,311,772	(1,448,228)
Fines and forfeitures	405,000	405,000	583,355	178,355
Investment income	30,000	30,000	1,515,387	1,485,387
Recreation fees	366,000	366,000	433,487	67,487
Sewer lateral fees	-	-	-	-
Miscellaneous	1,642,000	1,642,000	2,415,715	773,715
Total Revenues	33,099,500	33,099,500	37,074,365	3,974,865
Expenditures				
Current:				
Mayor and council	110,560	110,560	105,360	(5,200)
City manager	351,947	396,947	397,649	702
Information systems	609,978	609,978	587,710	(22,268)
Finance	704,275	725,275	730,571	5,296
Legal	929,022	680,022	554,069	(125,953)
City clerk	259,624	259,624	263,751	4,127
Courts	273,470	276,470	269,436	(7,034)
Police	10,018,601	10,018,601	10,020,111	1,510
Fire and ambulance	13,270,741	13,431,741	13,392,524	(39,217)
Public works:				
Administration	1,547,402	1,547,402	1,453,794	(93,608)
General maintenance	1,066,589	1,066,589	1,042,486	(24,103)
Park maintenance	1,183,731	1,183,731	957,282	(226,449)
Recreation	2,270,171	2,289,171	2,264,453	(24,718)
Sewer lateral	-	-	-	-
Economic development	-	-	-	-
Capital outlay	3,374,969	3,374,969	1,756,654	(1,618,315)
Debt service:				
Principal	-	-	4,879	4,879
Interest and fiscal charges	-	-	521	521
Total Expenditures	35,971,080	35,971,080	33,801,250	(2,169,830)
Excess (Deficiency) of Revenues over Expenditures	(2,871,580)	(2,871,580)	3,273,115	6,144,695
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Insurance proceeds	-	-	56,227	56,227
Lease/SBITA proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(549,506)	(549,506)	(547,213)	2,293
Total Other Financing Sources (Uses)	(549,506)	(549,506)	(490,986)	58,520
Net Change in Fund Balance	$ (3,421,086)	$ (3,421,086)	$ 2,782,129	$ 6,203,215
Fund Balance (Deficit), July 1			22,522,916	
Fund Balance (Deficit), June 30			$ 25,305,045	

City of Hazelwood, Missouri
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Economic Development Fund
For the year ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget Over
	Original	Final	Actual	(Under)
Revenues				
Property taxes	$ -	$ -	$ -	$ -
Sales taxes	1,797,000	1,797,000	1,984,693	187,693
Utility taxes	-	-	-	-
Other taxes	-	-	-	-
Permits and inspections	-	-	-	-
Licenses	-	-	-	-
Intergovernmental	1,928,078	1,928,078	40,021	(1,888,057)
Fines and forfeitures	-	-	-	-
Investment income	2,500	2,500	148,736	146,236
Recreation fees	-	-	-	-
Sewer lateral fees	-	-	-	-
Miscellaneous	-	-	90,000	90,000
Total Revenues	3,727,578	3,727,578	2,263,450	(1,464,128)
Expenditures				
Current:				
Mayor and council	-	-	-	-
City manager	-	-	-	-
Information systems	-	-	-	-
Finance	-	-	-	-
Legal	-	-	-	-
City clerk	-	-	-	-
Courts	-	-	-	-
Police	-	-	-	-
Fire and ambulance	-	-	-	-
Public works:				
Administration	-	-	-	-
General maintenance	-	-	-	-
Park maintenance	-	-	-	-
Recreation	-	-	-	-
Sewer lateral	-	-	-	-
Economic development	2,337,099	2,337,099	1,116,329	(1,220,770)
Capital outlay	5,707,643	5,707,643	836,986	(4,870,657)
Debt service:				
Principal	-	-	124,250	124,250
Interest and fiscal charges	-	-	17,468	17,468
Total Expenditures	8,044,742	8,044,742	2,095,033	(5,949,709)
Excess (Deficiency) of Revenues over Expenditures	(4,317,164)	(4,317,164)	168,417	4,485,581
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Proceeds from issuance of debt	-	-	-	
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	$ (4,317,164)	$ (4,317,164)	$ 168,417	$ 4,485,581
Fund Balance (Deficit), July 1			10,131,448	
Fund Balance (Deficit), June 30			$ 10,299,865	

Note 1 - Explanation of Budgetary Process

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

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year for the General Fund, Capital Projects Fund, Economic Development Fund, and Sewer Lateral Fund. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearing meetings are held to obtain taxpayer comments.

3. Prior to July 1, the budget is adopted by the City Council.

4. Budgets are adopted on a basis generally consistent with accounting principles generally accepted in the United States of America. Expenditures modified for year-end accruals may not legally exceed budgeted appropriations at the department level.

5. A motion for the City Council is required to transfer budgeted amounts between funds, or to transfer substantial budgeted amounts between departments within any fund, or for any revisions that would alter the total expenditures of any fund. Management can transfer budgeted amounts within each department without City Council approval. Appropriations lapse at year-end.

City of Hazelwood, Missouri
Schedule of Changes in Net Pension Liability and Related Ratios - Last 10 Fiscal Years

Fiscal year ending June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	$ 816,668	$ 658,347	$ 617,201	$ 729,396	$ 806,172	$ 800,736	$ 759,656	$ 794,071	$ 753,943	$ 720,751
Interest	4,179,661	3,679,090	3,591,028	3,562,542	3,439,036	3,375,447	3,217,370	3,062,233	2,919,359	2,719,167
Change in benefit terms	-	-	-	-	-	-	-	-	-	-
Difference between expected and actual experienc	5,206,196	(63,479)	128,835	(615,221)	(899,604)	448,687	489,179	239,269	(152,442)	-
Changes in assumption	-	46,778	22,093	(1,078,226)	470,884	-	-	-	1,187,416	-
Benefit payments, including refunds	(3,242,734)	(3,035,986)	(2,907,906)	(2,740,329)	(2,476,833)	(2,393,000)	(2,326,398)	(2,161,746)	(1,937,724)	(1,743,486)
Net Change in Total Pension Liability	6,959,791	1,284,750	1,451,251	(141,838)	1,339,655	2,231,870	2,139,807	1,933,827	2,770,552	1,696,432
Total Pension Liability beginning*	51,298,007	50,013,257	48,562,006	48,703,844	47,163,277	44,931,407	42,791,600	40,857,773	38,087,221	36,390,789
Total Pension Liability ending	58,257,798	51,298,007	50,013,257	48,562,006	48,502,932	47,163,277	44,931,407	42,791,600	40,857,773	38,087,221
Plan Fiduciary Net Position										
Contributions - employer	1,689,819	1,041,319	854,162	1,024,489	1,302,776	1,407,634	1,324,248	1,299,270	1,247,549	1,281,985
Net investment income	5,124,665	4,066,711	(6,790,385)	11,297,382	1,604,247	1,906,267	4,026,854	5,082,943	(1,112,848)	1,550,604
Benefit payments, including refunds	(3,242,734)	(3,035,986)	(2,907,906)	(2,740,329)	(2,476,833)	(2,393,000)	(2,326,398)	(2,161,746)	(1,937,724)	(1,743,486)
Administrative expenses	(57,782)	-	-	-	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	3,513,968	2,072,044	(8,844,129)	9,581,542	430,190	920,901	3,024,704	4,220,467	(1,803,023)	1,089,103
Plan Fiduciary Net Position beginning*	45,585,405	43,513,361	52,357,490	42,775,948	42,149,624	41,228,723	38,204,019	33,983,552	35,786,575	34,697,472
Plan Fiduciary Net Position ending	49,099,373	45,585,405	43,513,361	52,357,490	42,579,814	42,149,624	41,228,723	38,204,019	33,983,552	35,786,575
Net Pension Liability	$ 9,158,425	$ 5,712,602	$ 6,499,896	$ (3,795,484)	$ 5,923,118	$ 5,013,653	$ 3,702,684	$ 4,587,581	$ 6,874,221	$ 2,300,646
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	84.28%	88.86%	87.00%	107.82%	87.79%	89.37%	91.76%	89.28%	83.18%	93.96%
Covered Payroll	$ 11,511,822	$ 10,171,375	$ 9,758,955	$ 9,939,525	$ 10,920,107	$ 10,692,433	$ 10,218,917	$ 10,720,554	$ 9,863,406	$ 10,162,059
Total Net Pension Liability as a percentage of covered payroll	79.56%	56.16%	66.60%	-38.19%	54.24%	46.89%	36.23%	42.79%	69.69%	22.64%

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

*Restated in FY21 to include pension amounts related to City Council members

City of Hazelwood, Missouri
Schedule of Actuarially Determined Contributions and Schedule of Annual Dollar-Weighted Rate of Return - Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contributions:										
Actuarially determined pension contribution	$ 1,828,394	$ 955,106	$ 871,848	$ 1,092,904	$ 1,465,058	$ 1,424,327	$ 1,446,065	$ 1,351,728	$ 1,281,399	$ 1,191,999
Employer actual contribution	1,629,819	1,041,319	854,162	1,024,489	1,302,776	1,407,634	1,324,248	1,299,270	1,247,549	1,281,985
Contribution deficiency (excess)	$ 198,575	$ (86,213)	$ 17,686	$ 68,415	$ 162,282	$ 16,693	$ 121,817	$ 52,458	$ 33,850	$ (89,986)
Percentage contributed	89.14%	109.03%	97.97%	93.74%	88.92%	98.83%	91.58%	96.12%	97.36%	107.55%
Covered payroll	$ 11,511,822	$ 10,171,375	$ 9,711,511	$ 9,939,525	$ 10,920,107	$ 10,692,433	$ 10,218,917	$ 10,720,554	$ 9,863,406	$ 10,162,059
Contributions as a percentage of covered payroll	14.16%	10.24%	8.80%	10.31%	11.93%	13.16%	12.96%	12.12%	12.65%	12.62%
Annual Dollar-Weighted Rate of Return:										
Annual dollar-weighted rate of return, net	11.6%	9.6%	-13.3%	27.0%	3.9%	4.8%	10.8%	15.3%	-3.1%	4.5%

Notes to Schedule:

Valuation date: July 1, 2023

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Asset valuation method	5-year smoothed market
Inflation	2.75%
Salary increases	3.50%
Investment rate of return	7.50%, net of investment expenses
Mortality	Pub-2010 Table weighted 70% Public Safety and 30% General Employees projected generationally using the Buck-Modified MP-2021 mortality improvement scale
Other Information	There were no benefit changes during the year.

City of Hazelwood, Missouri
Schedule of Changes in Other Post-Employment Benefit Liability and Related Ratios - Last 10 Fiscal Years

Fiscal year ending June 30,	2024	2023	2022	2021	2020	2019	2018
Total Other Post-Employment Benefit Liability							
Service cost	$ 56,799	$ 54,766	$ 67,144	$ 58,759	$ 49,259	$ 45,442	$ 42,802
Interest	42,481	39,307	26,286	30,007	28,426	29,188	29,656
Change in benefit terms	-	-	-	-	-	14,386	11,031
Difference between expected and actual experience	87,729	-	(203,062)	-	(90,108)	-	-
Changes in assumption	(403,467)	(3,244)	(82,189)	41,526	173,073	-	-
Benefit payments, including refunds	(22,064)	(28,517)	(52,563)	(69,157)	(52,776)	(54,127)	(54,127)
Change in Other Post-Employment Benefit Liability	(238,522)	62,312	(244,384)	61,135	107,874	34,889	29,362
Total Other Post-Employment Benefit Liability beginning	982,720	920,408	1,164,792	1,103,657	995,783	960,894	931,532
Total Other Post-Employment Benefit Liability ending	$ 744,198	$ 982,720	$ 920,408	$ 1,164,792	$ 1,103,657	$ 995,783	$ 960,894
Covered Employee Payroll	$ 13,368,314	$ 10,127,141	$ 10,127,141	$ 10,687,935	$ 10,687,935	$ 10,578,026	$ 10,578,026
Total Other Post-Employment Benefit Liability as a percentage of covered employee payroll	5.57%	9.70%	9.09%	10.90%	10.33%	9.41%	9.08%

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

Notes to Schedule:

Valuation date:	June 30, 2024
Asset valuation:	Not applicable; the Plan operates on a pay-as-you-go basis and has no assets

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Healthcare inflation	8.00% initially, grading down to 4.50%
Salary increases	4.50% per annum
Discount rate	4.21%
Retirement age	65
Mortality	Pub-2010 Table weighted 70% Public Safety and 30% General Employees projected generationally using the Buck-Modified MP-2021 mortality improvement scale
Other Information	There were no benefit changes during the year.

Supplementary Information

City of Hazelwood, Missouri
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2024

	Sewer Lateral Fund	Lambert Redevelp. TIF District	Total
Assets			
Cash and cash equivalents	$ 501,744	$ 165,948	$ 667,692
Investments	-	-	-
Restricted cash and cash equivalents	-	-	-
Restricted investments	-	-	-
Receivables, net:			
Sales taxes	-	19,063	19,063
Other	-	-	-
Due from other funds	-	-	-
Total Assets	501,744	185,011	686,755
Deferred Outflows of Resources	-	-	-
Total Assets and Deferred Outflows of Resources	$ 501,744	$ 185,011	$ 686,755
Liabilities			
Accounts payable	$ -	$ 16,795	$ 16,795
Accrued payroll and related benefits	-	-	-
Other payables	-	-	-
Unearned revenue	-	-	-
Total Liabilities	-	16,795	16,795
Deferred Inflows of Resources			
Unavailable revenue - property taxes	-	-	-
Unavailable revenue - public safety	-	-	-
Unavailable revenue - court	-	-	-
Total Deferred Inflows of Resources	-	-	-
Fund Balance			
Restricted:			
Sewer lateral	501,744	-	501,744
Economic development	-	168,216	168,216
Unassigned	-	-	-
Total Fund Balances	501,744	168,216	669,960
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 501,744	$ 185,011	$ 686,755

City of Hazelwood, Missouri
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended June 30, 2024

	Sewer Lateral Fund	Lambert Redevelp. TIF District	Total
Revenues			
Property taxes	$ -	$ 375,565	$ 375,565
Sales taxes	-	807,801	807,801
Utility taxes	-	-	-
Other taxes	-	-	-
Permits and inspections	-	-	-
Licenses	-	-	-
Intergovernmental	-	-	-
Fines and forfeitures	-	-	-
Investment income	-	5,399	5,399
Recreation fees	-	-	-
Sewer lateral fees	142,791	-	142,791
Miscellaneous	-	-	-
Total Revenues	142,791	1,188,765	1,331,556
Expenditures			
Current:			
Mayor and council	-	-	-
City manager	-	-	-
Information systems	-	-	-
Finance	-	-	-
Legal	-	-	-
City clerk	-	-	-
Courts	-	-	-
Police	-	-	-
Fire and ambulance	-	-	-
Public works:			
Administration	-	-	-
General maintenance	-	-	-
Park maintenance	-	-	-
Recreation	-	-	-
Sewer lateral	89,115	-	89,115
Economic development	-	513,835	513,835
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	682,929	682,929
Total Expenditures	89,115	1,196,764	1,285,879
Excess (Deficiency) of Revenues over Expenditures	53,676	(7,999)	45,677
Other Financing Sources (Uses)			
Proceeds from sale of capital assets	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	$ 53,676	$ (7,999)	$ 45,677
Fund Balance (Deficit), July 1	448,068	176,215	624,283
Fund Balance (Deficit), June 30	$ 501,744	$ 168,216	$ 669,960

City of Hazelwood, Missouri
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Capital Projects Fund
For the year ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget Over
	Original	Final	Actual	(Under)
Revenues				
Property taxes	$ -	$ -	$ -	$ -
Sales taxes	1,952,000	1,952,000	2,132,329	180,329
Utility taxes	-	-	-	-
Other taxes	-	-	-	-
Permits and inspections	-	-	-	-
Licenses	-	-	-	-
Intergovernmental	223,800	223,800	55,499	(168,301)
Fines and forfeitures	-	-	-	-
Investment income	15	15	1,392	1,377
Recreation fees	-	-	-	-
Sewer lateral fees	-	-	-	-
Miscellaneous	12,000	12,000	4,907	(7,093)
Total Revenues	2,187,815	2,187,815	2,194,127	6,312
Expenditures				
Current:				
Mayor and council	-	-	-	-
City manager	-	-	-	-
Information systems	-	-	-	-
Finance	-	-	-	-
Legal	-	-	-	-
City clerk	-	-	-	-
Courts	-	-	-	-
Police	-	-	-	-
Fire and ambulance	-	-	-	-
Public works:				
Administration	-	-	-	-
General maintenance	-	-	-	-
Park maintenance	-	-	-	-
Recreation	-	-	-	-
Sewer lateral	-	-	-	-
Economic development	547,213	547,213	727,826	180,613
Capital outlay	4,117,616	4,117,616	2,400,833	(1,716,783)
Debt service:				
Principal	-	-	451,151	451,151
Interest and fiscal charges	-	-	67,565	67,565
Total Expenditures	4,664,829	4,664,829	3,647,375	(1,017,454)
Excess (Deficiency) of Revenues over Expenditures	(2,477,014)	(2,477,014)	(1,453,248)	1,023,766
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	28,400	28,400	135,135	106,735
Insurance proceeds	-	-	92,101	92,101
Lease/SBITA proceeds	400,000	400,000	172,888	(227,112)
Transfers in	547,213	547,213	547,213	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	975,613	975,613	947,337	(28,276)
Net Change in Fund Balance	$ (1,501,401)	$ (1,501,401)	$ (505,911)	$ 995,490
Fund Balance (Deficit), July 1			1,677,174	
Fund Balance (Deficit), June 30			$ 1,171,263	

City of Hazelwood, Missouri
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Sewer Lateral Fund
For the year ended June 30, 2024

	Budgeted Amounts			Variance with Final Budget Over
	Original	Final	Actual	(Under)
Revenues				
Property taxes	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-
Utility taxes	-	-	-	-
Other taxes	-	-	-	-
Permits and inspections	-	-	-	-
Licenses	-	-	-	-
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	-	-	-	-
Recreation fees	-	-	-	-
Sewer lateral fees	140,000	140,000	142,791	2,791
Miscellaneous	-	-	-	-
Total Revenues	140,000	140,000	142,791	2,791
Expenditures				
Current:				
Mayor and council	-	-	-	-
City manager	-	-	-	-
Information systems	-	-	-	-
Finance	-	-	-	-
Legal	-	-	-	-
City clerk	-	-	-	-
Courts	-	-	-	-
Police	-	-	-	-
Fire and ambulance	-	-	-	-
Public works:				
Administration	-	-	-	-
General maintenance	-	-	-	-
Park maintenance	-	-	-	-
Recreation	-	-	-	-
Sewer lateral	100,300	100,300	89,115	(11,185)
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	100,300	100,300	89,115	(11,185)
Excess (Deficiency) of Revenues over Expenditures	39,700	39,700	53,676	13,976
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	$ 39,700	$ 39,700	$ 53,676	$ 13,976
Fund Balance (Deficit), July 1			448,068	
Fund Balance (Deficit), June 30			$ 501,744	

Section III

Statistical Section

City of Hazelwood, Missouri
Statistical Section Overview

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

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

City of Hazelwood, Missouri
Net Position by Component - Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental Activities										
Net investment in capital assets	$ 23,535,011	$ 21,122,535	$ 20,629,354	$ 21,627,665	$ 21,803,281	$ 21,541,500	$ 23,123,390	$ 22,840,739	$ 23,356,189	$ 21,730,322
Restricted	16,516,069	16,310,946	4,776,483	12,322,778	10,286,858	8,569,314	3,918,895	6,977,551	7,473,420	8,183,252
Unrestricted	(21,363,158)	(18,576,637)	(14,468,656)	(27,783,246)	(31,339,745)	(27,648,342)	(26,713,864)	(27,404,885)	(24,866,905)	(23,412,671)
Total Governmental Activities	$ 18,687,922	$ 18,856,844	$ 10,937,181	$ 6,167,197	$ 750,394	$ 2,462,472	$ 328,421	$ 2,413,405	$ 5,962,704	$ 6,500,903

Source: Basic financial statements

2017 amount was restated for implementation of GASB Statement No. 75.

City of Hazelwood, Missouri
Change in Net Position - Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses										
Governmental Activities										
General government	$ 3,598,922	$ 3,332,141	$ 3,163,491	$ 2,779,330	$ 3,570,897	$ 3,535,649	$ 3,113,107	$ 2,975,296	$ 2,851,643	$ 2,977,964
Police	11,031,228	9,724,936	8,196,476	7,184,896	8,545,718	8,491,390	8,373,271	8,261,790	8,392,854	7,917,507
Fire and ambulance	14,294,075	13,097,723	14,548,703	10,543,494	10,842,575	8,869,365	7,257,367	9,887,304	10,030,460	9,379,951
Public works	4,641,627	3,875,529	3,616,505	3,182,535	3,870,273	3,981,034	3,955,153	3,911,282	3,923,809	3,824,403
Parks and recreation	3,520,283	3,172,541	2,828,327	2,446,291	2,997,253	3,207,173	3,280,869	3,128,595	3,153,006	2,760,122
Economic development	2,377,685	2,039,479	4,739,593	6,327,386	5,158,260	5,243,407	8,635,217	6,543,725	7,187,499	7,805,287
Sewer lateral	89,115	97,184	83,012	85,967	89,052	55,229	120,156	133,673	69,192	97,294
Interest on long-term debt	5,136,874	1,419,173	1,730,385	3,001,164	2,927,126	2,818,583	2,695,512	2,600,713	2,719,063	2,670,729
Total Governmental Activities Expenses	44,689,809	36,758,706	38,906,492	35,551,063	38,001,154	36,201,830	37,430,652	37,442,378	38,327,526	37,433,257
Program Revenues										
Governmental Activities										
Charges for service:										
General government	5,992,796	5,693,262	5,563,648	4,905,890	4,419,103	4,531,582	4,137,347	901,427	601,694	487,791
Police	463,344	477,239	296,988	492,345	552,190	658,820	627,137	607,537	702,878	912,185
Fire and ambulance	1,190,472	1,525,003	965,269	948,434	452,623	811,038	644,552	593,539	593,099	558,919
Parks and recreation	433,487	372,698	356,541	201,571	355,068	598,897	646,556	589,094	616,201	537,660
Sewer lateral	142,791	142,260	142,771	143,521	141,453	141,553	70,313	35,826	33,127	35,024
Operating grants and contributions	2,982,612	5,499,876	4,412,189	3,629,705	1,967,106	1,932,011	1,837,569	1,780,410	1,773,612	2,276,605
Capital grants and contributions	131,307	104,852	660,466	473,104	7,992	21,940	493,257	122,727	1,453,505	616,661
Total Governmental Activities Program Revenue	11,336,809	13,815,190	12,397,872	10,794,570	7,895,535	8,695,841	8,456,731	4,630,560	5,774,116	5,424,845
Net Expenses	(33,353,000)	(22,943,516)	(26,508,620)	(24,756,493)	(30,105,619)	(27,505,989)	(28,973,921)	(32,811,818)	(32,553,410)	(32,008,412)
General Revenues										
Governmental Activities:										
Taxes:										
Property	6,742,072	6,454,176	8,635,777	10,769,666	9,671,031	7,851,465	7,953,974	7,800,397	9,165,194	10,911,903
Sales	20,741,585	19,977,005	18,338,699	15,841,736	14,739,503	14,014,987	15,359,920	14,624,258	14,984,160	14,532,163
Utility	2,799,148	2,770,315	2,669,379	2,508,902	2,763,504	2,959,713	3,038,291	3,066,977	3,181,021	3,399,153
Other tax	-	-	-	-	-	-	-	66,619	76,332	68,383
Licenses	-	-	-	-	-	-	-	3,201,235	3,362,809	3,733,034
Investment income	1,670,914	237,044	(163,206)	33,226	163,421	270,239	74,638	49,272	76,066	72,557
Other miscellaneous revenue	1,230,359	1,424,639	1,797,955	1,532,380	1,056,082	4,543,636	1,060,933	453,761	1,169,629	975,835
Total Governmental Activities General Revenues	33,184,078	30,863,179	31,278,604	30,685,910	28,393,541	29,640,040	27,487,756	29,262,519	32,015,211	33,693,028
Changes in Net Position	$ (168,922)	$ 7,919,663	$ 4,769,984	$ 5,929,417	$ (1,712,078)	$ 2,134,051	$ (1,486,165)	$ (3,549,299)	$ (538,199)	$ 1,684,616

Source: Basic financial statements

City of Hazelwood, Missouri
Fund Balances of Governmental Funds - Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund										
Nonspendable	$ 110,289	$ 722,701	$ 61,744	$ 14,608	$ 60,765	$ 47,953	$ 67,308	$ 17,617	$ 23,770	$ 16,440
Restricted	332,472	408,704	435,685	299,606	198,666	49,108	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	24,862,284	21,391,511	15,399,264	11,043,690	7,741,837	8,361,142	8,072,300	4,636,686	5,357,590	6,350,004
Total General Fund	$ 25,305,045	$ 22,522,916	$ 15,896,693	$ 11,357,904	$ 8,001,268	$ 8,458,203	$ 8,139,608	$ 4,654,303	$ 5,381,360	$ 6,366,444
All Other Governmental Funds										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ 250,000	$ -	$ 28,053	$ 50,424	$ 18,534
Restricted	16,191,675	15,779,362	14,340,798	11,849,797	9,563,927	8,100,206	3,498,895	6,529,583	7,020,830	7,763,252
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	$ 16,191,675	$ 15,779,362	$ 14,340,798	$ 11,849,797	$ 9,563,927	$ 8,350,206	$ 3,498,895	$ 6,557,636	$ 7,071,254	$ 7,781,786

Source: Basic financial statements

City of Hazelwood, Missouri
Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues										
Property taxes	$ 6,658,394	$ 6,383,358	$ 9,037,580	$ 10,695,385	$ 9,413,312	$ 8,060,276	$ 8,003,729	$ 8,046,468	$ 9,461,761	$ 10,890,745
Sales taxes	20,741,585	19,977,005	18,338,699	15,595,270	14,739,503	14,014,987	15,359,920	14,624,258	14,984,160	14,738,292
Utility taxes	2,799,148	2,770,315	2,669,379	2,508,902	2,763,504	2,959,713	3,038,291	3,066,977	3,181,021	3,399,153
Other taxes	1,740,988	1,656,955	1,458,554	1,397,576	1,373,526	1,401,924	1,376,082	1,378,882	1,375,386	1,399,185
Permits and inspections	574,397	737,865	1,151,100	837,611	719,181	799,345	646,328	846,339	541,980	471,362
Licenses	5,376,865	4,902,692	4,358,064	4,038,398	3,653,863	3,680,534	3,432,070	3,201,235	3,362,809	3,733,034
Intergovernmental	1,407,292	3,913,412	3,614,101	2,705,233	598,158	533,902	954,744	549,874	1,616,763	1,441,707
Fines and forfeitures	583,355	535,233	421,747	470,357	611,370	761,952	686,086	662,625	762,592	1,081,830
Investment income	1,670,914	237,044	(163,206)	33,226	163,421	270,239	74,638	49,272	76,066	72,557
Recreation fees	433,487	372,698	356,541	201,571	355,068	598,897	646,556	589,094	616,201	537,660
Sewer lateral fees	142,791	142,260	142,771	143,521	141,453	141,553	70,313	35,826	33,127	35,024
Miscellaneous	2,510,622	2,699,088	2,681,412	2,683,845	1,578,023	5,245,272	1,747,680	1,038,555	1,216,533	1,522,144
Total Revenues	44,639,838	44,327,925	44,066,742	41,310,895	36,110,382	38,468,594	36,036,437	34,089,405	37,228,399	39,322,693
Expenditures										
Current:										
Mayor and council	105,360	91,680	67,087	71,819	70,105	65,421	70,481	48,678	91,620	125,725
City manager	397,649	258,217	261,817	298,622	533,893	616,799	619,808	587,716	533,148	518,276
Information systems	587,710	555,994	512,310	495,806	481,337	509,912	495,230	482,450	481,236	497,195
Finance	731,154	639,935	587,333	603,110	476,497	487,350	471,371	459,513	472,402	422,166
Legal	554,069	660,542	767,617	566,334	913,335	896,748	413,001	524,267	422,857	463,806
City clerk	263,751	232,342	198,080	209,428	212,761	202,153	199,244	218,550	247,803	247,379
Courts	269,436	237,956	214,682	224,280	223,577	234,086	197,010	-	-	-
Police	10,020,111	8,830,321	7,860,473	7,841,636	7,943,474	8,093,483	7,872,020	7,698,195	7,754,173	7,838,366
Fire and ambulance	13,392,524	12,540,643	13,935,812	10,600,061	10,201,193	8,215,474	6,759,574	9,425,751	9,439,566	9,087,169
Public works:										
Administration	1,453,794	1,386,967	1,216,573	1,180,674	1,196,993	1,269,904	1,184,438	1,277,719	1,287,119	1,247,460
General maintenance	1,042,486	832,524	727,300	719,763	909,801	879,842	940,115	949,353	977,152	1,057,317
Park maintenance	957,282	1,124,244	908,615	875,558	810,156	850,489	890,568	836,450	857,852	729,793
Recreation	2,264,453	1,734,254	1,527,184	1,318,608	1,700,491	1,909,879	1,918,572	1,845,663	1,891,442	1,678,093
Sewer lateral	89,115	97,184	83,012	85,967	89,052	55,229	120,156	133,673	69,192	97,294
Economic development	2,357,990	1,834,221	4,585,524	5,882,048	5,140,505	5,193,193	8,608,248	6,492,758	7,067,603	7,709,311
Capital outlay	4,994,473	2,579,434	1,480,873	1,734,824	1,255,950	2,012,056	2,736,140	1,274,438	3,379,928	3,004,413
Debt service:										
Principal	1,570,280	1,478,962	1,113,708	1,609,437	1,619,363	1,525,424	1,555,486	1,612,385	1,491,637	6,704,264
Interest and fiscal charges	850,110	1,414,086	1,038,437	1,379,017	1,610,293	1,002,208	930,351	1,474,509	2,691,852	1,747,766
Bond issuance cost	-	-	-	-	-	-	-	-	169,047	-
Total Expenditures	41,901,747	36,529,506	37,086,437	35,696,992	35,388,776	34,019,650	35,981,813	35,342,068	39,325,629	43,175,793
Revenues Over (Under) Expenditures	2,738,091	7,798,419	6,980,305	5,613,903	721,606	4,448,944	54,624	(1,252,663)	(2,097,230)	(3,853,100)
Other Financing Sources (Uses)										
Proceeds from sale of capital assets	135,135	68,770	49,485	28,603	35,180	6,960	1,940	3,450	11,310	-
Proceeds from insurance recovery	148,328	123,638	-	-	-	-	-	6,471	-	-
Lease/SBITA proceeds	172,888	73,960	-	-	-	714,002	370,000	-	-	-
Issuance of debt	-	-	-	-	-	-	-	-	8,488,995	714,749
Premium/discount on debt issuance	-	-	-	-	-	-	-	-	542,727	-
Payment to escrow agent	-	-	-	-	-	-	-	-	(8,641,494)	-
Payment to trustee	-	-	-	-	-	-	-	2,067	76	-
Transfers in	547,213	551,594	549,506	606,508	662,334	723,455	619,732	614,242	618,597	722,525
Transfers out	(547,213)	(551,594)	(549,506)	(606,508)	(662,334)	(723,455)	(619,732)	(614,242)	(618,597)	(722,525)
Total Other Financing Sources (Uses)	456,351	266,368	49,485	28,603	35,180	720,962	371,940	11,988	401,614	714,749
Net Change In Fund Balance	$ 3,194,442	$ 8,064,787	$ 7,029,790	$ 5,642,506	$ 756,786	$ 5,169,906	$ 426,564	$ (1,240,675)	$ (1,695,616)	$ (3,138,351)
Debt service as a percentage of noncapital expenditures	7.0%	9.2%	6.0%	8.7%	9.4%	8.0%	7.1%	9.0%	11.6%	19.6%

Source: Basic financial statements

City of Hazelwood, Missouri
Assessed and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years

Fiscal Year	Calendar Year	Real Property: Residential Property	Real Property: Commercial Property	Real Property: Agricultural Property	Real Property: Total Real Property	Personal Property	Total Assessed Value	Total Direct Tax Rate *	Estimated Actual Value	Assessed Value As A Percentage Of Actual Value
2024	2023	$ 272,149,460	$ 292,370,414	$ 250,130	$ 564,770,004	$ 151,868,550	$ 716,638,554	$ 0.813	$ 2,751,012,426	26.05%
2023	2022	220,387,610	256,439,145	256,720	477,083,475	139,140,236	616,223,711	0.923	2,385,083,527	25.84%
2022	2021	220,305,520	249,390,411	256,720	469,952,651	123,713,129	593,665,780	0.923	2,362,002,152	25.13%
2021	2020	197,005,550	243,527,822	326,700	440,860,072	113,124,295	553,984,367	0.989	2,123,051,696	26.09%
2020	2019	197,344,190	253,073,231	290,210	450,707,631	113,068,970	563,776,601	0.922	2,171,132,805	25.97%
2019	2018	176,757,687	216,320,690	292,190	393,370,567	113,843,024	507,213,591	0.989	1,950,269,761	26.01%
2018	2017	172,689,270	225,370,777	292,190	398,352,237	113,190,034	511,542,271	0.989	1,955,179,592	26.16%
2017	2016	160,650,480	216,494,183	276,640	377,421,303	125,513,406	502,934,709	0.989	1,900,918,715	26.46%
2016	2015	162,160,520	224,810,450	289,650	387,260,620	129,113,667	516,374,287	0.987	1,945,763,828	26.54%
2015	2014	169,592,870	243,322,239	169,600	413,084,709	127,633,119	540,717,828	0.986	2,037,288,740	26.54%

Source: St. Louis County Assessor

*Commencing in 2003, Missouri State Law required the City to calculate a separate tax rate for residential real estate, commercial real estate, agricultural real estate, and personal property. The tax rate stated above for each year represents a re-blended rate for the various types of taxable property.

City of Hazelwood, Missouri
Property Taxes - Direct and All Overlapping Governments - Last Ten Fiscal Years

Calendar year ended December 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
City of Hazelwood*										
General property tax	$ 0.623	$ 0.701	$ 0.701	$ 0.767	$ 0.700	$ 0.767	$ 0.767	$ 0.767	$ 0.765	$ 0.764
Debt service property tax	0.190	0.222	0.222	0.222	0.222	0.222	0.222	0.222	0.222	0.222
	0.813	0.923	0.923	0.989	0.922	0.989	0.989	0.989	0.987	0.986
Overlapping governments:										
State of Missouri	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030
County General	0.149	0.165	0.165	0.176	0.176	0.195	0.195	0.206	0.206	0.200
County Park Maintenance	0.036	0.040	0.040	0.042	0.042	0.046	0.046	0.049	0.049	0.050
County Bond Retire	0.019	0.019	0.019	0.019	0.019	0.019	0.019	0.019	0.019	0.028
County Road and Bridge	0.075	0.083	0.083	0.088	0.088	0.098	0.098	0.103	0.103	0.105
County Hospital/Health	0.100	0.111	0.111	0.118	0.118	0.131	0.131	0.138	0.138	0.140
Metropolitan Zoological Park and Museum District	0.234	0.253	0.246	0.253	0.255	0.272	0.269	0.279	0.278	0.280
Sheltered Workshop	0.064	0.070	0.071	0.075	0.075	0.084	0.084	0.088	0.088	0.090
St. Louis County Library	0.187	0.206	0.206	0.235	0.212	0.234	0.234	0.246	0.246	0.250
Special School District	0.962	1.050	1.016	1.108	1.108	1.198	1.191	1.240	1.235	1.261
St. Louis Community College	0.262	0.279	0.279	0.199	0.199	0.213	0.211	0.218	0.218	0.220
Hazelwood School District	5.094	5.755	5.641	6.104	6.055	6.520	6.520	6.520	6.220	6.220
Metropolitan St. Louis Sewer District	0.100	0.105	0.104	0.108	0.108	0.117	0.116	0.120	0.088	0.088
Coldwater Creek Sewer District	0.067	0.078	0.078	0.085	-	-	-	-	0.100	0.100
	7.379	8.243	8.088	8.640	8.485	9.157	9.144	9.256	9.018	9.062
Total City and Overlapping Governments	$ 8.192	$ 9.166	$ 9.011	$ 9.629	$ 9.407	$ 10.146	$ 10.133	$ 10.245	$ 10.005	$ 10.048

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

* Rate for residential property

City of Hazelwood, Missouri
Principal Taxpayers - Current Year and Ten Years Ago

Calendar year ended December 31,

	2023			2014		
Property Taxpayer	**Taxable Assessed Valuation**	**Rank**	**Percentage Of Total City Taxable Assessed Value**	**Taxable Assessed Valuation**	**Rank**	**Percentage Of Total City Taxable Assessed Value**
The Boeing Company	$ 24,302,000	1	3.39%	$ 19,773,290	1	3.66%
BioMerieux, Inc.	23,450,620	2	3.27%			
Chapter 100 City of Hazelwood	11,115,940	3	1.55%			
McDonnell Douglas Corporation	11,045,480	4	1.54%	12,234,340	6	2.26%
DP Properties, LP	8,954,690	5	1.25%	12,911,100	4	2.39%
Exeter 5801-5895 N. Lindbergh, LLC	8,656,260	6	1.21%			
4702 Park 370 Holding, LLC	8,196,830	7	1.14%			
Refinitiv US, LLC	6,480,960	8	0.90%			
Timberland STL, LLC	6,473,640	9	0.90%			
Avis Budget Car Rental, LLC	5,965,650	10	0.83%			
MSCI 2007-IQ13 Retail 5555, LLC				16,002,910	2	2.96%
Ryan, LLC				14,993,080	3	2.77%
IBM Corp				12,537,440	5	2.32%
Mallinckrodt, LLC				10,629,240	7	1.97%
Westcore Delta, LLC				8,414,010	8	1.56%
Hazelwood AB Biynah, LLC				6,244,830	9	1.15%
Mallinckrodt Medical, Inc.				6,119,980	10	1.13%
Total	$ 114,642,070		16.00%	$ 119,860,220		22.17%

Source: St. Louis County Assessor - Top 100 Assessments by Taxing Authority

City of Hazelwood, Missouri
Property Tax Levies And Collections - Last Ten Fiscal Years

Fiscal Year	Levy Year	Net Tax Levy (1)	Current Tax Collections	Percent Collected As Current	Delinquent Tax Collections	Total Tax Collections	Total Collections As Percent Of Levy	Outstanding Delinquent Taxes	Delinquent Taxes As Percent of Levy
2024	2023	$ 6,063,448	$ 4,265,399	70.35%	$ 1,531,410	$ 5,796,809	95.60%	$ 266,639	4.40%
2023	2022	5,509,987	4,342,837	78.82%	1,028,879	4,981,294	90.40%	138,271	2.51%
2022	2021	5,184,223	4,261,449	82.20%	866,306	4,981,294	96.09%	56,468	1.09%
2021	2020	5,024,421	3,694,162	73.52%	1,279,144	4,973,306	98.98%	51,115	1.02%
2020	2019	5,121,567	3,766,325	73.54%	1,302,734	5,069,059	98.97%	52,508	1.03%
2019	2018	4,666,458	3,391,479	72.68%	1,293,625	4,685,104	100.40%	(18,646)	-0.40%
2018	2017	4,709,736	3,396,578	72.12%	1,317,312	4,713,890	100.09%	(4,154)	-0.09%
2017	2016	4,563,563	3,579,563	78.44%	973,260	4,552,823	99.76%	10,740	0.24%
2016	2015	4,595,233	3,400,325	74.00%	1,184,669	4,584,994	99.78%	10,239	0.22%
2015	2014	4,806,775	3,839,448	79.88%	954,054	4,793,502	99.72%	13,273	0.28%

Source: St. Louis County Collector's Office as of December 31 of the tax levy year

(1) St. Louis County Board of Equalization after adjustments

City of Hazelwood, Missouri
Sales Tax Rates, Direct and Overlapping - Last Ten Fiscal Years

For The Years Ended June 30	City Direct Rate	St. Louis County	State of Missouri	Direct And Overlapping	Sales Tax Revenues	Taxable Sales (1)
2024	2.750%	2.888%	4.225%	9.8630%	$ 20,741,585	$ 501,551,379
2023	2.750%	2.888%	4.225%	9.8630%	19,977,005	494,111,690
2022	2.750%	2.888%	4.225%	9.8630%	18,338,699	519,266,033
2021	2.750%	2.888%	4.225%	9.8630%	15,841,736	396,121,456
2020	2.000%	2.888%	4.225%	9.1130%	14,739,503	385,303,981
2019	2.000%	2.888%	4.225%	9.1130%	14,014,987	282,395,855
2018	2.000%	2.888%	4.225%	9.1130%	15,359,920	300,608,229
2017	2.000%	2.888%	4.225%	9.1130%	14,624,258	328,173,099
2016	2.000%	2.888%	4.225%	9.1130%	14,984,160	464,489,977
2015	1.750%	2.888%	4.225%	8.8630%	14,738,292	505,385,586

(1) Taxable sales reported by the Missouri Department of Revenue. State law prohibits the disclosure of specific taxpayer information.

Note: The City participates in the county-wide sales tax sharing pool, which is generally distributed based on population.

Note: The City's direct rate is made up of the following:

0.500%	Capital improvements sales tax, effective October 1996
0.500%	Parks and storm water sales tax, effective April 2002
0.500%	Economic development sales tax, effective July 2007
0.250%	1/4 Fire sales tax, effective January 2015
0.250%	1/4 Local sales tax
0.500%	Public safety sales tax
0.250%	1/4 Local sales tax

City of Hazelwood, Missouri
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years

	Governmental Activities										
Fiscal Year	General Obligation Bonds	Tax Increment Financing Notes	Certificates of Participation	Notes Payable	Special Assessment GO Bonds	Financed Purchase Obligations	Lease Liability	SBITA Liability	Total Primary Government	Percentage Of Personal Income (1)	Per Capita (1)
2024	$ 2,139,710	$ 17,055,000	$ 1,178,231	$ -	$ -	$ 674,034	$ 31,905	$ 160,894	$ 21,239,774	2.41%	$ 854
2023	3,189,086	17,055,000	1,546,706	-	-	849,554	49,390	20,281	22,710,017	2.78%	889
2022	4,213,462	17,055,000	1,900,181	-	-	1,019,227	-	-	24,187,870	2.97%	997
2021	4,871,885	17,055,000	2,243,656	-	-	1,203,888	-	-	25,374,429	3.15%	1,053
2020	5,851,262	17,055,000	2,572,130	-	80,000	1,498,325	-	-	27,056,717	4.13%	1,119
2019	6,810,638	17,055,000	2,890,605	-	155,000	1,837,688	-	-	28,748,931	4.39%	1,153
2018	7,750,014	17,055,000	3,204,080	-	225,000	1,399,110	-	-	29,633,204	4.52%	1,202
2017	8,674,390	17,055,000	3,507,555	2,321	295,000	1,357,275	-	-	30,891,541	4.69%	1,267
2016	9,583,766	17,055,000	3,806,030	5,674	360,000	1,766,308	-	-	32,576,778	4.93%	1,290
2015	10,170,847	17,055,000	4,009,412	9,027	420,000	1,480,598	-	-	33,144,884	5.02%	1,523

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

(1) See Demographics and Economic Statistics Table

City of Hazelwood, Missouri
Ratios of Net General Bonded Debt Outstanding - Last Ten Fiscal Years

Fiscal Year	Population (1)	Actual Value of Taxable Property (2)	General Obligation Debt (3)	Amount Available in Debt Service Fund	Net General Bonded Debt	Percentage of Actual Taxable Value of Property	Net General Bonded Debt per Capita
2024	24,862	$ 2,751,012,426	$ 2,139,710	$ 1,496,595	$ 643,115	0.02%	$ 26
2023	25,458	2,385,083,527	3,189,086	937,777	2,251,309	0.09%	88
2022	25,458	2,362,002,152	4,213,462	768,885	3,444,577	0.15%	135
2021	25,458	2,123,051,696	4,871,885	666,169	4,205,716	0.20%	165
2020	25,703	2,171,132,805	5,851,262	668,154	5,183,108	0.24%	202
2019	25,703	1,950,269,761	6,810,638	695,708	6,114,930	0.31%	238
2018	25,703	1,955,179,592	7,750,014	696,569	7,053,445	0.36%	274
2017	25,703	1,900,918,715	8,674,390	731,150	7,943,240	0.42%	309
2016	25,703	1,945,763,828	9,583,766	777,597	8,806,169	0.45%	343
2015	25,703	2,037,288,740	10,170,847	870,237	9,300,610	0.46%	362

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

(1) Source: U.S. Census Bureau

(2) Source: St. Louis County Assessor

(3) Special assessment general obligation bonds are not included because they are not repaid with property taxes.

City of Hazelwood, Missouri
Direct and Overlapping Governmental Activities Debt

Name of Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share Of Overlapping Debt
St. Louis County	$ 54,945,000	2.50%	$ 1,373,625
Hazelwood School District	256,937,950	26.90%	69,116,309
Ferguson-Florissant School District	37,850,000	8.70%	3,292,950
Pattonville School District	91,930,000	0.40%	367,720
Subtotal:	441,662,950		74,150,604
City of Hazelwood	21,239,774	100.00%	21,239,774
Total Direct and Overlapping Debt:	$ 462,902,724		$ 95,390,378

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

City of Hazelwood, Missouri
Legal Debt Margin Information - Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Debt limit	$ 71,663,855	$ 61,622,371	$ 59,366,578	$ 55,398,437	$ 56,377,660	$ 50,721,359	$ 51,154,227	$ 50,293,471	$ 51,637,429	$ 54,071,783
Amount of debt subject to limit:										
Total bonded debt	2,139,710	3,189,086	4,213,462	4,871,885	5,851,262	6,810,638	7,750,014	8,674,390	9,583,766	10,170,847
Less: Amounts available in debt service fund	(1,496,595)	(937,777)	(768,885)	(666,169)	(668,154)	(695,708)	(696,569)	(731,150)	(777,597)	(870,237)
Total amount of debt applicable to debt limit	643,115	2,251,309	3,444,577	4,205,716	5,183,108	6,114,930	7,053,445	7,943,240	8,806,169	9,300,610
Legal Debt Margin	$ 71,020,740	$ 59,371,062	$ 55,922,001	$ 51,192,721	$ 51,194,552	$ 44,606,429	$ 44,100,782	$ 42,350,231	$ 42,831,260	$ 44,771,173
Total Net Debt Applicable to The Limit as a Percentage of Debt Limit	0.90%	3.65%	5.80%	7.59%	9.19%	12.06%	13.79%	15.79%	17.05%	17.20%

Note: Bonded indebtedness is limited by Sections 95.111 and 95.120 of the Missouri Revised Statutes (1986) to 10% of the assessed value of taxable tangible property.

City of Hazelwood, Missouri
Demographic and Economic Statistics - Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income *(in thousands)*	Per Capita Income (1)	Median Household Income (1)	Median Age (1)	School Enrollment (1)	Unemployment Rate (2)
2024	24,862	$ 881,333	$ 35,449	$ 54,438	39	3,559	4.4%
2023	25,458	816,896	32,088	55,111	39	3,900	3.4%
2022	25,458	814,071	31,977	52,201	38	3,701	3.7%
2021	25,458	806,739	31,689	54,573	38	3,701	5.8%
2020	25,703	655,555	25,505	51,218	37	3,722	9.5%
2019	25,703	655,555	25,505	51,218	37	3,722	3.9%
2018	25,703	655,555	25,505	51,218	37	3,722	3.9%
2017	25,703	658,100	25,604	45,851	37	4,037	4.3%
2016	25,703	660,207	25,686	44,807	37	4,271	5.1%
2015	25,703	659,822	25,671	44,855	37	4,497	6.2%

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

(2) Source: Missouri Department of Economic Development

City of Hazelwood, Missouri
Principal Employers - Current and Ten Years Ago

	2024				2015		
Employer	**Employees**	**Rank**	**Percentage Of Total City Employment**	**Employer**	**Employees**	**Rank**	**Percentage Of Total City Employment**
The Boeing Company	5,610	1	26.45%	The Boeing Company	5,610	1	26.43%
Amazon.com Services, Inc.	1,259	2	5.94%	Mallinckrodt, LLC	1,346	2	6.34%
BioMerieux, Inc.	609	3	2.87%	Convergys Corporation	1,018	3	4.80%
Artur Express, Inc.	479	4	2.26%	BioMerieux, Inc.	609	4	2.87%
Nature's Bakery, LLC	466	6	2.20%	IBM Corporation	599	6	2.82%
GKN Aerospace North American, Inc.	464	5	2.19%	GKN Aerospace North American, Inc.	464	5	2.19%
Agilix Solutions	380	7	1.79%	Hazelwood Distribution Co.	355	7	1.67%
Potter Electric Signal Co., LLC	348	9	1.64%	First Bank	344	9	1.62%
8th Ave. Food and Provisions	320	8	1.51%	SAK Construction	318	8	1.50%
SAK Construction	318	10	1.50%	Fiserv Solutions, Inc.	283	10	1.33%
Total	10,253		48.35%	Total	10,946		51.57%

Source: City of Hazelwood's License Database

City of Hazelwood, Missouri
Full-Time City Government Employees By Functions/Programs - Last Ten Fiscal Years

Functions/Programs	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General government:										
City manager	1	1	1	1	5	5	5	5	5	5
Information technology	1	2	2	2	2	2	2	2	2	2
Economic development	2	2	2	2	3	3	3	3	3	3
Finance	5	5	5	5	4	4	4	4	4	4
Legal	1	1	1	1	1	1	1	3	3	4
Municipal court	3	3	3	3	3	2	2	0	0	0
City clerk	2	2	2	2	2	2	2	3	3	3
Public safety:										
Police	84	81	79	80	82	80	80	80	83	84
Fire	45	43	31	31	34	45	32	35	34	34
Ambulance	6	6	6	6	6	12	6	3	3	3
Public works:										
Administration	9	9	9	10	9	10	9	10	11	11
Street maintenance	10	8	8	7	9	9	9	9	10	10
Parks maintenance	10	9	9	9	11	11	11	11	11	11
Recreation	35	26	30	31	33	30	30	31	42	36
Total	214	198	188	190	204	216	196	199	214	210

Source: The City's Annual Budget Document

Mayor and Council excluded (elected officials, not employees)

City of Hazelwood, Missouri
Operating Indicators By Functions/Programs - Last Ten Fiscal Years

Functions/Programs	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Police/Patrol										
Arrests	1,148	1,148	1,160	943	1,875	2,489	3,012	1,958	1,343	2,117
Traffic citations	8,022	8,256	7,588	5,728	6,068	5,189	8,016	5,495	5,286	6,645
Fire										
Fire calls	880	773	712	715	784	1,016	881	672	897	601
Ambulance calls	3,624	3,153	3,058	2,851	2,852	2,905	2,808	2,973	2,274	2,224
Inspections	525	1,132	135	1,200	813	1,190	1,163	1,077	1,068	1,132
Public Works										
Streets:										
Streets resurfacing (miles)	0	0	0	0	0	0	0	2	0	3
Sidewalk repairs (lineal ft.)	100	300	70	968	100	200	100	56	160	60
Potholes repaired (tons of material)	119	130	88	116	50	63	62	166	80	80
Administration:										
Building permits issued	872	940	926	1,176	953	1,145	1,006	901	933	883
Residential occupancy permits issued	1,327	1,409	1,269	1,704	1,636	1,854	2,053	1,918	1,542	1,400
Recreation:										
Community center admissions	59,128	50,690	67,130	16,606	80,509	91,697	103,679	110,896	92,751	93,464
Finance										
Business licenses issued	839	944	948	836	750	792	833	872	873	901
Payroll transactions	6,615	6,189	5,778	5,787	6,373	6,846	7,196	7,411	7,184	7,343
Accounting funds	16	16	16	16	16	16	16	16	16	16
Payable checks issued	2,534	3,311	2,976	2,898	3,438	3,810	4,081	4,002	4,285	4,349
Payable EFT's issued	1,096	1,220	1,437	1,373	1,332	1,208	1,096	1,074	1,048	459

Source: City records - various departments listed

City of Hazelwood, Missouri
Capital Assets Statistics By Functions/Programs - Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Functions/Programs										
Police/Patrol										
Stations	1	1	1	1	1	1	1	1	1	1
Marked patrol units	31	31	31	31	31	31	31	32	31	31
Sectors	6	6	6	6	6	6	6	6	6	6
Public safety/fire										
Stations	2	2	2	2	2	2	2	2	2	2
Fire hydrants	588	588	588	588	588	588	588	588	586	586
Vehicles	13	13	13	13	11	11	11	11	10	10
Public Works										
Miles of streets	169	169	169	169	169	169	169	169	168	168
Street lights and signals	145	145	145	145	145	145	145	143	111	111
Parks and Recreation										
Community centers	2	2	2	2	2	2	2	2	2	2
Parks	16	16	16	16	16	16	16	16	16	16
Park acreage	179	179	179	179	179	179	179	179	179	179
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	13	13	13	13	13	13	13	13	13	13
Athletic complex	1	1	1	1	1	1	1	1	1	1

Source: City Finance Department records

THIS PAGE INTENTIONALLY

LEFT BLANK

APPENDIX C

FORM OF CONTINUING DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** dated as of September 1, 2026 (this *"Undertaking"*) is executed and delivered by the **CITY OF HAZELWOOD, MISSOURI** (the *"Issuer"*).

RECITALS

1. This Undertaking is executed and delivered by the Issuer in connection with the issuance by the Issuer of **$14,000,000** * **General Obligation Bonds, Series 2026** (the *"Bonds"*), pursuant to an ordinance adopted by the governing body of the Issuer on September 16, 2026 (the *"Ordinance"*).

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

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

Section 1. Definitions.

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

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

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

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

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

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

---

* Preliminary; subject to change.

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

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

"Material Events" means any of the events listed in **Section 3**.

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

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

Section 2. Provision of Annual Reports.

(a) The Issuer shall, not later than **270** days after the end of the Issuer's Fiscal Year, commencing with the Fiscal Year ending June 30, 2027, file with the MSRB, through EMMA, the following financial information and operating data (the *"Annual Report"*):

(1) The audited financial statements of the Issuer for the prior Fiscal Year prepared in accordance with the modified accrual basis of accounting principles in accordance with generally accepted accounting principles accepted in the United States of America and audited by its independent auditors. If audited financial statements are not available by the time the Annual Report is required to be filed pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the audited financial information contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.

(2) Updates as of the end of the Fiscal Year of certain financial information and operating data related to the Bonds, as described in **Exhibit A** hereto, with such modifications to the formatting and general presentation thereof as deemed appropriate by the Issuer; provided, any substantive change to information provided shall be effected only in accordance with **Section 6**.

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

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

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

Section 3. Reporting of Material Events.

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

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

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

Section 4. Termination of Reporting Obligation.

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

Section 5. Dissemination Agent.

The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Undertaking and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent hereunder at any time upon **30** days prior written notice to the Issuer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the Issuer pursuant to this Undertaking.

Section 6. Amendment; Waiver.

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

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

Section 7. Additional Information.

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

Section 8. Default.

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

Section 9. Beneficiaries.

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

Section 10. Severability.

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

Section 11. Electronic Transactions.

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

Section 12. Governing Law.

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

[Remainder of Page Intentionally Left Blank.]

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

CITY OF HAZELWOOD, MISSOURI

By: ____________________________________
Matthew G. Robinson, Mayor

EXHIBIT A
TO CONTINUING DISCLOSURE UNDERTAKING

FINANCIAL INFORMATION AND OPERATING DATA TO BE INCLUDED IN ANNUAL REPORT

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

- **"FINANCIAL INFORMATION CONCERNING THE DISTRICT – Sources of Revenue – *Sales Taxes*"**
- **"PROPERTY TAX INFORMATION – Property Valuations"**
- **"PROPERTY TAX INFORMATION – Tax Rates"**
- **"PROPERTY TAX INFORMATION – Tax Collection Record"**

EXHIBIT B
TO CONTINUING DISCLOSURE UNDERTAKING
FORM OF FAILURE TO FILE EVENT NOTICE

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

Issuer/Obligated Person:	City of Hazelwood, Missouri (the "Obligated Person")
Issues to which this Notice relates:	General Obligation Bonds, Series 2026

CUSIP Numbers for Issue to which this Report relates:

Maturity Date	**CUSIP Number**

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

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

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

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

For additional information, contact:

City of Hazelwood, Missouri
415 Elm Grove Lane
Hazelwood, Missouri 63042
(314) 839-3700

Date Submitted: _______________, 20___

CITY OF HAZELWOOD, MISSOURI