

**Shoppes of Mid Rivers
Community Improvement District**

Basic Financial Statements

And Management's Discussion and Analysis

For The Year Ended September 30, 2022

Shoppes of Mid Rivers Community Improvement District

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September 30, 2022

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100 North Sixth Street • P.O. Box 796 • Hannibal, Missouri 63401-0796 • Phone (573) 221-5998 • Fax (573) 221-2044

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Shoppes of Mid Rivers Community Improvement District
St. Peters, Missouri

Opinions

We have audited the accompanying cash basis financial statements of the governmental activities and each major fund of Shoppes of Mid Rivers Community Improvement District as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Shoppes of Mid Rivers Community Improvement District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities and each major fund of the Shoppes of Mid Rivers Community Improvement District, as of September 30, 2022, and the respective changes in cash basis financial position for the year then ended in accordance with the cash basis of accounting described in Note 1.

Basis for Opinions

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

Emphasis of Matter—Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards 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 the Shoppes of Mid Rivers Community Improvement District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Shoppes of Mid Rivers Community Improvement District's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Other Information

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

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

INDEPENDENT AUDITOR'S REPORT (CONCLUDED)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2022, on our consideration of the Shoppes of Mid Rivers Community Improvement District'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 the Shoppes of Mid Rivers Community Improvement District's 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 Shoppes of Mid Rivers Community Improvement District's internal control over financial reporting and compliance.

Wade Stables P.C.

Wade Stables P.C.
Certified Public Accountants

December 20, 2022
Hannibal, Missouri

**Management's Discussion
and Analysis**

Shoppes of Mid Rivers Community Improvement District

Management's Discussion and Analysis For the Year Ended September 30, 2022 (Unaudited)

The discussion and analysis of Shoppes of Mid Rivers Community Improvement District's financial performance provides an overview and analysis of the District's financial statements for the year ended September 30, 2022. It should be read in conjunction with the accompanying basic financial statements.

Financial Highlights

- The assets of Shoppes of Mid Rivers Community Improvement District exceeded its liabilities at the close of the year ended September 30, 2022 by \$632,490. Of this amount, \$93,240 (unrestricted net position) could be used to meet the District's ongoing obligations to citizens and creditors.
- The assets of Shoppes of Mid Rivers Community Improvement District exceeded its liabilities at the close of the year ended September 30, 2021 by \$564,777. Of this amount, \$110,884 (unrestricted net position) could be used to meet the District's ongoing obligations to citizens and creditors.
- The District's total net position increased by \$67,713 for the year ended September 30, 2022. The primary reason for this is because the District received \$758,062 in total revenues and spent \$690,349 on total expenses.
- The District's total net position increased by \$115,875 for the year ended September 30, 2021. The primary reason for this is because the District received \$645,588 in total revenues and spent \$529,713 on total expenses.
- The District did not issue any additional debt for the years ending September 30, 2022 and 2021.

Using This Special Purpose Framework

The financial statements are presented on a basis of cash receipts and cash disbursements, a basis of accounting other than Generally Accepted Accounting Principles (GAAP). These statements include all assets and liabilities arising from cash transactions; a basis of accounting takes into consideration all of the current year's revenues collected and expenditures paid, but does not include capital assets, amounts due in the future from others, or liabilities payable from future revenues.

Overview of the Financial Statements

The discussion and analysis serves as an introduction to Shoppes of Mid Rivers Community Improvement District's basic financial statements. The District's financial statements are comprised of two components, combined government-wide and fund financial statements and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Combined Government-wide and Fund Financial Statements

Government-wide and Fund financial statements are combined as allowed by the Governmental Accounting Standards Board for special purpose governments. As such, these combined statements show each major fund as well as the primary government as a whole.

Governmental Fund - All of the District's basic services are reported in governmental funds, which focus on how money flows into and out of the funds and the balance left at year-end that is available for spending. The funds are reported using the cash basis of accounting. This measurement focus reports on revenues received and expenditures paid during the period. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

Shoppes of Mid Rivers Community Improvement District internally maintains six individual governmental funds, however, to conform with Governmental Accounting Standards, reporting is summarized into three major funds. Information is presented in the Governmental Funds Balance Sheet and Statement of Net Position - Cash Basis, for the General Fund, the Debt Service Fund, and the Project Fund, which are all considered major funds. The General Fund consists of: the Special Trust Fund, the Revenue Fund, and the Operating Fund. The Debt Service Fund consists of: the Debt Service Fund and the Debt Service Reserve Fund. The Project Fund consists of: the Project Fund.

Shoppes of Mid Rivers Community Improvement District

Management's Discussion and Analysis
For the Year Ended September 30, 2022
(Unaudited)

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. The notes to financial statements can be found immediately following the basic financial statements.

The District as a Whole – Government-Wide Financial Analysis

The District's combined net position was \$632,490 as of September 30, 2022.

Table 1
Summary of Net Position
at September 30, 2022 and 2021

	Governmental Activities	
	2022	2021
Current and other assets	\$ 632,490	\$ 564,777
Total Assets	<u>\$ 632,490</u>	<u>\$ 564,777</u>
Net position:		
Restricted	\$ 539,250	\$ 453,893
Unrestricted	93,240	110,884
Total Net Position	<u>\$ 632,490</u>	<u>\$ 564,777</u>

Table 2
Changes in Net Position

	Governmental Activities	
	2022	2021
General Revenues:		
Taxes	\$ 756,738	\$ 645,555
Interest income	1,324	33
Total revenues	<u>\$ 758,062</u>	<u>\$ 645,588</u>
Expenses:		
General government	\$ 18,696	\$ 26,428
Interest expense	306,653	318,285
Revenue bond principal repayment	365,000	185,000
Total expenses	<u>\$ 690,349</u>	<u>\$ 529,713</u>
Increase (decrease) in net position	\$ 67,713	\$ 115,875
Net Position at beginning of year	564,777	448,902
Net Position at end of year	<u>\$ 632,490</u>	<u>\$ 564,777</u>

PROPERTY, PLANT AND EQUIPMENT AND DEBT

Property, Plant and Equipment

During the years ending September 30, 2022 and 2021, the District did not have any capital additions.

Shoppes of Mid Rivers Community Improvement District
Management's Discussion and Analysis
For the Year Ended September 30, 2022
(Unaudited)

Debt

As of the year ended September 30, 2022, the District had \$5,895,000 in revenue bonds payable and \$175,409 in revenue notes payable. The District made principal payments of \$365,000 and interest payments of \$306,653 during the fiscal year.

As of the year ended September 30, 2021, the District had \$6,260,000 in revenue bonds payable and \$175,409 in revenue notes payable. The District made principal payments of \$185,000 and interest payments of \$318,285 during the fiscal year.

General Fund Budgeting Highlights

For the year ending September 30, 2022, actual expenditures on a budgetary basis were \$18,696 compared to the budgeted amount of \$18,689. The reason for the \$7 negative variance is the result of the District not budgeting enough for bank fees.

For the year ending September 30, 2021, actual expenditures on a budgetary basis were \$26,428 compared to the budgeted amount of \$26,434. The reason for the \$6 positive variance is the result of the District budgeting too much for bank fees.

For the year ending September 30, 2022, actual revenues on a budgetary basis were \$757,445 compared to the budgeted amount of \$702,950. The primary reason for the \$54,495 positive variance is the result of the District not budgeting enough for CID sales tax revenue.

For the year ending September 30, 2021, actual revenues on a budgetary basis were \$645,569 compared to the budgeted amount of \$581,934. The primary reason for the \$63,635 positive variance is the result of the District not budgeting enough for CID sales tax revenue.

Debt Service Fund Budgeting Highlights

For the year ending September 30, 2022, actual expenditures on a budgetary basis were \$671,653, compared to the budget amount of \$671,653, resulting in a \$0 variance.

For the year ending September 30, 2021, actual expenditures on a budgetary basis were \$503,285, compared to the budget amount of \$503,285, resulting in a \$0 variance.

For the year ending September 30, 2022, actual revenues on a budgetary basis were \$617, compared to the budget amount of \$104. The reason for the \$513 positive variance is the result of the District not budgeting enough for interest income.

For the year ending September 30, 2021, actual revenues on a budgetary basis were \$19, compared to the budget amount of \$19, resulting in a \$0 variance.

Project Fund Budgeting Highlights

For the year ending September 30, 2022, actual expenditures on a budgetary basis were \$0, compared to the budget amount of \$0.

For the year ending September 30, 2021, actual expenditures on a budgetary basis were \$0, compared to the budget amount of \$0.

For the year ending September 30, 2022, actual revenues on a budgetary basis were \$0, compared to the budget amount of \$0.

Shoppes of Mid Rivers Community Improvement District
Management's Discussion and Analysis
For the Year Ended September 30, 2022
(Unaudited)

For the year ending September 30, 2021, actual revenues on a budgetary basis were \$0, compared to the budget amount of \$0.

Economic Factors and Next Year's Budget

Local, national and international economic factors influence the District's revenues. Positive economic growth correlates with increased revenues from property taxes. Economic growth in the local economy may be measured by a variety of indicators such as employment growth, unemployment, and new construction and assessed valuation. The District has prepared its budget for the next fiscal year considering the economic factors discussed above.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the District.

Shoppes of Mid Rivers Community Improvement District

Governmental Funds Balance Sheet/
Statement of Net Position - Cash Basis
September 30, 2022

Assets	General Fund	Debt Service Fund	Project Fund	Total Funds	Adjustments	Statement of Net Position
Cash and equivalents	\$ 93,240	\$ 539,250	\$ -	\$ 632,490	\$ -	\$ 632,490
Total Assets	\$ 93,240	\$ 539,250	\$ -	\$ 632,490	\$ -	\$ 632,490
Liabilities and Fund Balances / Net Position						
Fund Balance:						
Restricted for:						
Debt Service	\$ -	\$ 539,250	\$ -	\$ 539,250	\$ (539,250)	\$ -
Capital Projects	-	-	-	-	-	-
Unassigned	93,240	-	-	93,240	(93,240)	-
Total Liabilities and Fund Balances	\$ 93,240	\$ 539,250	\$ -	\$ 632,490	\$ (632,490)	\$ -
Net Position:						
Restricted for:						
Debt Service					\$ 539,250	\$ 539,250
Capital Projects					-	-
Unrestricted					93,240	93,240
Total Net Position					\$ 632,490	\$ 632,490

The accompanying notes to financial statements are an integral part of this statement.

Shoppes of Mid Rivers Community Improvement District

Governmental Fund Revenues, Expenditures, and Changes in Fund Balances and
Statement of Activities - Cash Basis
For the Year Ended September 30, 2022

	General Fund	Debt Service Fund	Project Fund	Total Funds	Adjustments	Statement of Activities
Expenditures/Expenses:						
Trustee fees	\$ 3,400	\$ -	\$ -	\$ 3,400	\$ -	\$ 3,400
Audit fees	2,732	-	-	2,732	-	2,732
Bank fees	177	-	-	177	-	177
Administrative expenses	7,242	-	-	7,242	-	7,242
Legal and professional fees	5,145	-	-	5,145	-	5,145
Interest expense	-	306,653	-	306,653	-	306,653
Revenue bond/note principal repayment	-	365,000	-	365,000	-	365,000
Total Expenditures/Expenses	\$ 18,696	\$ 671,653	\$ -	\$ 690,349	\$ -	\$ 690,349
General Revenues:						
CID sales tax revenues	\$ 753,748	\$ -	\$ -	\$ 753,748	\$ -	\$ 753,748
CID use tax revenues	2,990	-	-	2,990	-	2,990
Interest income	707	617	-	1,324	-	1,324
Total General Revenues	\$ 757,445	\$ 617	\$ -	\$ 758,062	\$ -	\$ 758,062
Excess (Deficiency) of Revenues Over Expenditures	\$ 738,749	\$ (671,036)	\$ -	\$ 67,713	\$ -	\$ 67,713
Other Financing Sources (Uses)						
Transfers in	-	756,393	-	756,393	-	756,393
Transfers out	(756,393)	-	-	(756,393)	-	(756,393)
Total Other Financing Sources (Uses)	\$ (756,393)	\$ 756,393	\$ -	\$ -	\$ -	\$ -
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ (17,644)	\$ 85,357	\$ -	\$ 67,713	\$ (67,713)	\$ -
Change in net position					67,713	67,713
Fund balance/net position:						
Beginning of Year	110,884	453,893	-	564,777	-	564,777
End of Year	\$ 93,240	\$ 539,250	\$ -	\$ 632,490	\$ -	\$ 632,490

The accompanying notes to financial statements are an integral part of this statement.

Shoppes of Mid Rivers Community Improvement District

Notes to Financial Statements For the Year Ended September 30, 2022

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

On January 26, 2017, pursuant to the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the "CID Act"), the Board of Aldermen of the City of St. Peters, Missouri (the "City") adopted Ordinance No. 6690 (the "Ordinance"), establishing the Shoppes of Mid Rivers Community Improvement District (the "District") as a political subdivision of the State of Missouri.

On February 6, 2017, the Board of Directors of the District adopted Resolution No. 17-003, approving and authorizing the execution of a Redevelopment Agreement (the "Initial Agreement") among the City, Mid Rivers Investment Partners, LLC (the "Developer") and the District, pursuant to which Mid Rivers Investment Partners, LLC could seek reimbursement from the District for certain costs incurred in connection with the Developer Project, as defined in the Initial Agreement.

On August 29, 2017, the District's Board of Directors adopted Resolution No. 17-010 approving and authorizing the execution of the Amended and Restated Redevelopment Agreement (the "Redevelopment Agreement") by and among the District, the City and the Developer, which Redevelopment Agreement superseded, amended and restated the Initial Agreement.

Pursuant to the Redevelopment Agreement, the District and City agreed to reimburse the Developer for certain Reimbursable Developer Project Costs (as defined in the Redevelopment Agreement), and the Developer agreed to construct the Developer Project (as defined in the Redevelopment Agreement).

On February 6, 2017, the Board of Directors of the District adopted Resolution No. 17-004 imposing a sales and use tax (the "CID Sales Tax") pursuant to Section 67.1545 of the CID Act at the rate of one percent (1%) for the purpose of paying for the CID Project (as defined in the Trust Indenture), which CID Sales Tax became effective as of October 1, 2017, following its approval by the qualified voters of the District at a mail-in election held in accordance with the CID Act.

Pursuant to a Trust Indenture dated as of April 1, 2018 (the "Indenture") by and between the District and BOKF, N.A., as trustee (the "Trustee"), the District (i) issued its \$6,705,000 Sales Tax Revenue Bonds, Series 2018A (the "Bonds"); and (ii) authorized its Not to Exceed \$1,300,000 Subordinate Taxable Sales Tax Revenue Notes (the "Notes") for the purposes of (a) financing certain costs of the CID Project, (b) funding a debt service reserve fund for the Bonds, and (c) paying certain costs of issuance.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to insure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt, or the levying of taxes. The District has no component units.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the District's accounting policies are described below.

Shoppes of Mid Rivers Community Improvement District

Notes to Financial Statements
For the Year Ended September 30, 2022

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A) BASIS OF PRESENTATION

Special-purpose governments engaged in a single governmental program and having no component units may present financial statements as combining fund financial statements with government-wide statements. This is illustrated on the Governmental Funds Balance Sheet and Statement of Net Position - Cash Basis and Governmental Fund Revenues, Expenditures and Changes in Fund Balances and Statement of Activities - Cash Basis.

In the fund financial statements, financial transactions and accounts of the District are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The fund statements are also presented on a cash basis of accounting. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

Governmental Funds

General Fund – The District internally maintains three separate funds that make up the General Fund, as follows:

Special Trust Fund – The Special Trust Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Revenues are derived primarily from sales taxes.

Revenue Fund - (a) The District hereby ratifies and confirms the establishment of the Special Trust Fund, which has been established in the treasury of the District. The District agrees to pay, on or before the 15th calendar day of each month (or the next Business Day thereafter if the 15th day is not a Business Day) to the Trustee for deposit in the Revenue Fund, all Net Proceeds to the extent appropriated by the District for such purpose. If the District has no Net Proceeds to transfer to the Trustee pursuant to the preceding sentence, the District shall so notify the Trustee in writing on or before the date on which such transfer would otherwise be required. The foregoing provisions shall not be construed to impose any legal obligation on the District to appropriate moneys for the payment of the Bonds. The Trustee shall notify the District and the Original Purchaser if the Trustee has not received such funds on or before the 17th calendar day of each month (or the next Business Day thereafter if the 17th calendar day is not a Business Day).

(b) If and to the extent the Trustee receives CID Sales Tax Revenues, such moneys shall be deposited into the CID Revenue Account of the Revenue Fund. The District shall promptly notify the Trustee in writing of the occurrence of any default under the terms of the Redevelopment Agreement or other event that would cause the District's obligation to provide CID Sales Tax Revenues to cease and/or to be subsequently reinstated pursuant to the terms of the Redevelopment Agreement.

(c) On the 40th day (except as otherwise provided below) prior to each Payment Date (or if such date is not a Business Day, the immediately preceding Business Day) moneys in the Revenue Fund shall be applied by the Trustee to the extent necessary for the purposes and in the amounts as follows:

First, to the United States of America, an amount sufficient to pay any arbitrage rebate owed pursuant to Section 148 of the Code, as directed in writing by the District in accordance with the Tax Compliance Agreement;

Shoppes of Mid Rivers Community Improvement District

Notes to Financial Statements
For the Year Ended September 30, 2022

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A) BASIS OF PRESENTATION (CONTINUED)

Second, to the Trustee or any Paying Agent, an amount sufficient for payment of fees and expenses which are due and owing to the Trustee or any Paying Agent, upon delivery to the District of an invoice for such amounts (not to exceed \$3,400 per year);

Third, to the Operating Fund, one-half of the Annual Operating Fund Deposit;

Fourth, transfer to the Bond Payment Account of the Debt Service Fund, when necessary, an amount sufficient to pay past-due interest, if any, owing on the Bonds;

Fifth, transfer to the Bond Payment Account of the Debt Service Fund, when necessary, an amount sufficient to pay the interest becoming due and payable on the Bonds on such Payment Date;

Sixth, transfer to the Debt Service Reserve Fund such amount as may be required to restore any deficiency in the Debt Service Reserve Fund if the amount on deposit in the Debt Service Reserve Fund is less than the Debt Service Reserve Requirement;

Seventh, transfer to the Redemption Account of the Debt Service Fund for application to redemption of the Bonds pursuant to Section 302(b);

Eighth, if no Bonds are Outstanding, transfer to the Note Payment Account of the Debt Service Fund, an amount sufficient to pay the past-due interest on the Notes;

Ninth, if no Bonds are Outstanding, transfer to the Note Payment Account of the Debt Service Fund, an amount sufficient to pay interest due on the Notes on the next Payment Date; and

Tenth, if no Bonds are Outstanding, transfer to the Redemption Account of the Debt Service Fund for application to the redemption of the Notes pursuant to Section 302(b).

If, according to the Trustee's records, moneys on deposit in the Revenue Fund on the 40th day prior to any Payment Date are insufficient to pay the principal of or interest on the Bonds due on the next Payment Date, then, on the last Business Day prior to such Payment Date, drawing on the CID Account of the Revenue Fund, the Trustee shall transfer to the Bond Payment Account or the Redemption Account of the Debt Service Fund, as applicable, an amount sufficient to pay the principal of or interest on the Bonds due on the next Payment Date.

(d) Upon the payment in full of the principal of and interest on the Bonds and the Notes (or provision has been made for the payment thereof as specified in this Indenture) and the fees, charges and expenses of the Trustee and any Paying Agents, and any other amounts required to be paid under this Indenture, all amounts remaining on deposit in the Revenue Fund shall be paid to the District for deposit into the Special Trust Fund.

Operating Fund - Upon the delivery to the Trustee of a written request of the Authorized District Representative and containing the statements, representations and certifications set forth in a written request in substantially the form of Exhibit B-1, and incorporated herein by reference moneys in the Operating Fund shall be disbursed by the Trustee to pay costs of operating the District, maintaining the CID Project, paying the principal of or interest on the Bonds or the Notes or for any other lawful purpose of the District. The District represents that there is no reasonable expectation that payments of principal or interest on the Bonds or the Notes will be paid out of funds held in the Operating Fund. After payment in full of the principal of and interest on the Bonds and the Notes (or provision has been made for the payment thereof as specified in this Indenture), and the fees, charges and expenses of the Trustee and any Paying Agents and any other

Shoppes of Mid Rivers Community Improvement District

Notes to Financial Statements
For the Year Ended September 30, 2022

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A) BASIS OF PRESENTATION (CONTINUED)

amounts required to be paid under this Indenture, all amounts remaining in the Operating Fund shall be paid to the District for deposit into the Special Trust Fund.

Debt Service Fund - The District internally maintains two separate funds that make up the Debt Service Fund, as follows:

Debt Service Fund - (a) Except as otherwise provided herein, all amounts paid and credited to the Debt Service Fund shall be expended solely for the payment of the principal of, redemption premium, if any, and interest on the Bonds and Notes as the same mature and become due or upon the redemption thereof.

(b) The District hereby authorizes and directs the Trustee to withdraw sufficient moneys from the Debt Service Fund to pay the principal of and interest on the Bonds and Notes as the same become due and payable and to make said moneys so withdrawn available to the Paying Agent for the purpose of paying said principal of and interest on the Bonds and Notes.

(c) The Trustee shall use any moneys remaining in the Debt Service Fund to redeem all or part of the Bonds Outstanding and interest to accrue thereon prior to such redemption, in accordance with and to the extent permitted by Article III, so long as said moneys are in excess of the amount required for payment of the applicable series of Bonds theretofore matured or called for redemption. The Trustee, upon the written instructions from the District, signed by the Authorized District Representative, shall use moneys in the Redemption Account of the Debt Service Fund on a best efforts basis for the purchase of the applicable series of Bonds in the open market to the extent practical for the purpose of cancellation at prices not exceeding the principal amount thereof plus accrued interest thereon to the date of such purchase. If no Bonds are Outstanding, the Trustee shall use any moneys remaining in the Debt Service Fund to redeem all or part of the Notes Outstanding and interest to accrue thereon prior to such redemption, in accordance with and to the extent permitted by Article III, so long as said moneys are in excess of the amount required for payment of Notes theretofore matured or called for redemption. If no Bonds are Outstanding, the Trustee, upon the written instructions from the District, signed by the Authorized District Representative, shall use moneys in the Redemption Account of the Debt Service Fund on a best efforts basis for the purchase of Notes in the open market to the extent practical for the purpose of cancellation at prices not exceeding the principal amount thereof plus accrued interest thereon to the date of such purchase.

(d) If the moneys in the accounts of the Debt Service Fund are insufficient to pay all accrued interest on the Bonds on any Payment Date, then such moneys shall be applied ratably, according to the amounts due on such installment, to the persons entitled thereto without any discrimination or privilege, and any unpaid portion shall accrue to the next Payment Date, with interest thereon at the rate or rates specified in the Bonds to the extent permitted by law. If the moneys in the accounts of the Debt Service Fund are insufficient to pay the principal of the Bonds on the maturity date thereof, then such moneys shall be applied ratably, according to the amounts of principal due on such date, to the persons entitled thereto without any discrimination or privilege. If no Bonds are Outstanding and if the moneys in the accounts of the Debt Service Fund are insufficient to pay all accrued interest on the Notes on any Payment Date, then such moneys shall be applied ratably, according to the amounts due on such installment, to the persons entitled thereto without any discrimination or privilege, and any unpaid portion shall accrue to the next Payment Date, with interest thereon at the rate or rates specified in the Notes to the extent permitted by law. If no Bonds are Outstanding and if the moneys in the accounts of the Debt Service Fund are insufficient to pay the principal of the Notes on the maturity date thereof, then such moneys shall be applied ratably, according to the amounts of principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(e) After payment in full of the principal of and interest on the Bonds and Notes (or provision has been made for the payment thereof as specified in this Indenture), and the fees, charges and expenses of the Trustee

Shoppes of Mid Rivers Community Improvement District

Notes to Financial Statements
For the Year Ended September 30, 2022

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A) BASIS OF PRESENTATION (CONTINUED)

and any Paying Agents and any other amounts required to be paid under this Indenture, all amounts remaining in the Debt Service Fund shall be paid to the District for deposit into the Special Trust Fund.

Debt Service Reserve Fund - (a) Except as otherwise provided in this Indenture, moneys in the Debt Service Reserve Fund shall be used by the Trustee without further authorization solely for the payment of the principal of and interest on the Bonds if moneys otherwise available for such purpose as provided in Section 403 are insufficient to pay the same as they become due and payable. If the balance of moneys in the Debt Service Fund is insufficient to pay principal of or interest on the Bonds when due and payable, moneys in the Debt Service Reserve Fund shall be transferred into the Debt Service Fund in an amount sufficient to make up such deficiency. The Trustee may use moneys in the Debt Service Reserve Fund for such purpose whether or not the amount in the Debt Service Reserve Fund at that time equals the Debt Service Reserve

Requirement. Such moneys shall be used first to make up any deficiency in the payment of interest and then principal. Moneys in the Debt Service Reserve Fund shall also be used to pay the last Bonds becoming due unless such Bonds and all interest thereon be otherwise paid. The amount on deposit in the Debt Service Reserve Fund shall be valued by the Trustee 45 days prior to each Payment Date (or if such date is not a Business Day, the immediately preceding Business Day). The Trustee shall give prompt written notice to the District if such amount is less than the Debt Service Reserve Requirement. For the purpose of determining the amount on deposit in the Debt Service Reserve Fund, the value of any investments shall be valued at their fair market value (inclusive of accrued interest) on the date of valuation. Moneys in the Debt Service Reserve Fund that are in excess of the Debt Service Reserve Requirement shall be deposited by the Trustee without further authorization in the Bond Payment Account of the Debt Service Fund.

(b) After payment in full of the principal of, redemption premium, if any, and interest on the Bonds (or provision has been made for the payment thereof as specified in this Indenture), and the fees, charges and expenses of the Trustee and any Paying Agents and any other amounts required to be paid under this Indenture, all amounts remaining in the Debt Service Reserve Fund shall be transferred to the Note Payment Account of the Debt Service Fund. After payment in full of the principal of and interest on the Bonds and the Notes (or provision has been made for the payment thereof as specified in this Indenture), and the fees, charges and expenses of the Trustee and any Paying Agents and any other amounts required to be paid under this Indenture, all amounts remaining in the Debt Service Reserve Fund shall be paid to the District for deposit into the Special Trust Fund.

Project Fund – (a) Moneys in the Project Account of the Project Fund shall be disbursed by the Trustee from time to time, upon receipt of a written request of the District signed by the Authorized District Representative, which contains the statements, representations and certifications set forth in a written request in substantially the form of Exhibit B, and incorporated herein by reference. Any money remaining on deposit in the Project Account of the Project Fund when the portion of the CID Project financed with the proceeds of the Bonds is completed, as evidenced by a certificate executed and delivered by both the Authorized District Representative and the Authorized Developer Representative to the Trustee, shall be deposited into the Redemption Account of the Debt Service Fund and shall be used to redeem Bonds or Notes pursuant to Section 302(b) on the earliest possible date.

(b) Moneys in the Cost of Issuance Account of the Project Fund shall be disbursed, from time to time by the Trustee, upon receipt of a written request of the District signed by the Authorized District Representative, and containing the statements, representations and certifications set forth in a written request in substantially the form of Exhibit B, and incorporated herein by reference, for the sole purpose of paying costs of issuance of the Bonds. Any moneys remaining in the Cost of Issuance Account of the Project Fund on August 1, 2018 shall be deposited, without further authorization, into the Bond Payment Account of the Debt Service Fund.

Shoppes of Mid Rivers Community Improvement District

Notes to Financial Statements
For the Year Ended September 30, 2022

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A) BASIS OF PRESENTATION (CONCLUDED)

(c) Upon the delivery to the Trustee of a written request of the Authorized District Representative and containing the statements, representations and certifications set forth in a written request in substantially the form of Exhibit B, and incorporated herein by reference, to pay or reimburse the Developer for payment of Reimbursable CID Project Costs (as defined in the Redevelopment Agreement), which written request specifies that payment shall be made by endorsement of a Note and the issuance or endorsement of a Note pursuant to Section 203(c), the Owner of the Note shall be deemed to have advanced funds necessary to purchase such Note, and the District shall be deemed to have deposited such funds in the Project Fund and shall be deemed to have reimbursed the Developer in full for such costs from the amounts deemed to be on deposit in the Project Fund.

(d) In making payments and disbursements pursuant to this Section, the Trustee may conclusively rely upon the written requests and accompanying certificates and statements. The Trustee is not required to make any independent investigation in connection with the matters set forth in the written requests. The approval of each disbursement request by an Authorized District Representative shall constitute unto the Trustee an irrevocable determination that all conditions precedent to the payment of the specified amounts from the Cost of Issuance Account and the Project Account have been completed.

B) BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Government-wide financial statements and Fund Financial Statements are prepared using the cash basis of accounting, a special purpose framework. Under the cash basis, revenues are recognized when received rather when earned and expenditures are recognized when cash is disbursed rather when the obligation is incurred.

C) BUDGETS AND BUDGETARY ACCOUNTING

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

- 1) In accordance with Section 67 of the Missouri Revised Statutes, the budget officer, as designated by the District, prepares and adopts an annual budget which represents the complete financial plan for the ensuing budget year. The budget includes at least the following information:
 - a) A budget message describing the important features of the budget and major changes from the preceding year;
 - b) Estimated revenues to be collected from all sources for the budget year, with a comparative statement of actual or estimated revenues for the two years next preceding, itemized by year, fund, activity and object;
 - c) The amount required for the payment of interest, amortization, and redemption charges on the debt of the District;
 - d) A general budget summary.
- 2) In no event shall the total proposed expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year.

Shoppes of Mid Rivers Community Improvement District

Notes to Financial Statements
For the Year Ended September 30, 2022

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C) BUDGETS AND BUDGETARY ACCOUNTING (CONCLUDED)

- 3) The District may revise, alter, increase or decrease the items in the proposed budget, subject to such limitations as may be provided by law provided, that in no event, shall the total authorized expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year.
- 4) The District shall, before the beginning of the fiscal year, approve the budget and approve or adopt such orders, motions, resolutions or ordinances as may be required to authorize the budgeted expenditures and produce the revenues in the budget.
- 5) After the District has approved the budget and approved or adopted the orders, motions, resolutions or ordinances required to authorize the expenditures proposed in the budget, the District shall not increase the total amount authorized for expenditure from any fund, unless the District Board adopts a resolution setting forth the facts and reasons making the increase necessary and approves or adopts an order, motion resolution or ordinance to authorize the expenditures.

The 2022 budget was approved at the regularly scheduled Board of Directors meeting. Annual budgets are prepared and adopted by fund on a basis consistent with the cash basis of accounting for the major individual governmental funds. All annual appropriations lapse at fiscal year end.

D) CAPITAL ASSETS AND LONG-TERM LIABILITIES

In accordance with the cash basis of accounting, the government-wide and fund financial statements report capital asset additions as expenditures when cash is expended and debt proceeds are shown as other financing sources when cash is received. Debt principal payments are shown as expenditures when payments are made. Capital assets and long term liabilities are not maintained on these financial statements but long term debt is disclosed later in these notes to the financial statements.

E) FUND BALANCE AND NET POSITION

Net Position represents the difference between assets and liabilities. Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by laws or regulations of the government. All other net position that does not meet the definition of "restricted" are reported as unrestricted net position. It is the District's policy to expend restricted resources first if the restrictions are met.

Fund balances are classified as follows:

Nonspendable- This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District did not have any nonspendable fund balance as of September 30, 2022.

Restricted- This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or law or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District had an ending balance of \$539,250 for restricted fund balances that consisted of the Debt Service Fund.

Committed- This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District's Board. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes

Shoppes of Mid Rivers Community Improvement District

Notes to Financial Statements
For the Year Ended September 30, 2022

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

E) FUND BALANCE AND NET POSITION (CONCLUDED)

contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District had no committed resources as of September 30, 2022.

Assigned- This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the District Board through budgetary process. The District had no assigned resources as of September 30, 2022.

Unassigned- All amounts not included in other spendable classifications.

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

2) CASH AND CASH EQUIVALENTS

The District complies with various regulations on deposits and investments, which are imposed by the state statutes as follows:

Deposits - All deposits with financial institutions must be collateralized in an amount at least equal to uninsured deposits.

Investments - The District may invest in bonds of the State of Missouri or any wholly owned corporation of the United States; or in other short-term obligations of the United States.

Cash of the District at September 30, 2022 is as follows:

Deposits

At September 30, 2022, the carrying amount of the District's deposits was \$632,490 and the bank balance was \$632,490. The balance in the Sales Tax Trust Fund was \$237 at year end. Any balance maintained in this account would be covered by federal depository insurance up to \$250,000. All cash balances with the Trustee were invested in Fidelity U.S. Treasury Money Market accounts. Due to the short-term nature of investments, cash balances are classified as cash equivalents in the District's basic financial statements. The Fidelity U.S. Treasury Money Market Fund is not insured by federal depository insurance coverage. The Fund, however, invests only in direct obligations of the United States and repurchase agreements for direct obligations of the United States.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. State statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The District does not have an additional custodial credit risk policy.

Investments

There were no investments at September 30, 2022.

Shoppes of Mid Rivers Community Improvement District

Notes to Financial Statements
For the Year Ended September 30, 2022

3) COMMITMENTS

On February 6, 2017, the Board of Directors of the District adopted Resolution No. 17-003, approving and authorizing the execution of a Redevelopment Agreement (the "Initial Agreement") among the City, Mid Rivers Investment Partners, LLC (the "Developer") and the District, pursuant to which Mid Rivers Investment Partners, LLC could seek reimbursement from the District for certain costs incurred in connection with the Developer Project, as defined in the Initial Agreement.

On August 29, 2017, the District's Board of Directors adopted Resolution No. 17-010 approving and authorizing the execution of the Amended and Restated Redevelopment Agreement (the "Redevelopment Agreement") by and among the District, the City and the Developer, which Redevelopment Agreement superseded, amended and restated the Initial Agreement.

Pursuant to the Redevelopment Agreement, the District and City agreed to reimburse the Developer for certain Reimbursable Developer Project Costs (as defined in the Redevelopment Agreement), and the Developer agreed to construct the Developer Project (as defined in the Redevelopment Agreement).

4) LITIGATION

At September 30, 2022 there were no claims or lawsuits pending against the District.

5) TAXES

On February 6, 2017, the Board of Directors of the District adopted Resolution No. 17-004 imposing a sales and use tax (the "CID Sales Tax") pursuant to Section 67.1545 of the CID Act at the rate of one percent (1%) for the purpose of paying for the CID Project (as defined in the Trust Indenture), which CID Sales Tax became effective as of October 1, 2017, following its approval by the qualified voters of the District at a mail-in election held in accordance with the CID Act. The CID Sales Tax applies to all receipts from the sale at retail of all tangible personal property or taxable services at retail within the District, if such property and services are subject to taxation by the State of Missouri pursuant to the provision of Sections 144.010 to 144.525 of the Revised Statutes of Missouri, as amended, except such CID Sales Tax shall not apply to the sales of use of motor vehicles, trailers, boats or outboard motors nor to public utilities.

6) LONG-TERM DEBT

Pursuant to a Trust Indenture dated as of April 1, 2018 (the "Indenture") by and between the District and BOKF, N.A., as trustee (the "Trustee"), the District (i) issued its \$6,705,000 Sales Tax Revenue Bonds, Series 2018A (the "Bonds"); and (ii) authorized its Not to Exceed \$1,300,000 Subordinate Taxable Sales Tax Revenue Notes (the "Notes") for the purposes of (a) financing certain costs of the CID Project, (b) funding a debt service reserve fund for the Bonds, and (c) paying certain costs of issuance. On November 1, 2019, the District issued the Subordinate Taxable Sales Tax Revenue Notes, Series B in the amount of \$175,409.

At the year ended September 30, 2022, the balance of the Bonds was \$5,895,000 and \$175,409 on the Notes. The Bonds bear interest at 4.95% and will mature April 1, 2038. The Notes bear interest at 9% and will mature on April 1, 2038.

The total amount of interest that is past due as of September 30, 2022 is \$41,614 on the notes and \$0 on the bonds. In 2022 the District made principal payments of \$365,000 and interest payments of 306,653. The District does not prepare an amortization schedule for debt as principal payments are made based on revenues available to the District.

Shoppes of Mid Rivers Community Improvement District

Notes to Financial Statements
For the Year Ended September 30, 2022

6) LONG-TERM DEBT (CONCLUDED)

	Sales Tax Revenue Bonds, Series 2018A	Subordinate Taxable Sales Tax Revenue Notes, Series B	Total
Balance at October 1, 2021	\$ 6,260,000	\$ 175,409	\$ 6,435,409
Bonds/notes issued	-	-	-
Bonds/notes repaid	(365,000)	-	(365,000)
Balance at September 30, 2022	<u>\$ 5,895,000</u>	<u>\$ 175,409</u>	<u>\$ 6,070,409</u>

7) PROJECT COSTS

No project costs were incurred for the year ended September 30, 2022.

8) INTERFUND TRANSFERS

During the fiscal year ended September 30, 2022, the District had the following interfund transfers:

	Transfers In	Transfers Out
Governmental activities:		
General Fund	\$ -	\$ 756,393
Debt Service Fund	756,393	-
Project Fund	-	-
	<u>\$ 756,393</u>	<u>\$ 756,393</u>

During the year ended September 30, 2022, the District transferred funds from the General Fund to the Debt Service fund to service the debt.

9) SUBSEQUENT EVENTS

These financial statements considered subsequent events through December 20, 2022, the date the financial statements were available to be issued.

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The long-term impact of the COVID-19 pandemic on CID Sales and Use Tax Revenues is difficult to determine at this point. The District cannot predict (a) the duration or extent of the COVID-19 pandemic; (b) the duration or expansion of related business closings, public health orders, regulations and legislation; (c) what effect the COVID-19 pandemic will continue to have on global, national, and local economies; (d) whether recent job losses resulting from COVID-19-related business closures will be temporary or permanent and what effect such losses will have on consumer confidence; or (e) the impact the COVID-19 pandemic will have on CID Sales and Use Tax Revenues available for appropriation by the District. Developments regarding COVID-19 continue to occur on a daily basis and the extent to which COVID-19 will impact the CID Sales and Use Tax Revenues in the future is highly uncertain and cannot be predicted.

Supplementary Information

Shoppes of Mid Rivers Community Improvement District

Statement of Revenues Collected and Expenditures Paid -

General Fund - Budget and Actual - Cash Basis

For the Year Ended September 30, 2022

	Budgeted Amount Original	Budgeted Amount Final	Actual	Variance - Favorable (Unfavorable)
Revenues:				
CID sales tax revenues	\$ 530,000	\$ 700,000	\$ 753,748	\$ 53,748
CID use tax revenues	-	2,800	2,990	190
Interest income	-	150	707	557
Total Revenues	\$ 530,000	\$ 702,950	\$ 757,445	\$ 54,495
Expenditures:				
Bank fees	\$ 170	\$ 170	\$ 177	\$ (7)
Trustee fees	3,400	3,400	3,400	-
Administrative expenses	7,242	7,242	7,242	-
Audit fees	2,754	2,732	2,732	-
Legal and professional fees	5,000	5,145	5,145	-
Total Expenditures	\$ 18,566	\$ 18,689	\$ 18,696	\$ (7)
Other Financing Sources (Uses)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	(495,100)	(671,653)	(756,393)	(84,740)
Total Other Financing Sources (Uses)	\$ (495,100)	\$ (671,653)	\$ (756,393)	\$ (84,740)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ 16,334	\$ 12,608	\$ (17,644)	\$ (30,252)
Fund Balances - at beginning of the year		110,884	110,884	
Fund Balances - at end of the year	\$ 123,492	\$ 93,240	\$ 93,240	

Shoppes of Mid Rivers Community Improvement District

Statement of Revenues Collected and Expenditures Paid -
 Debt Service Fund - Budget and Actual - Cash Basis
 For the Year Ended September 30, 2022

	Budgeted Amount		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
Revenues:				
Interest income	\$ -	\$ 104	\$ 617	\$ 513
Total Revenues	\$ -	\$ 104	\$ 617	\$ 513
Expenditures:				
Interest expense	\$ 310,100	\$ 306,653	\$ 306,653	\$ -
Revenue bond/note principal repayment	185,000	365,000	365,000	-
Total Expenditures	\$ 495,100	\$ 671,653	\$ 671,653	\$ -
Other Financing Sources (Uses)				
Transfers in	\$ 495,100	\$ 671,653	\$ 756,393	\$ 84,740
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	\$ 495,100	\$ 671,653	\$ 756,393	\$ 84,740
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ -	\$ 104	\$ 85,357	\$ 85,253
Fund Balances - at beginning of the year		453,893	453,893	
Fund Balances - at end of the year		\$ 453,997	\$ 539,250	

Shoppes of Mid Rivers Community Improvement District

Statement of Revenues Collected and Expenditures Paid -

Project Fund - Budget and Actual - Cash Basis

For the Year Ended September 30, 2022

	Budgeted	Budgeted	Actual	Variance - Favorable (Unfavorable)
	Amount Original	Amount Final		
Revenues:				
Interest income	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Project costs	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Other Financing Sources (Uses)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ -	\$ -	\$ -	\$ -
Fund Balances - at beginning of the year				
Fund Balances - at end of the year	\$ -	\$ -	\$ -	\$ -

Shoppes of Mid Rivers Community Improvement District

Statement of Revenues Collected and Expenditures Paid -

All Funds - Budget and Actual - Cash Basis

For the Year Ended September 30, 2022

	Budgeted	Budgeted	Actual	Variance - Favorable (Unfavorable)
	Amount Original	Amount Final		
Revenues:				
CID sales tax revenues	\$ 530,000	\$ 700,000	\$ 753,748	\$ 53,748
CID use tax revenues	-	2,800	2,990	190
Interest income	-	254	1,324	1,070
Total Revenues	\$ 530,000	\$ 703,054	\$ 758,062	\$ 55,008
Expenditures:				
Trustee fees	\$ 3,400	\$ 3,400	\$ 3,400	\$ -
Bank fees	170	170	177	(7)
Administrative expenses	7,242	7,242	7,242	-
Audit fees	2,754	2,732	2,732	-
Legal and professional fees	5,000	5,145	5,145	-
Interest expense	310,100	306,653	306,653	-
Revenue bond/note principal repayment	185,000	365,000	365,000	-
Total Expenditures	\$ 513,666	\$ 690,342	\$ 690,349	\$ (7)
Other Financing Sources (Uses)				
Transfers in	\$ 495,100	\$ 671,653	\$ 756,393	\$ 84,740
Transfers out	(495,100)	(671,653)	(756,393)	(84,740)
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ 16,334	\$ 12,712	\$ 67,713	\$ 55,001
Fund Balances - at beginning of the year		564,777	564,777	
Fund Balances - at end of the year		\$ 577,489	\$ 632,490	

Compliance Section



100 North Sixth Street • P.O. Box 796 • Hannibal, Missouri 63401-0796 • Phone (573) 221-5998 • Fax (573) 221-2044

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

To the Board of Directors
Shoppes of Mid Rivers Community Improvement District
St. Peters, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Shoppes of Mid Rivers Community Improvement District, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise Shoppes of Mid Rivers Community Improvement District's basic financial statements, and have issued our report thereon dated December 20, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Shoppes of Mid Rivers Community Improvement District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Shoppes of Mid Rivers Community Improvement District's internal control. Accordingly, we do not express an opinion on the effectiveness of Shoppes of Mid Rivers Community Improvement District's internal control.

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

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

Report on Compliance and Other Matters

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

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

Purpose of This Report

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

Wade Stables P.C.

Wade Stables P.C.
Certified Public Accountants

December 20, 2022
Hannibal, Missouri