
CITY OF ST. PETERS, MISSOURI
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2011



Report issued by the Office of Administration

Timothy M. Wilkinson
Assistant City Administrator

Beth A. French
Director of Finance

Table of Contents

	Page
Part I - Introductory Section:	
Letter of Transmittal	i-v
List of City Officials	vi
Organizational Structure	vii
GFOA Certificate of Achievement	viii
Part II - Financial Section:	
Independent Auditors' Report	1 - 2
Management's Discussion and Analysis	3 - 19
Basic Financial Statements:	
<i>Government-wide Financial Statements:</i>	
Statement of Net Assets	20
Statement of Activities	21
<i>Fund Financial Statements:</i>	
Balance Sheet - Governmental Funds	22
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	23
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	24
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	25
Statement of Fund Net Assets - Proprietary Funds	26
Statement of Revenues, Expenses and Changes In Fund Net Assets - Proprietary Funds	27
Statement of Cash Flows - Proprietary Funds	28
Statement of Fiduciary Net Assets - Other Post Employment Benefits Trust Fund	29
Statement of Changes in Fiduciary Net Assets - Other Post Employment Benefits Trust Fund	30
Notes to Basic Financial Statements	31 - 75
Required Supplementary Information	
Budgetary Comparison Information - Budget Basis - General Fund	76
Budgetary Comparison Information - Budget Basis - Transportation Trust Fund	77
Budgetary Comparison Information - Budget Basis - Special Allocation Fund - City Centre	78
Notes to Budgetary Comparison Information	79 - 80
Schedule of Funding Progress - Employees' Retirement System	81
Schedule of Funding Progress and Contributions - Other Post- Employment Benefit Plan	82

Table of Contents

	Page
Part II - Financial Section (Continued):	
Other Supplementary Information - Combining and Individual Fund Financial Statements and Schedules:	
Combining Balance Sheet - Nonmajor Special Revenue Funds	83
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	84
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Budget Basis - Budgeted Nonmajor Governmental Funds	85 - 86
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Budget Basis - Debt Service Fund	87
Schedule of Revenues and Expenses - Budget and Actual - Budget Basis - Enterprise Fund - Waterworks/Sanitary Sewer Fund - (Utility Operating Fund)	88
Schedule of Revenues and Expenses - Budget and Actual - Budget Basis - Enterprise Fund - Solid Waste Fund	89
Schedule of Revenues and Expenses - Budget and Actual - Budget Basis - Enterprise Fund - Central Materials Processing Facility Fund	90
Schedule of Revenues and Expenses - Budget and Actual - Budget Basis - Enterprise Fund - Recreation Fund	91

Part III - Statistical Section:

	Table	
Net Assets by Component	1	92
Changes in Net Assets	2	93 - 94
Fund Balances, Governmental Funds	3	95 - 96
Changes in Fund Balances, Governmental Funds	4	97
Assessed Value and Estimated Actual Value of Taxable Property	5	98
Direct and Overlapping Property Tax Rates	6	99
Principal Property Taxpayers	7	100
Property Tax Levies and Collections	8	101
Sales Tax Collected	9	102
Direct and Overlapping Sales Tax Rates	10	103
Ratios of Outstanding Debt by Type	11	104
Ratios of Net General Bonded Debt Outstanding	12	105
Direct and Overlapping Governmental Activities Debt	13	106
Legal Debt Margin Information	14	107
Pledged-Revenue Coverage	15	108
Demographic and Economic Statistics	16	109
Largest Employers (Based on Full-Time Employment)	17	110
Full-Time Equivalent City Government Employees by Function/Program	18	111
Operating Indicators by Function/Program	19	112
Capital Assets Statistics by Function/Program	20	113

Introductory Section

**City of
St. Peters**



February 15, 2012

To the Citizens of the City of St. Peters, Missouri:

The comprehensive annual financial report of the City of St. Peters, Missouri (City) for the fiscal year ended September 30, 2011, is hereby submitted. 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 are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Management of the City is responsible for establishing and maintaining internal controls designed to ensure that 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 generally accepted accounting principles (GAAP). The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

In addition, state statutes require an annual audit by independent certified public accountants. The accounting firm of Schowalter & Jabouri, P.C. was retained by the City. The independent auditors' report on the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate discretely presented component unit, and the aggregate remaining fund information is included in the financial section of this report.

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

PROFILE OF THE GOVERNMENT

The City of St. Peters, incorporated in 1910, is a fourth class city located in St. Charles County, Missouri. The City currently occupies a land area of 22.3 square miles and services a population of approximately 53,000. The City is traversed by Interstate 70, which provides direct access to St. Louis, approximately 20 miles east of the City, and to Kansas City, approximately 220 miles west of the City. Regularly scheduled air passenger and freight service is available at Lambert St. Louis International Airport located approximately 12 miles east of the City on Interstate 70. Commercial air service is available at two private airports within St. Charles County and at a public airport operated by St. Charles County. Barge service is available on the Mississippi River located approximately 5 miles from St. Peters. The City is served by two railroads; the Norfolk & Southern and the Burlington-Northern, and three common-carrier truck lines.

The legislative body of the City is the Board of Aldermen, which is comprised of eight aldermen and a mayor. Two aldermen are elected from each of the City's four wards and serve four-year terms. The Mayor, elected at large to serve a four-year term, is the presiding officer of the Board of Aldermen. The Mayor may vote in the event of a tie vote by the Board of Aldermen. Additionally, the Mayor has veto power. A city administrator is appointed by the Mayor with the advice and consent of the Board of Aldermen. The city administrator is the chief assistant to the Mayor and is responsible for the day-to-day management of the City's business and staff. The city administrator is also responsible for the employment and discharge of City employees under policies established by the Board of Aldermen. In addition, the City has an assistant city administrator who is appointed by the Mayor with the advice and consent of the Board of Aldermen.

The City has several advisory boards and committees composed of citizens appointed by the Mayor with the advice and consent of the Board of Aldermen. The advisory boards and committees include, among others, TIF Commissions; Personnel Review Board; the Parks, Recreation and Arts Advisory Board; Golf Citizens Monitoring Committee; Outpatient Surgical Treatment Center Medical Review Board; and other Ad Hoc committees. In addition, the Mayor, with the advice and consent of the Board of Aldermen, appoints citizens to other boards and commissions which have responsibility for governmental functions relating to zoning and building codes. These boards and commissions are the Planning and Zoning Commission, the Board of Adjustment, and the Board of Appeals.

The City has approximately 553 full-time equivalent employees and provides a full range of services, including police protection; the construction and maintenance of roads, bridges and other infrastructure within the City; programs to assist low to moderate income residents; storm water control programs; and recreational activities and cultural events. In addition, the City provides water and sewer services, solid waste collection, and operates a solid waste transfer facility and recycling center.

Annually, the City's long-range Capital Improvement Plan for the General Fund, Local Parks and Storm Water Fund, Transportation Trust Fund, Central Materials Processing Fund, Recreation Fund, Solid Waste Fund, and Water/Sewer Fund is re-evaluated and updated. The Mayor, Board of Aldermen, City Administrator and Assistant City Administrator work together to set the goals, which are based upon input from citizens, the Mayor and Board of Aldermen and City staff, for the City of St. Peters for the upcoming fiscal year. A Capital Improvement Plan is then approved and serves as the blueprint for the preparation of future budgets.

Incorporating the Capital Improvement Plan, the City Administrator prepares an annual budget for the General, Special Revenue, and Debt Service Funds for the fiscal year commencing the following October. In addition, budgets for the Central Materials Processing, Recreation Fund, Solid Waste, and Water Sewer Funds are prepared on a basis similar to that of the general governmental funds in order to better manage these funds. Expenditures may not legally exceed appropriation at the fund level.

After a proposed budget is prepared, it is submitted to the Board of Aldermen for review. The Board of Aldermen may revise, alter, increase or decrease the items contained in the proposed budget, provided that total authorized expenditures from any fund do not exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year. Following public hearings on the proposed budget, the annual operating budgets are approved through the adoption of the budget ordinance by the affirmative vote of a majority of the members of the Board of Aldermen and approval by the Mayor on or before September 1 of the preceding budget year. If the budgets have not been passed and approved on or before the last day preceding the budget year (September 30), the budgets and appropriations for the current fiscal year shall be deemed to be re-budgeted and re-appropriated for the budget year until a new budget is adopted and approved.

The City Administrator is authorized to transfer part, or all, of any unexpended balance among any departments within a given fund. If it is determined that the original budgeted revenues and expenditures need to be increased or decreased, the Board of Aldermen may, by ordinance, make such changes in budgeted revenues and expenditures so long as the total budgeted expenditures do not exceed the amount of budgeted revenues plus beginning unencumbered fund balance. If it appears probable that revenues available will be insufficient to meet the amount appropriated, the Board of Aldermen may, by ordinance, reduce one or more appropriations.

In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's Board of Aldermen. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts do not lapse at year-end. All encumbrances are supported by either a purchase order or a contract.

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.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

As has been the trend for more than a decade, the City's economy continues to diversify with modern housing, commercial enterprises, shopping centers, support services, and some industries. Commercial growth is attributable to the City's transportation network, central location in the United States, and expanding resources of labor and materials. The City of St. Peters currently has approximately 2,245 business establishments. Newer retail businesses to the area include: Incredible Pizza Company, Dick's Sporting Goods, Brunswick Zone, Costco, Marshall's, HomeGoods, Borders Book Store, Petco, Sports Authority and Hobby Lobby.

There are several major shopping corridors in St. Peters and the City serves as a shopping hub to surrounding communities located throughout St. Charles County. The City's retail service area encompasses an estimated 30-mile radius with a population of approximately 360,000 in the 10-mile radius immediately surrounding the City.

The largest shopping center in St. Peters, Mid Rivers Mall, is also the largest shopping center in St. Charles County. The mall, which opened in 1987, is anchored by four major department stores and has approximately 120 shops, including a food court and a 14-screen Wehrenberg Theater.

Due to these factors, the City has been able to reduce the property tax rate from \$1.85 per hundred dollars of valuation in 1970 to 77 cents per hundred dollars of valuation (57.59 cents in the General Fund and 19.41 cents in the Debt Service Fund) without cutting any City services. The assessed valuation for the City of St. Peters increased and revenues received during the 2011 fiscal year were based upon \$1,045,017,010 of assessed valuation.

The age distribution of St. Peters is close to that of the state of Missouri. Approximately 29% of St. Peters' residents are under the age of 18 years. Older adults, 65 years and above, comprise 11% of the population.

The percentage of the City's adult population who graduated from high school was 92.5% and 31.6% of the population obtained a bachelor's degree or higher. This compares favorably to the State of Missouri which had a population graduated from high school of 31.6% and a population obtaining a bachelor's degree or higher of 25.0%.

OTHER INFORMATION

Certificate of Achievement 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 of St. Peters for our Comprehensive Annual Financial Report for the fiscal year ended September 30, 2010. The City of St. Peters has received this prestigious award since 1991. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual 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 Comprehensive Annual Financial Report was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department and all City employees who supplied information have my sincere appreciation for the contributions made in the preparation of this report.

In closing, without the leadership, interest, and support of the Mayor, Board of Aldermen, City Administrator, and Assistant City Administrator preparation of this report would not have been possible. In addition, I commend the dedicated efforts of Rita Westerson, Assistant Director of Finance, and the finance department personnel for their efforts in preparation of this report.

Respectfully submitted,



Beth A. French
Director of Finance

City of St. Peters, Missouri

Mayor
Len Pagano

Aldermen

Ward I
John “Rocky” Reitmeyer
Dave Thomas

Ward II
Jerry Hollingsworth
Judy Bateman

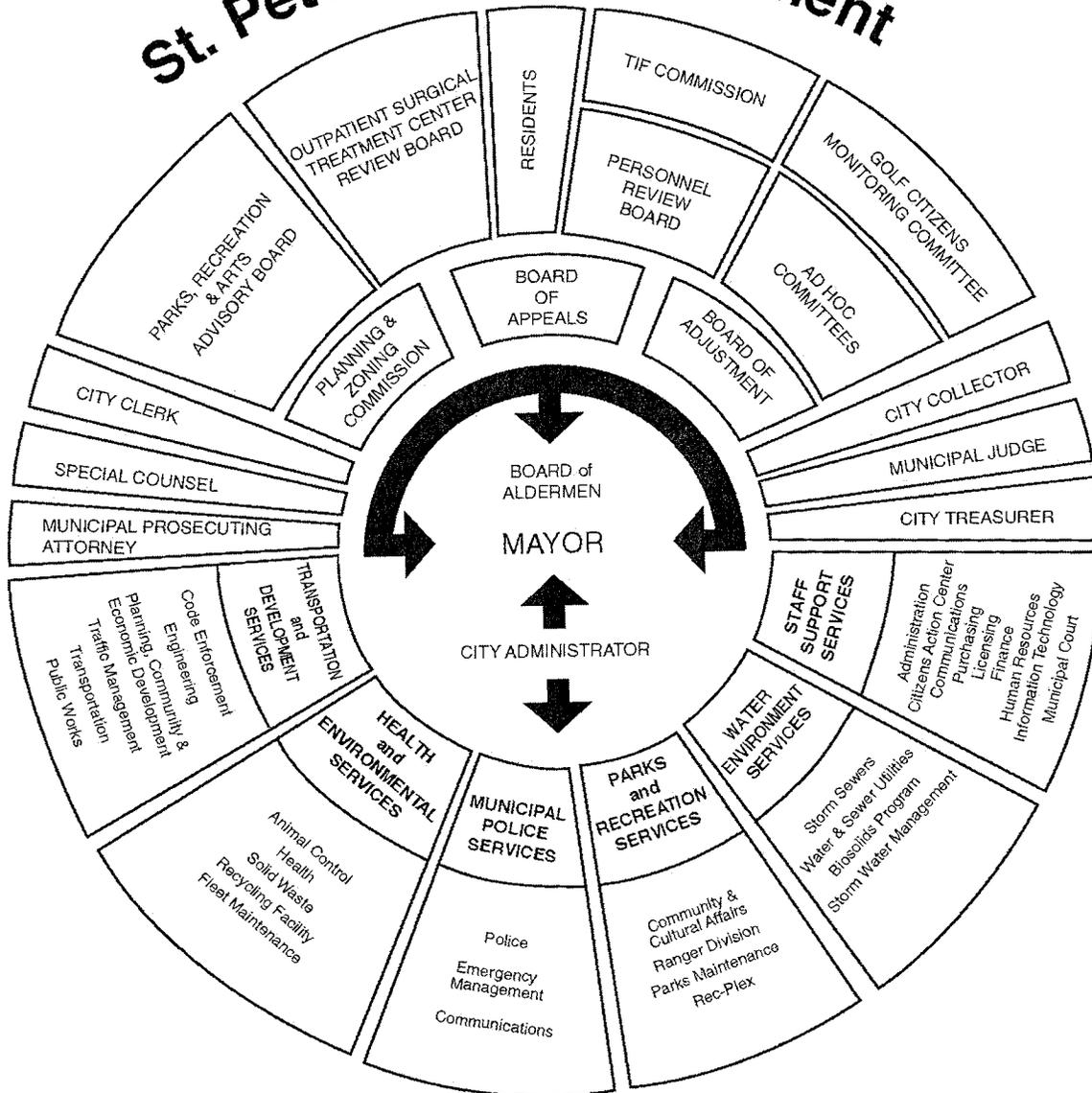
Ward III
Gus Elliott
Tommy Roberts

Ward IV
Patrick Barclay
Don Aytes

City Administrator
William P. Charnisky

Assistant City Administrator
Timothy M. Wilkinson

Organizational Structure St. Peters City Government



REV (8/11)

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of St. Peters
Missouri

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Sandson

President

Jeffrey R. Emen

Executive Director

Financial Section

**City of
St. Peters**



SCHOWALTER & JABOURI, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
11878 GRAVOIS ROAD
ST. LOUIS, MISSOURI 63127
(314) 849-4999
FAX (314) 849-3486

FINANCIAL SERVICES
COMPUTER SOLUTIONS
ADMINISTRATIVE OFFICES

11777 GRAVOIS ROAD
ST. LOUIS, MISSOURI 63127
(314) 842-2929
FAX (314) 842-3483

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and
Members of the Board of Aldermen
City of St. Peters, Missouri

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of St. Peters, Missouri, as of and for the year ended September 30, 2011, which collectively comprise the City of St. Peters, Missouri's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of St. Peters, Missouri's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

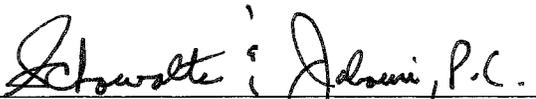
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of St. Peters, Missouri, as of September 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 15, 2012, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing,

and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 19, the budgetary comparison information and related notes on pages 76 through 80 and the pension related information on pages 81 and 82 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of St. Peters, Missouri's financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.


SCHOWALTER & JABOURI, P.C.

St. Louis, Missouri
February 15, 2012

Management's Discussion and Analysis

CITY OF ST. PETERS, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2011

This section of the City of St. Peters's annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year that ended on September 30, 2011. Please read this section in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities (net assets) at the end of the fiscal year by approximately \$334.6 million. Net assets is comprised of: \$310.4 million invested in capital assets, net of related debt; \$7.4 million restricted for debt service; \$6.8 million restricted for transportation; \$6.1 million for other purposes; \$10.9 million unrestricted and available for the City's business-type activities; offset by (\$7.0 million) unrestricted for governmental purposes.
- Unrestricted governmental net assets are calculated at a negative amount after implementation of GASB 54. For our City this relates to Tax Increment Financing (TIF) Notes outstanding in the amount of \$7.3 million. These notes represent special, limited obligations of the City, payable solely from the incremental sales and property taxes generated by the development projects. The annual debt service repayments are contingent upon the amounts of payments in lieu of taxes collected within the district. The debt is recorded on the City's financial statements; however, the capital assets are not, causing the negative amount in net assets.
- Total net assets increased approximately \$3 million over the course of this year's operations. Governmental activities decreased by \$8.1 million, and business-type activities increased by approximately \$11.1 million.
- The assessed valuation for real estate and personal property (excluding the City's Special Districts) decreased by \$953,000 or 0.09% during fiscal year 2011.
- The City retained the same property tax rate of 77 cents per \$100 of assessed valuation.
- On August 3, 2010 the St. Peters voters approved \$40,000,000 general obligation bonds for storm water projects including a storm water master plan, storm water construction projects and to refinancing lease obligations issued by the City of St. Peters Public Improvement Corporation. On November 10, 2010 the City issued \$3,790,000 of General Obligation Bonds (Series 2010B) to refund the storm water portion of the Leasehold Revenue Bonds, Series 2003 bonds and to assist in paying for the storm water master plan.
- Also on November 10, 2010, the City issued \$1,725,000 Certificate of Participation Bonds (Series 2010C) to refund the portion of City of St. Peters Public Improvement Corporation Leasehold Revenue Bonds, Series 2003.
- On August 10, 2011, the City issued \$5,150,000 in General Obligation Refunding Bonds, Series 2011 to advance refund \$5,045,000 of the outstanding principal on the General Obligation Bonds, Series 2004. That portion of the Series 2004 bonds is considered defeased, and the City has removed the liability from the government activities statement of net assets. There is \$1,175,000 of outstanding principal remaining on the Series 2004 bonds, which will reach maturity on March 1, 2012.
- In addition, the City issued \$1,055,000 in Development Notes during the course of the year.

CITY OF ST. PETERS, MISSOURI

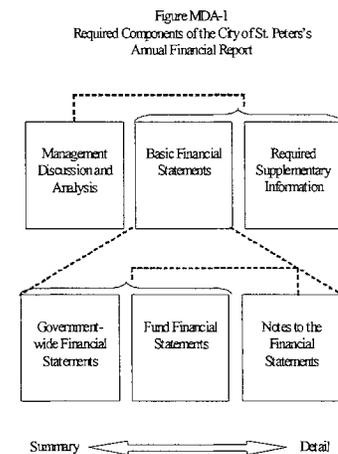
Management's Discussion and Analysis (continued)

- Program revenues increased government-wide by \$8.1 million. Capital grants and contributions increased \$7.5 million from the prior year with most of the increase related to roads constructed by the public works function of the City and charges for services increased \$534,000, which relates to an increase in water and sewer user fees of \$745,000 attributed to rate increases in water and sewer charges, growth in our customer base, and increased water demand; a \$153,000 increase in our solid waste collection fees attributed to rate increases; a \$50,000 increase in recycling revenue at our central materials processing facility from increases in commodity pricing offset by a decline in external haulers using the facility; and a \$196,000 increase in our recreation activities from increased customers at both the Rec-Plex and at the municipal golf course and increased contributions from the Natatorium Foundation for capital improvements to the indoor pools offset with decreases in revenue generated from rentals and programs, also during the year the City began operations at 370 Lakeside Park which has a 140-acre recreational lake with camping, fishing, boating, hiking, biking, and 50 full-service RV sites and primitive tent sites available.
- General revenue increased \$4.7 million. This change is due to increased property and sales tax revenue from surplus taxes generated from our City Centre Tax Increment Financing district amounting to \$832,000 and an increase in gross sales in the City; franchise taxes increased by \$584,000 and an increase in other revenues of \$3 million (current year includes a reimbursement for transportation related activities from the City's Old Town Tax Increment Financing District).

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: the introductory section; the financial section which includes the auditors' report, management's discussion and analysis, the basic financial statements and required supplementary information, other supplementary information that presents schedules for non-major budgeted governmental funds, budget-based schedules for enterprise activities; and a statistical section presenting other information for the City. The basic financial statements include two kinds of statements that present different views of the City.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.
 - The governmental funds statements tell how general government services like public safety were financed in the short term as well as what remains for future spending.
 - Proprietary fund statements offer short-and long-term financial information about the activities the government operates like businesses, such as the water and sewer system.
 - Fiduciary fund statements offer short-and long-term financial information about the activities where the government is the trustee or agent for someone else's resources, such as the post retirement benefit plan for City employees.



CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure MDA-1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining statements that provide details about our non-major governmental funds which are added together and presented in a single column in the basic financial statements.

Figure MDA-2 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and content of each of the statements.

Figure MDA-2
Major Features for the City of St. Peters Government-wide and Fund Financial Statements

	Government-wide	Fund Statements		
	Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City government (except fiduciary Funds) and the City's component units	The activities of the City that are not proprietary or fiduciary, such as police and parks	Activities the City operates similar to private businesses: the waterworks and sanitary sewerage system, the solid waste activities, the City's transfer station and recycling facility (Central Materials Processing Facility), the City's Recreation Fund, and the Public Improvement Corporation	Instances in which the city is the trustee or agent for someone else's resources, such as the post retirement benefit plan for City employees.
Required Financial Statements	Statement of net assets Statement of activities	Balance Sheet Statement of revenues, expenditures, and changes in fund balances	Statement of net assets Statement of revenues, expenditures, and changes in net assets Statement of cash flows	Statement of fiduciary net assets Statement of changes in fiduciary net assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter: no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow/outflow information	All revenue and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenue and expenses during year, regardless of when cash is received or paid	All revenue and expenses during year, regardless of when cash is received or paid

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

GOVERNMENT-WIDE STATEMENTS

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash was received or paid.

The two government-wide statements report the City's net assets and how they have changed. Net assets—the difference between the City's assets and liabilities—is one way to measure the City's financial health, or position.

- Over time, increases or decreases in the City's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the health of the City you need to consider additional non-financial factors such as changes in the City's property tax base and the condition of the City's roads.

The government-wide financial statements of the City are divided into two categories:

- *Governmental activities*—Most of the City's basic services are included here, such as the police, public works, parks department, and general administration. Property taxes and sales taxes finance most of these activities.
- *Business-type activities*—The City charges fees to cover the costs of certain services it provides. The City's waterworks and sewerage system, solid waste collections, transfer station and recycling facility, recreation activities, and Public Improvement Corporation are included here.

Financial Analysis Of The City As A Whole

Net Assets

The following table reflects the condensed statements of net assets as of September 30:

	Governmental Activities		Business-type Activities		Total	
	2010	2011	2010	2011	2010	2011
Current and other assets	\$ 47,449,355	\$ 31,941,637	\$ 23,531,401	\$ 18,665,135	\$ 70,980,756	\$ 50,606,772
Capital assets (net of depreciation)	310,841,106	317,954,947	90,926,621	99,060,153	401,767,727	417,015,100
Total assets	<u>358,290,461</u>	<u>349,896,584</u>	<u>114,458,022</u>	<u>117,725,288</u>	<u>472,748,483</u>	<u>467,621,872</u>
Long-term obligations	67,002,510	69,868,363	53,032,048	47,599,967	120,034,558	117,468,330
Other liabilities	13,577,576	10,422,291	7,571,985	5,160,380	21,149,561	15,582,671
Total liabilities	<u>80,580,086</u>	<u>80,290,654</u>	<u>60,604,033</u>	<u>52,760,347</u>	<u>141,184,119</u>	<u>133,051,001</u>
Net assets						
Invested in capital assets, net of related debt	258,630,627	259,323,155	37,202,278	51,062,078	295,832,905	310,385,233
Restricted	13,977,894	17,265,476	4,041,857	3,058,197	18,019,751	20,323,673
Unrestricted	5,101,854	(6,982,701)	12,609,854	10,844,666	17,711,708	3,861,965
Total Net Assets	<u>\$ 277,710,375</u>	<u>\$ 269,605,930</u>	<u>\$ 53,853,989</u>	<u>\$ 64,964,941</u>	<u>\$ 331,564,364</u>	<u>\$ 334,570,871</u>

As seen in Table MDA-3, the City's total assets of \$467.6 million include \$50.6 million in current and other assets and \$417 million in capital assets.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

Assets decreased during the fiscal year by \$5.1 million, the majority of which relates to cash distributed for surplus taxes generated from our City Centre Tax Increment Financing (TIF) district. Other cash balances decreased to cover operating and capital expenses resulting in an increase of capital assets by 15.2 million.

The City's total liabilities of \$133.1 million include \$117.5 million that is not due or payable in the next fiscal year and \$15.6 in other liabilities. The decrease in long-term obligations is the result of the previously discussed debt issuance and an increase in the Other Post Employment Benefit "OPEB" Liability offset by debt payments during the year and the payment of a judgment previously recognized as a liability. The decrease in other liabilities relates to a \$2.3 million judgment paid during the fiscal year that was previously reported as a liability.

Total net assets of approximately \$334.6 million is comprised of \$310.4 million invested in capital assets, net of related debt; \$20.3 million restricted debt service, transportation projects and other purposes; \$10.9 million unrestricted and available for the City's business-type activities and as discussed previously a negative \$7 million unrestricted for governmental purposes.

Changes in Net Assets

The City's combined net assets increased by approximately \$3 million during fiscal year 2011 as a result of the activity shown in Table MDA-4.

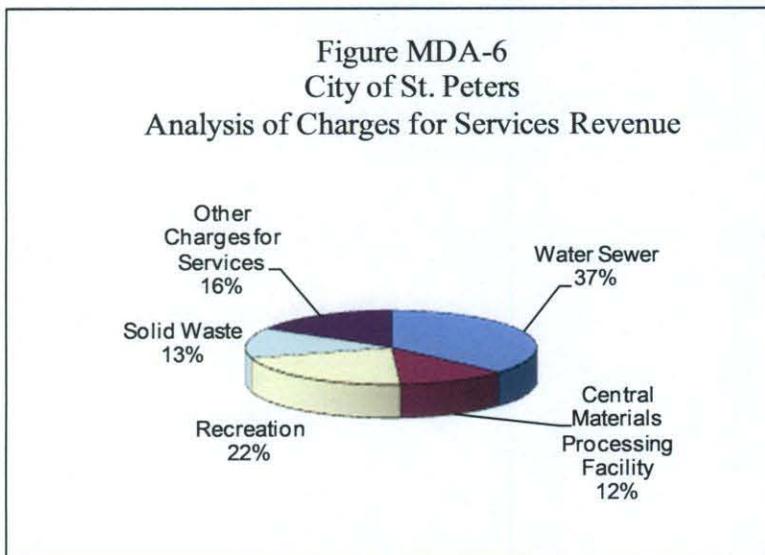
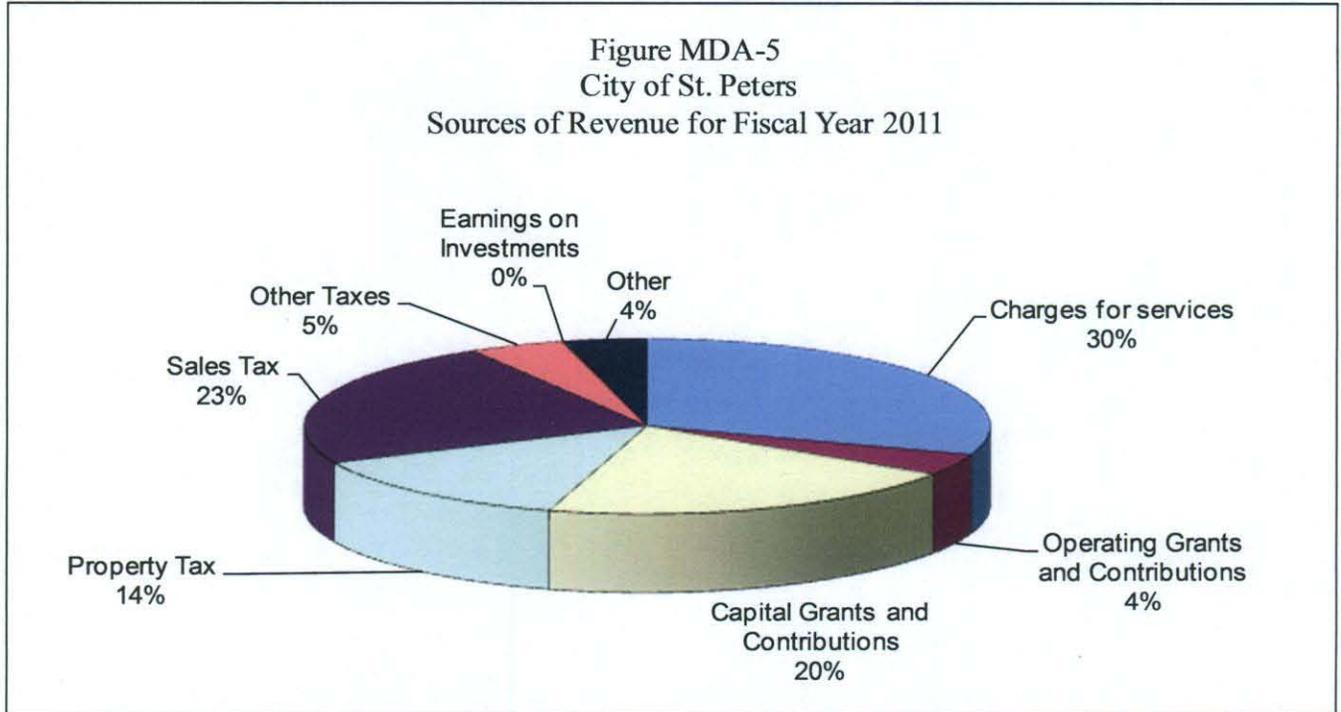
Table MDA-4
City of St. Peters's Change in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2010	2011	2010	2011	2010	2011
Revenues						
Program Revenues						
Charges for services	\$ 4,688,098	\$ 4,633,162	\$ 23,062,424	\$ 23,650,898	\$ 27,750,522	\$ 28,284,060
Operating Grants and Contributions	3,597,950	3,680,124	-	-	3,597,950	3,680,124
Capital Grants and Contributions	10,759,472	15,176,082	588,320	3,659,979	11,347,792	18,836,061
General Revenue						
Property Tax	12,236,108	12,663,993	-	-	12,236,108	12,663,993
Sales Tax	21,034,519	21,700,663	-	-	21,034,519	21,700,663
Other Taxes	3,603,717	4,188,158	-	-	3,603,717	4,188,158
Earnings on Investments	110,734	55,642	35,355	35,074	146,089	90,716
Gain on Sale of Capital Assets	20,981	69,326	31,940	4,585	52,921	73,911
Other	553,445	3,571,682	-	-	553,445	3,571,682
Total revenues	56,605,024	65,738,832	23,718,039	27,350,536	80,323,063	93,089,368
Expenses						
General government	3,988,945	6,412,147	-	-	3,988,945	6,412,147
Administration	4,465,717	4,642,420	-	-	4,465,717	4,642,420
Police	11,487,848	12,883,901	-	-	11,487,848	12,883,901
Municipal court	469,464	451,384	-	-	469,464	451,384
Public Works	9,721,254	22,109,038	-	-	9,721,254	22,109,038
Engineering	2,571,574	2,572,899	-	-	2,571,574	2,572,899
Maintenance	788,172	465,034	-	-	788,172	465,034
Health	615,783	731,504	-	-	615,783	731,504
Parks and recreation	5,893,725	6,092,722	-	-	5,893,725	6,092,722
Community relations	1,007,998	983,171	-	-	1,007,998	983,171
Community and arts	290,368	243,961	-	-	290,368	243,961
Community Development	963,000	-	-	-	963,000	-
Interest on long-term debt	3,484,084	3,321,526	-	-	3,484,084	3,321,526
Waterworks/Sanitary Sewer	-	-	11,297,498	12,069,159	11,297,498	12,069,159
Solid Waste	-	-	7,126,274	5,203,218	7,126,274	5,203,218
Public Improvement Corporation	-	-	503,638	157,303	503,638	157,303
Central Materials Processing Facility	-	-	3,932,005	3,622,194	3,932,005	3,622,194
Recreation	-	-	7,884,369	8,121,280	7,884,369	8,121,280
Total expenses	45,747,932	60,909,707	30,743,784	29,173,154	76,491,716	90,082,861
Increase (decrease) in net assets before transfers	\$ 10,857,092	\$ 4,829,125	\$ (7,025,745)	\$ (1,822,618)	\$ 3,831,347	\$ 3,006,507
Transfers	1,166,259	(12,933,570)	(1,166,259)	12,933,570	-	-
Increase (decrease) in net assets	\$ 12,023,351	\$ (8,104,445)	\$ (8,192,004)	\$ 11,110,952	\$ 3,831,347	\$ 3,006,507
Beginning Net Assets	265,687,024	277,710,375	62,045,993	53,853,989	327,733,017	331,564,364
Ending Net Assets	277,710,375	269,605,930	53,853,989	64,964,941	331,564,364	334,570,871

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

For the fiscal year ended September 30, 2011, government-wide revenues totaled \$93.1 million. Approximately one-third of all revenues are derived from charges from services and approximately one-fourth from sales tax.



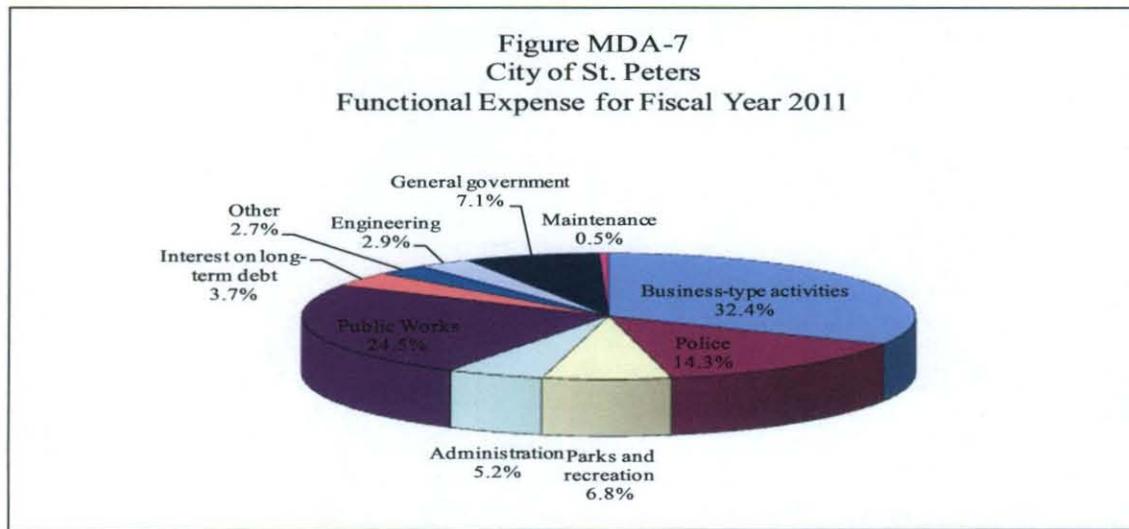
Charges for services are derived from users of the City's programs such as athletic programs at the REC-PLEX, the City's recreational complex, and fees for the users of the City's waterworks and sewerage system and other business-type activities. As seen in Figure MDA-6, the City's water and sewer operations account for over one-third of all charges for services, followed by Recreation, other charges for services, Solid Waste, and the Central Materials Processing Facility (CMPF).

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

The second largest revenue source for the entire city is sales tax, which during the 2011 fiscal year equaled \$21.7 million. The City of St. Peters has a 1% sales tax to fund general governmental activities, a .5% sales tax that funds the City's transportation activity (road construction and maintenance) and a .1% sales tax for park and storm water activities. In addition, the City has three Tax Increment Financing Districts and sales tax received for these districts is restricted to funding activities within the respective area.

During fiscal year 2011 the total cost of all programs and services increased by 17.8% citywide to a total of \$90.1 million. The City's expenses cover a range of services including parks and recreation, law enforcement, administration and public works. The majority of this increase relates to public works activities which include major road projects such as the expansion of Salt River Road and infrastructure improvements to the City's Old Town Tax Increment Financing District. Approximately 32% of all city expenses during the 2011 fiscal year are related to business-type activities.



Governmental Activities

Revenues for the City's governmental activities total \$65.7 million, of which approximately 33% is sales tax, 19% is property tax and 23% is for capital grants and contributions. Expenses for the City's governmental activities total \$60.9 million. These activities result in a decrease in net assets for the fiscal year of \$8.1 million.

Figure MDA-8 presents the cost of each of the City's largest programs as well as the programs' net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

As stated earlier, the cost of all governmental activities this year was \$60.9 million; however, the amount that our taxpayers paid for these services through City taxes was \$37.4 million. The remaining cost was related to programs that charge those who directly benefit (\$4.6 million) and from grants and contributions (\$18.9 million). The City paid for the \$37.4 million "public benefit" portion with taxes, interest income and other revenues such as bond proceeds.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

Figure MDA-8
Net Cost of City of St. Peters's
Governmental Activities

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Administration	\$ 4,642,420	\$ 4,642,420
Engineering	2,572,899	2,572,899
General government	6,412,147	4,703,964
Interest on long-term debt	3,321,526	3,321,526
Other	2,875,054	2,626,447
Parks	6,092,722	5,727,062
Police	12,883,901	8,462,609
Public Works	22,109,038	5,363,412
	<u>\$ 60,909,707</u>	<u>\$ 37,420,339</u>

Charges for services related to governmental activities only increased \$54,900. This change is comprised of a \$148,000 decrease in permits and licenses offset by a \$38,000 increase in court fines and other police activities and \$32,000 for community and arts rentals and programs.

Governmental capital and operating grants and contributions increased by \$4.5 million relating primarily to the increase of in dedicated assets (\$3.2 million) with the remaining balance due to an increase in the amount of grants received for various road, park, and governmental projects during the year.

As mentioned earlier the assessed valuation for real estate and personal property (excluding the City's Special Districts) decreased by \$953,000 or 0.09% during fiscal year 2011. However, revenue generated from property and sales tax increased \$1.1 million primarily from surplus taxes generated from our City Centre Tax Increment Financing (TIF) district. In addition, franchise taxes increased by \$584,000 and other revenues increased \$3 million (current year includes a reimbursement for transportation related activities from the City's Old Town Tax Increment Financing District).

General governmental expense increased by \$15.1 million or 33% during fiscal year 2011, some of the significant changes by governmental function include:

- An increase in public works expense of \$12.4 million related to major public works projects discussed previously.
- A combined change from general governmental expense and community development expense of \$1.5 million from additional surplus distributions from the City Centre Tax Increment Financing district (\$2.7 million); change in tax increment financing notes issued (prior year tax increment financing project expense of \$963,000 and current year \$0); increased professional service expenses related to elections and legal fees (\$145,000) offset by a decrease in the OPEB liability allocation (\$815,152).

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

- An increase in police activities of \$1.4 million. The majority of this is from increased depreciation expense related to the new Justice Center \$450,000 along with increased utility expense of \$102,000, and increases to items such as gasoline, operating expense and insurance claims of \$112,000, and increased personnel expense of \$651,000 (of which \$568,000 relates to the OPEB liability allocation).

Business-Type Activities

Revenues of the City's business-type activities increased 15.3% to \$27.4 million; expenses decreased approximately 1.6 million to \$29.2 million; and transfers in during the current fiscal year compared to transfers out in the prior year increased net assets by \$12.9 million, resulting in an overall increase in net assets for the fiscal year of \$11.1 million. (Refer to Table MDA-4.) Factors contributed to these results included:

- Charges for services increased by 2.6%, which relates to an increase in water and sewer user fees of \$745,000 attributed to rate increases in water and sewer charges (7%), a slight growth in our customer base, and increased water; a \$153,000 increase in our solid waste collection fees attributed rate increases and a slight increase in residential and multifamily customers; a \$50,000 increase in revenue at our central materials processing facility from increases in commodity pricing (\$255,000) and a decrease in bad debt (\$100,000) which are offset in part by a decline in external haulers and yard waste customers using the facility (\$317,000); and a \$196,000 increase in our recreation activities from increased customers at both the Rec-Plex and at the municipal golf course and increased contributions from the Natatorium Foundation for capital improvements to the indoor pools offset with decreases in revenue generated from rentals and programs, also during the year the City began operations at 370 Lakeside Park which has a 140-acre recreational lake with camping, fishing, boating, hiking, biking, and 50 full-service RV sites and primitive tent sites available. All of these increases are offset by a decline in revenue from the Public Improvement Corporation "PIC". Since all the bonds related to this activity have been retired the PIC no longer received lease payment revenue resulting in a decrease of \$555,000 revenue.
- The water and sewer function's expense increased by \$772,000 or 6.8% due to a decrease in personnel costs of \$55,000 (from increases in salary, the cost of medical insurance and pension benefits, and insurance claims related to personnel offset by a decrease in OPEB liability allocation); \$182,000 additional depreciation expense; \$105,000 additional utility expense; \$92,000 increase in repair and maintenance expense; \$130,000 increase in professional services; \$95,000 increase in overhead allocation; and \$200,000 increase in bond interest and fees.
- Expense from the solid waste function decreased by \$1.9 million or 27%, comprised of increases in salaries and fringe, depreciation expense and overhead/fleet allocation of \$76,000, \$15,000 and \$271,000 respectively. The majority of the decrease (\$2.3) million is related to a judgment against the City recorded as an expense in the prior fiscal year with an additional decrease in landfill fees due to lower tonnage of \$66,000
- As discussed previously all the bonds related to the PIC have been retired. The decreased expense for the year is \$346,000.
- Expense for the Public Improvement Corporation decreased by \$26,000 due to a decline in depreciation expense.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

- Expense for the CMPF decreased during fiscal year 2011 by \$342,000. The significant changes include decreases in salary and related fringe benefits of \$67,000 and decreased costs of landfill fees of \$181,000 due to lower tonnage processed and decreased insurance claims of \$75,000.
- Expense for the Recreation Fund increased by \$237,000 from \$135,000 increased personnel costs in part from opening operations of 370 Lakeside Park; increased depreciation expense of \$130,000; increased utilities of \$89,000. These increases are offset by decreases in professional services of \$131,000 as we continue to change contracted labor to part-time employees.

FUND FINANCIAL STATEMENTS

Another major section of the basic financial statements is the fund financial statements. These statements provide more detailed information about the City's most significant *funds*—not the City as a whole. A fund is a grouping of related accounts used to track specific sources of funding and spending for particular purposes.

The City of St. Peters has three kinds of funds:

- **Governmental 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 fund financial statements are prepared on a modified accrual basis, which means they measure only current financial resources, uses and balances of spendable resources available at the end of the fiscal year. Therefore, capital assets and other long-lived assets, along with long-term liabilities, are not presented in the governmental fund statements. Because the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs, it is useful to compare the information presented for the 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 fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.
- **Proprietary funds** – Services for which the City charges customers a fee are generally reported in proprietary funds. The City of St. Peters has only one type of proprietary fund, the enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements: the City's waterworks and sewerage system, solid waste activities, transfer station and recycling facility (CMPF), and recreation fund. Proprietary fund statements are prepared on a full-accrual method and include all their assets and liabilities, current and long-term. This is the same basis used in the government-wide statements.
- **Fiduciary funds** – The City is a trustee, or fiduciary, for its employees' post retirement benefit program. It is also responsible for ensuring that the assets reported in this fund are used for their intended purposes. The City's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance our activities.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

Financial Analysis Of The City's Funds

As discussed earlier, there are two types of statements included in the basic financial statements. This discussion relates to the fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements. These statements are prepared on a modified accrual basis for the governmental funds and (as in the government-wide statements) on a full accrual method for the business-type activities or proprietary funds. A reconciliation from the fund statements to the government-wide statements is provided to display the differences in the two reporting methods.

The City of St. Peters has eleven individual governmental funds. Information is presented separately in the governmental fund statements for the general fund, the transportation trust fund, the debt service fund, the special allocation fund – City Centre, and the capital projects fund all of which are considered major funds. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the other supplementary information section of this report. The City of St. Peters adopts an annual budget for each of the major funds and a budgetary comparison schedule has been provided to demonstrate compliance with this budget.

The City's governmental funds reported a combined fund balance of \$25.1 million, a decrease of \$14.1 million from the prior fiscal year. Unassigned fund balance constitutes \$683,000 and the remainder of fund balance is either restricted or assigned to indicate that it is not available for new spending because it has already been committed for the following:

- Nonspendable (\$918,000)
- Restricted for:
 - Transportation (\$7 million)
 - Capital projects (\$2 million)
 - Sewer lateral projects (\$1.3 million)
 - Special allocation projects (\$2.1 million)
 - Grants (\$858,000)
 - Debt service (\$4.6 million)
 - Local parks and storm water (\$1.8 million)
 - Police services (\$227,000)
- Assigned for:
 - Liquidation of contracts and purchase orders of the prior period (\$384,000)
 - Subsequent year budget (\$1.6 million)
 - Capital projects (\$683,000)

The primary reasons for changes in fund balance include those highlighted in the financial highlights section of this document. In addition, these other changes in fund balance should be noted:

The General Fund serves as the chief operating fund of the City of St. Peters. It is used to account for all financial resources except those that are required to be accounted for in another fund. The activities of the general fund include law enforcement, administration and governmental, parks, and engineering. During fiscal year 2011, the General Fund's fund balance decreased by \$1.7 million.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund operating expenditures. Fund balance represents 15% of the total general fund operating expenditures.

Key factors for the decrease in fund balance include events discussed previously and the following:

- Transfers out of \$3,387,763 to fund:
 - Transfer to the Recreation Fund to assist in debt service payments (\$1,050,000).
 - Issuance of Debt (\$3.8 million) and a transfer to PIC (\$3.7 million) related to the 2010B General Obligation Bonds used to retire Leasehold Bonds discussed previously.
- Continued efforts to limit operating costs to the amount received in operating resources, not utilizing one-time windfalls to cover everyday expenditures.
- A decline of revenue related to permits during the fiscal year. However, during the year the City still issued 347 residential and 7 commercial building permits with estimated construction values of \$33,762,198 and \$7,200,340, respectively. This compares to the prior year of 309 residential and 11 commercial building permits with estimated construction values of \$33,073,423 and \$13,238,381, respectively.

The other major funds of the City are the Transportation Trust Fund the Debt Service Fund, the Special Allocation Fund – City Centre, and the Capital Projects Fund. The fund balance in the Transportation Trust Fund increased by \$2.9 million to \$7.9 million. The increase in fund balance is attributed to expenditures for maintenance of our existing infrastructure and new infrastructure construction of \$3.1 million and debt service and related fees of \$1.8 million offset by resources of \$17 million. All of the fund balance is restricted for transportation. Revenues and expenditures are forecasted for road projects on a long-term basis in the City's Capital Improvement Plan to ensure adequate funding and fund balance are available.

The fund balance in the Special Allocation Fund – City Centre decreased by \$5.0 million to \$1.3 million. These funds are used to account for revenues generated in the City Center Tax Increment Financing (TIF) district and is used for the payment of debt service and other TIF related expenditures. Current year expenditures included infrastructure improvements to the district and surplus tax distributions discussed previously.

Fund balance in the Debt Service Fund decreased by \$487,000 resulting in a total ending balance of \$2.7 million, all of which is available for debt service in future years. During the year, the City had \$4.7 million of expenditures in this fund all related to debt service.

The Capital Projects Fund had a \$7 million decrease in fund balance. During the year the City incurred \$8.8 million in expenditures for projects offset by revenue from the issuance of development notes of \$1.1 million and transfers in of \$572,000. During the year the City expended \$ 2 million towards construction of a new Justice Center that combined police headquarters and a new Municipal Court. In addition, improvements to the 370 Lakeside Park totaled \$2.4 million, infrastructure improvements for Premier Lakeside 370 totaled \$565,000, road improvements funded through the Build America Certificates of Participation totaled \$2.4 million, and the City issued \$1,050,000 of developer notes for infrastructure improvements during the year. Additional information can be found in the Notes to the Basic Financial Statements.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

The other six non-major governmental funds had a \$2.8 million decrease in fund balance to a total of \$5.1 million. The decrease can be attributed a decrease of \$2.9 million Old Town TIF Fund from infrastructure improvements to the district; a \$334,000 decrease in the Sewer Lateral Repair Fund from additional repairs with the City's targeted sewer lateral program; offset by a \$459,000 increase in the Local Park and Storm Water Fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the fiscal year, the City of St. Peters' elected officials revised the budget several times. These revisions generally are amendments and supplemental appropriations approved during the long-term Capital Improvement Plan process, adjustments to reflect the actual beginning account balances from the prior year's actual results, incorporate adjustments for carried-over items from the previous budget year, reflect any changes in estimates used when the original budget was adopted, or reflect changes for unanticipated events that may arise throughout the fiscal year. The significant variations between the original and final budget include:

- Increased intergovernmental revenue to carry forward funding not spent in the prior fiscal year and account for a new grant received after the original budget was adopted (\$390,000)
- Increased revenue and increased transfers out related to the sale of the General Obligation Bonds, Series 2010B, discussed previously (3,780,000)
- Decreased salary and fringe expense by \$300,000 to reflect vacancies during the year, reorganization of staff and lower raises than projected.
- Increased capital outlay by \$390,000 for the grants discussed above; and \$160,000 for the purchase of machinery and equipment in the parks department. We increased the transfer from reserves by \$90,000 to assist in the funding of this parks equipment.
- Increased the transfer from reserves by \$379,000 and increased capital outlay by the same amount to carry forward funding for improvements to City Hall that were not completed during the prior fiscal year.
- Increased the transfer to the Recreation Fund by \$250,000 to assist with that fund's debt service payment

Overall the City ended the fiscal year \$2 million better than budget. Significant variations between final budget and actual amounts include actual revenue better than budget of \$858,000 due to a combination of real estate tax and sales tax exceeding budgetary projections by \$140,000 and \$428,000, respectively (as discussed already a majority of this relates to additional surplus distributions from the City Centre TIF and an increase in gross sales in the City); franchise taxes from our utilities exceeding budget by 308,000 primarily from electric rate and demand increases; intergovernmental revenues exceeding budget by \$164,000 (we received a grant to offset police salary that was not budgeted); charges for services exceeding budget by \$132,000 and miscellaneous income over budget by \$170,000 (includes funds received from St. Charles County to administer their CDBG program). These increases are offset by \$260,000 less for license and permit revenue and \$189,000 for fines and forfeitures

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

Expenditures were better than budgeted by \$1.1 million. Savings in salaries, fringe benefits and employee expenses constitutes \$487,000 of this amount due to vacant positions, market increases less than anticipated, and a continued Citywide emphasis on controlling costs. The City experienced savings of \$250,000 for repair and maintenance expenditures (savings were seen in almost all categories including those related to our computer systems, trails, building repairs and repairs to our storm water system). Approximately \$454,000 of the variation from budget was associated with capital purchases. Included in this amount are improvements to City Hall that were not completed during the current year. These improvements are being funded by amounts set aside in a reserve account and that funding will also carry forward. Other capital savings are associated with contracted prices lower than budget and the deferral or elimination of certain items during the year. Professional service expenditures were over budget by \$102,000 which was offset by savings in supplies and other of \$92,000.

Long-Term Debt

At September 30, 2011, the City had a number of debt issues outstanding. These issues included \$35,615,000 of general obligation (G.O.) bonds; \$7,299,000 of Tax Increment Financing (TIF) notes; \$29,700 in Limited General Obligation bonds; \$32,560,000 in Certificate of Participation bonds \$13,125,000 of Developer notes; and \$28,991,135 of Water/Sewer Revenue bonds.

Figure MDA-9
City of St. Peters's Outstanding Debt
September 30, 2011

	<u>2010</u>	<u>2011</u>
Governmental Activities		
General Obligation (G.O.) Bonds	\$ 34,725,000	\$ 35,615,000
Tax Increment Financing (TIF) Notes	9,899,000	7,299,000
Limited General Obligation (G.O.) Bonds	34,700	29,700
Certificate of Participation	12,090,000	12,980,000
Development Notes	12,355,000	13,125,000
TOTAL	<u>\$ 69,103,700</u>	<u>\$ 69,048,700</u>
Business-type Activities		
Water/Sewer Revenue Bonds (Net of Unaccrued Capital Appreciation)	\$ 29,402,707	\$ 28,991,135
PIC Leasehold Revenue Bonds	5,430,000	-
Certificate of Participation	20,300,000	19,580,000
TOTAL	<u>\$ 55,132,707</u>	<u>\$ 48,571,135</u>
Total		
General Obligation (G.O.) Bonds	\$ 34,725,000	\$ 35,615,000
Tax Increment Financing (TIF) Notes	9,899,000	7,299,000
Limited General Obligation (G.O.) Bonds	34,700	29,700
Certificate of Participation	32,390,000	32,560,000
Development Notes	12,355,000	13,125,000
Water/Sewer Revenue Bonds (Net of Unaccrued Capital Appreciation)	29,402,707	28,991,135
PIC Leasehold Revenue Bonds	5,430,000	-
TOTAL	<u>\$ 124,236,407</u>	<u>\$ 117,619,835</u>

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

As discussed previously the City issued:

- On August 3, 2010 the St. Peters voters approved \$40,000,000 general obligation bonds for storm water projects including a storm water master plan, storm water construction projects and to refinancing lease obligations issued by the City of St. Peters Public Improvement Corporation. On November 10, 2010 the City issued \$3,790,000 of General Obligation Bonds (Series 2010B) to refund the storm water portion of the Leasehold Revenue Bonds, Series 2003 bonds and to assist in paying for the storm water master plan.
- Also on November 10, 2010, the City issued \$1,725,000 Certificate of Participation Bonds (Series 2010C) to refund the portion of City of St. Peters Public Improvement Corporation Leasehold Revenue Bonds, Series 2003.
- On August 10, 2011, the City issued \$5,150,000 in General Obligation Refunding Bonds, Series 2011 to advance refund \$5,045,000 of the outstanding principal on the General Obligation Bonds, Series 2004. That portion of the Series 2004 bonds is considered defeased, and the City has removed the liability from the government activities statement of net assets. There is \$1,175,000 of outstanding principal remaining on the Series 2004 bonds, which will reach maturity on March 1, 2012.
- In addition, the City issued \$1,055,000 in Development Notes during the course of the year.

Under the statutes of the State of Missouri, the City's general obligation bonded debt is limited to no more than 10% of the most recent assessed valuation of the City. At September 30, 2011, the City was well within this limit with a legal debt margin of \$68,509,673. This does not include an additional debt limit of 10% of assessed valuation available for street or sewer improvements. This additional debt margin amounted to \$101,458,894 at September 30, 2011. Additional information about the City's long-term debt is presented in Note 6 to the financial statements.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2011, the City had invested \$417 million (net of accumulated depreciation) in a broad range of capital assets including land, structures and improvements, machinery and equipment, water and sewer lines, vehicles, and infrastructure. The increase in the City of St. Peters' investment in capital assets that relate to activity in fiscal year 2011 was \$15.2 million

- \$57.8 million in new assets
- \$16.3 million in depreciation
- \$70,000 in retirements (net of accumulated depreciation)
- \$26.1 million reduction in construction in progress

This year's major capital assets for governmental activities include:

- Governmental assets placed in service during the year include \$20.4 million of road projects (significant projects include improvements Old Town Main Street, and completion of Salt River Road Extension and Premier 370 Business Park); major repairs to our existing infrastructure accounts for \$3.8 million; and the City accepted over \$6.8 million in dedicated streets, sidewalks, storm sewers and right-of-way from developers and subdivisions. Additionally we placed in

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

service \$2.0 million for the Justice. In addition the PIC transferred \$4.6 million to governmental activities as discussed previously. The impact of this transfer to governmental assets is the addition of \$4.6 million for storm water and other improvements. Governmental activities transferred \$5.1 million in assets to the Recreation Fund for Lakeside 370 Park and \$6.7 million to the Waterworks/Sanitary Sewer Fund.

- Construction in progress decreased by \$25 million. We placed in service \$25 million of projects and added an additional \$4 million for new projects that are in various phases of completion. Significant projects included the construction of the Justice Center; development of new Lakeside 370 Park; road construction related to the development notes for infrastructure in the Lakeside 370 area; Old Town Improvements; and Salt River Road.

This year's major capital assets for business-type activities include:

- In the Water and Sewer Fund we placed in service the following capital assets:
 - \$1.4 million in Wastewater Plant Improvements and Sewer Pump Stations
 - \$11.4 million in dedicated and transferred water and sewer lines, and sewer pump stations
 - \$488,000 in vehicles and other machinery and equipment related to the water and sewer operations
- The major change related to the Solid Waste Fund is the replacement of several solid waste collection vehicles.
- In the Recreation Fund \$364,000 in machinery and equipment for Lakeside 370 Park and Solar Panels for Rec-Plex South. Governmental activities transferred \$245,000 in Laurel Park Improvements from governmental activities and 4.9 million for 370 Lakeside Park, in addition, the PIC transferred \$200,000 for assets related to the refunding of the bonds discussed above.

Outstanding encumbrances for capital assets at the end of the fiscal year were \$5.5 million. This amount has been accounted for in the City's budget-based statements and the City has no plans to issue additional debt to finance these projects. More detailed information about the City's capital assets is presented in Note 4 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Our fundamental focus when preparing fiscal year 2011/12 budget was balancing the General Fund without cutting services. As with most municipalities, the City's primary revenues for this fund are derived from taxes. We have seen a sales tax revenues stabilize during fiscal year 2010/11 but saw a decline in property values. For the 2011/12 fiscal year we are projecting an increase in sales tax revenue to reflect what we are experiencing during the current budget year.

Fiscal year 2011/12 is a reassessment year. And although our decline during this year's reassessment is not nearly as bad as what other communities in the United States have experienced, our 2011 property values are down 4.8% from 2010. The State allows taxing entities to raise their tax rates to obtain the same amount of property tax revenue that they received in the past assessment year, however, in an attempt to assist our residents in these trying times we retained the current property tax rate of 77 cents per \$100 of assessed valuation.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

While preparing this budget, consideration was given to both the needs of the City of St. Peters during the 2011/12 fiscal year and also the impact that this budget will have on our long-range needs as set out in the Five Year Capital Improvement Plan (CIP). In addition, as we discussed in the CIP we have moved all but salaries from the general fund into the appropriate Special Project Fund that generates revenue specifically for that purpose. This year we have done this for the following two departments:

Storm Water Department – from General Fund to Local Park and Storm Fund
Street Department – from General Fund to Transportation Trust Fund

Like budgets in the past, we used the CIP as a guideline for the requested funding level of new programs and equipment purchases. The Five Year CIP incorporates all potential needs including long-term operational expense, vehicle, equipment, and information system replacement programs. Future operational expenditures associated with capital purchases are identified during the CIP discussions and are included in the current budget and in future CIP forecasting.

Not reflected in this proposed budget are revenues related to the reestablishment of a gross receipts hotel tax or the water line insurance program from the recent legislation passed at the State level. These items will need to be voted on and approved on at a future election before we can implement.

Revenue generation opportunities are limited for municipalities; however as we discussed in the pre-budget meeting we are proposing to adjust some fees to balance our budget. We reviewed fees in all of our funds and propose fee increases to certain parks and recreation activities, an approximate 7% fee increase in our Water and Sewer Fund and an approximate 4% fee increase to our Solid Waste collection fees.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and demonstrate the City's accountability for the money it receives. If you have any questions about this report or need additional information, contact the City of St. Peters Finance Department, P.O. Box 9, St. Peters, MO 63376.

Basic Financial Statements

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF NET ASSETS
SEPTEMBER 30, 2011**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Natatorium Foundation
Assets:				
Cash and investments	\$ 20,669,557	\$ 10,256,139	\$ 30,925,696	\$ 1,668,254
Receivables (net):				
Taxes	2,706,993	-	2,706,993	-
Services	-	2,591,948	2,591,948	-
Intergovernmental	3,047,463	74,039	3,121,502	-
Interest	12,500	12,088	24,588	2,540
Other	1,107,850	358,110	1,465,960	-
Internal balances	280,411	(280,411)	-	-
Inventory and prepaid items	918,207	245,651	1,163,858	-
Bond issue costs	354,377	368,380	722,757	-
Investment in joint venture	-	2,020,945	2,020,945	-
Restricted cash and investments	2,208,392	3,018,246	5,226,638	-
Long-term receivables	635,887	-	635,887	-
Capital assets:				
Nondepreciable	158,968,794	3,550,220	162,519,014	-
Depreciable	158,986,153	95,509,933	254,496,086	-
Total Assets	349,896,584	117,725,288	467,621,872	1,670,794
Liabilities				
Accounts payable	3,165,268	1,236,869	4,402,137	-
Accrued interest	654,737	434,422	1,089,159	-
Accrued payroll	1,000,916	347,177	1,348,093	-
Unearned revenue	564,441	257,357	821,798	-
Deposits	564,776	260,090	824,866	-
Claims payable	952,334	-	952,334	-
Other liabilities	-	1,515	1,515	-
Long-term liabilities:				
Due within one year	3,519,819	2,622,950	6,142,769	-
Due in more than one year	69,868,363	47,599,967	117,468,330	-
Total Liabilities	80,290,654	52,760,347	133,051,001	-
Net Assets				
Invested in capital assets, net of related debt	259,323,155	51,062,078	310,385,233	-
Restricted for:				
Transportation	6,835,350	-	6,835,350	-
Sewer lateral projects	1,285,630	-	1,285,630	-
Special allocation projects	1,926,134	-	1,926,134	-
Grants	857,750	-	857,750	-
Debt service	4,331,436	3,058,197	7,389,633	-
Local parks and stormwater	1,802,007	-	1,802,007	-
Police services	227,169	-	227,169	-
Unrestricted	(6,982,701)	10,844,666	3,861,965	1,670,794
Total Net Assets	\$ 269,605,930	\$ 64,964,941	\$ 334,570,871	\$ 1,670,794

CITY OF ST. PETERS, MISSOURI

**BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2011**

	Major Funds					Nonmajor	Total Governmental Funds
	General	Transportation Trust	Special Allocation- City Centre	Debt Service	Capital Projects	Other	
						Governmental Funds	
Assets:							
Cash and investments:							
Unrestricted	\$ 4,039,887	\$ 5,272,949	\$ 1,434,819	\$ 2,682,931	\$ 2,938,246	\$ 4,300,725	\$ 20,669,557
Restricted	545,587	882,911	275,680	-	309,814	194,400	2,208,392
Receivables, net of allowances where applicable:							
Taxes	1,986,126	518,499	39,333	59,335	-	103,700	2,706,993
Intergovernmental	170,566	2,588,350	-	-	199,443	89,104	3,047,463
Interest	-	-	-	8,333	-	4,167	12,500
Other	200,779	509,589	40,194	2,684	-	291,666	1,044,912
Due from other funds	342,450	-	-	-	-	-	342,450
Long term receivables	-	-	-	-	-	635,887	635,887
Inventory and prepaid items	914,407	3,800	-	-	-	-	918,207
Total Assets	\$ 8,199,802	\$ 9,776,098	\$ 1,790,026	\$ 2,753,283	\$ 3,447,503	\$ 5,619,649	\$ 31,586,361
Liabilities and Fund Balances:							
Liabilities:							
Accounts payable	\$ 708,787	\$ 1,310,966	\$ 454,000	\$ 1,246	\$ 278,182	\$ 412,087	\$ 3,165,268
Accrued liabilities	974,761	21,884	-	-	-	4,271	1,000,916
Deposits/guarantee bonds	550,743	3,995	-	-	5,838	4,200	564,776
Due to other funds	-	8,914	-	-	-	53,125	62,039
Deferred revenue	119,720	528,455	-	41,134	-	26,350	715,659
Claims payable	952,334	-	-	-	-	-	952,334
Total Liabilities	3,306,345	1,874,214	454,000	42,380	284,020	500,033	6,460,992
Fund Balances:							
Nonspendable	914,407	3,800	-	-	-	-	918,207
Restricted for:							
Transportation	-	7,015,173	-	-	-	-	7,015,173
Capital projects	-	-	-	-	2,028,013	-	2,028,013
Sewer lateral projects	-	-	-	-	-	1,285,630	1,285,630
Special allocation projects	-	-	1,060,346	-	-	989,929	2,050,275
Grants	-	-	-	-	-	857,750	857,750
Debt service	545,587	882,911	275,680	2,710,903	-	167,612	4,582,693
Local parks and stormwater	-	-	-	-	-	1,818,695	1,818,695
Police services	227,169	-	-	-	-	-	227,169
Assigned for:							
Encumbrances	384,335	-	-	-	-	-	384,335
Subsequent year budget	1,597,435	-	-	-	-	-	1,597,435
Capital projects	541,388	-	-	-	1,135,470	-	1,676,858
Unassigned	683,136	-	-	-	-	-	683,136
Total Fund Balances	4,893,457	7,901,884	1,336,026	2,710,903	3,163,483	5,119,616	25,125,369
Total Liabilities and Fund Balances	\$ 8,199,802	\$ 9,776,098	\$ 1,790,026	\$ 2,753,283	\$ 3,447,503	\$ 5,619,649	\$ 31,586,361

CITY OF ST. PETERS, MISSOURI

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
SEPTEMBER 30, 2011**

Net change in fund balances - total governmental funds \$ (14,143,728)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$250 for general and \$5,000 for infrastructure are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. Donated assets are not recorded in governmental funds but are recognized as revenue in the statement of activities. This is the amount by which capital outlays and donated capital assets exceeded depreciation in the current period.

Capital outlays	17,928,275	
Proceeds from sale of capital assets	(140,360)	
Donated capital assets	6,858,349	
Net transfer of assets between the proprietary and governmental activities	(6,870,266)	
Depreciation expense	<u>(10,731,483)</u>	7,044,515

In the statement of activities, the gain (loss) on the sale of capital assets is reported. The gain (loss) is not a use of current resources and thus is not reported in the funds. 69,326

The governmental funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds financial statements but reduces the long-term liabilities in the statement of net assets.

Payments to escrow agent	5,292,255	
Issuance of debt	(11,720,000)	
Repayment of bond and note principal	<u>6,730,000</u>	302,255

Under the modified accrual basis of accounting used in governmental funds the effect of issuance costs, discounts and premiums are recognized when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due, whereas in the statement of activities, interest expense is recognized as it accrues, regardless of when it is due. Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The net effect of these differences is as follows:

Accrued interest on bonds	133,318	
Compensated absences	(36,020)	
Other post employment benefits	(1,450,521)	
Net pension obligation	(130,514)	
Premium on debt issuances, net of amortization	107,581	
Discount on debt issuances and deferred amount on refunding, net of amortization	(137,515)	
Deferred bond issuance costs, net of amortization	<u>107,941</u>	(1,405,730)

Property tax revenues received prior to the year for which they are being levied are reported as deferred revenue in the governmental funds. They are, however, recorded as revenues in the statement of activities. Deferred property tax revenues decreased this year. (34,021)

In the statement of activities, federal interest subsidy is recognized as an economic resource, whereas in the governmental funds, the interest subsidy is recorded as nonexchange revenue when all eligibility requirements are met. 62,938

Change in net assets of governmental activities \$ (8,104,445)

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Major Funds					Nonmajor	Total	
	General	Transpor- tation Trust	Special Allocation- City Centre	Debt Service	Capital Projects	Other		Governmental Funds
						Governmental Funds		
Revenues:								
Sales tax	\$ 11,777,602	\$ 5,888,805	\$ 2,561,893	\$ -	\$ -	\$ 1,472,365	\$ 21,700,665	
Property tax	6,723,670	-	3,159,575	2,153,155	-	661,614	12,698,014	
Utility franchise tax	3,971,155	-	1,553	-	-	-	3,972,708	
Cigarette tax	215,450	-	-	-	-	-	215,450	
Licenses and permits	948,635	-	-	-	-	-	948,635	
Interest	6,056	1,617	5,629	16,271	5,748	20,322	55,643	
Intergovernmental	3,889,533	7,396,692	-	-	121,199	262,474	11,669,898	
Fines and forfeitures	2,551,634	-	-	-	-	-	2,551,634	
Charges for services	614,547	-	-	-	-	520,235	1,134,782	
Miscellaneous	217,722	3,566,855	-	2,719	35,987	11,525	3,834,808	
Total Revenues	30,916,004	16,853,969	5,728,650	2,172,145	162,934	2,948,535	58,782,237	
Expenditures:								
Current:								
General government	1,841,183	-	3,893,611	-	-	374,549	6,109,343	
Administration	4,020,331	-	-	-	-	-	4,020,331	
Police	11,062,800	-	-	-	-	-	11,062,800	
Municipal court	425,757	-	-	-	-	-	425,757	
Public works	3,205,161	3,068,529	-	-	-	2,411,957	8,685,647	
Engineering	2,354,444	-	-	-	-	-	2,354,444	
Maintenance	411,365	-	-	-	-	-	411,365	
Health	517,257	-	-	-	-	-	517,257	
Parks and recreation	4,961,141	-	-	-	-	140	4,961,281	
Community relations	822,657	-	-	-	-	-	822,657	
Community and arts	161,354	-	-	-	-	-	161,354	
Capital outlay	1,281,644	9,092,182	1,730,325	-	8,836,027	2,695,504	23,635,682	
Debt service:								
Principal retirement	490,000	630,000	2,600,000	3,005,000	-	5,000	6,730,000	
Interest	106,831	1,144,706	665,410	1,376,535	-	29,754	3,323,236	
Payments to escrow agent	-	-	-	197,604	-	-	197,604	
Other	50,291	3,284	1,568	101,660	-	52,615	209,418	
Total Expenditures	31,712,216	13,938,701	8,890,914	4,680,799	8,836,027	5,569,519	73,628,176	
Revenues Over (Under)								
Expenditures	(796,212)	2,915,268	(3,162,264)	(2,508,654)	(8,673,093)	(2,620,984)	(14,845,939)	
Other Financing Sources (Uses):								
Transfers in	-	-	-	1,966,435	571,987	173,311	2,711,733	
Transfers out	(4,802,146)	(3,655)	(1,861,656)	-	-	(2,107,579)	(8,775,036)	
Proceeds from sale of								
capital assets	136,660	3,700	-	-	-	-	140,360	
Issuance of debt	3,790,000	-	-	5,150,000	1,055,000	1,725,000	11,720,000	
Bond premium	8,990	-	-	-	-	-	8,990	
Bond discount	-	-	-	-	-	(9,185)	(9,185)	
Payments to escrow agent	-	-	-	(5,094,651)	-	-	(5,094,651)	
Total Other Financing Sources (Uses)	(866,496)	45	(1,861,656)	2,021,784	1,626,987	(218,453)	702,211	
Net Changes in Fund Balances	(1,662,708)	2,915,313	(5,023,920)	(486,870)	(7,046,106)	(2,839,437)	(14,143,728)	
Fund Balances:								
Beginning of Year, restated	6,556,165	4,986,571	6,359,946	3,197,773	10,209,589	7,959,053	39,269,097	
End of Year	\$ 4,893,457	\$ 7,901,884	\$ 1,336,026	\$ 2,710,903	\$ 3,163,483	\$ 5,119,616	\$ 25,125,369	

CITY OF ST. PETERS, MISSOURI

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

Net change in fund balances - total governmental funds \$ (14,143,728)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$250 for general and \$5,000 for infrastructure are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. Donated assets are not recorded in governmental funds but are recognized as revenue in the statement of activities. This is the amount by which capital outlays and donated capital assets exceeded depreciation in the current period.

Capital outlays	17,928,275	
Proceeds from sale of capital assets	(140,360)	
Donated capital assets	6,858,349	
Net transfer of assets between the proprietary and governmental activities	(6,870,266)	
Depreciation expense	<u>(10,731,483)</u>	7,044,515

In the statement of activities, the gain (loss) on the sale of capital assets is reported. The gain (loss) is not a use of current resources and thus is not reported in the funds. 69,326

The governmental funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds financial statements but reduces the long-term liabilities in the statement of net assets.

Payments to escrow agent	5,292,255	
Issuance of debt	(11,720,000)	
Repayment of bond and note principal	<u>6,730,000</u>	302,255

Under the modified accrual basis of accounting used in governmental funds the effect of issuance costs, discounts and premiums are recognized when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due, whereas in the statement of activities, interest expense is recognized as it accrues, regardless of when it is due. Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The net effect of these differences is as follows:

Accrued interest on bonds	133,318	
Compensated absences	(36,020)	
Other post employment benefits	(1,450,521)	
Net pension obligation	(130,514)	
Premium on debt issuances, net of amortization	107,581	
Discount on debt issuances and deferred amount on refunding, net of amortization	(137,515)	
Deferred bond issuance costs, net of amortization	<u>107,941</u>	(1,405,730)

Property tax revenues received prior to the year for which they are being levied are reported as deferred revenue in the governmental funds. They are, however, recorded as revenues in the statement of activities. Deferred property tax revenues decreased this year. (34,021)

In the statement of activities, federal interest subsidy is recognized as an economic resource, whereas in the governmental funds, the interest subsidy is recorded as nonexchange revenue when all eligibility requirements are met. 62,938

Change in net assets of governmental activities \$ (8,104,445)

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF FUND NET ASSETS - PROPRIETARY FUNDS
SEPTEMBER 30, 2011**

	Major Enterprise Funds					Total Enterprise Funds
	Waterworks/ Sanitary Sewer	Solid Waste	Public Improvement Corporation	Central Materials Processing Facility	Recreation	
Assets:						
Current Assets:						
Cash and investments:						
Unrestricted	\$ 2,897,538	\$ 4,391,485	\$ -	\$ 1,328,211	\$ 1,638,905	\$ 10,256,139
Restricted	1,699,539	-	-	-	1,318,707	3,018,246
Receivables, net allowances:						
Services	1,754,198	762,124	-	75,626	-	2,591,948
Accrued interest	-	12,088	-	-	-	12,088
Grants	69,776	4,263	-	-	-	74,039
Other	41,643	67,767	-	114,005	134,695	358,110
Inventory/prepays	-	-	-	209,567	36,084	245,651
Bond issue costs	354,702	-	-	-	13,678	368,380
Total Current Assets	6,817,396	5,237,727	-	1,727,409	3,142,069	16,924,601
Noncurrent Assets:						
Investment in joint venture	2,020,945	-	-	-	-	2,020,945
Capital assets	109,578,044	7,994,778	-	6,432,908	50,044,859	174,050,589
Less: Accumulated depreciation	46,261,427	6,453,250	-	4,016,638	18,259,121	74,990,436
Capital assets - net	63,316,617	1,541,528	-	2,416,270	31,785,738	99,060,153
Total Noncurrent Assets	65,337,562	1,541,528	-	2,416,270	31,785,738	101,081,098
Total Assets	72,154,958	6,779,255	-	4,143,679	34,927,807	118,005,699
Liabilities:						
Current Liabilities:						
Accounts payable	756,897	45,338	-	327,027	107,607	1,236,869
Accrued payroll	121,052	66,169	-	46,526	113,430	347,177
Accrued compensated absences	181,505	90,428	-	70,754	85,263	427,950
Accrued interest	82,050	-	-	-	352,372	434,422
Deposits held for others	146,200	-	-	-	113,890	260,090
Due to other funds	183,343	78,325	-	8,883	9,860	280,411
Deferred revenue	38,016	-	-	-	219,341	257,357
Current portion of revenue bonds payable (payable from restricted assets)	1,590,000	-	-	-	605,000	2,195,000
Other	-	-	-	-	1,515	1,515
Total Current Liabilities	3,099,063	280,260	-	453,190	1,608,278	5,440,791
Noncurrent Liabilities:						
Long-term portion of revenue bonds payable	27,142,526	-	-	-	18,680,125	45,822,651
Other long-term liabilities	682,142	378,551	-	341,820	374,803	1,777,316
Total Liabilities	30,923,731	658,811	-	795,010	20,663,206	53,040,758
Net Assets:						
Invested in capital assets, net of related debt	34,603,667	1,541,528	-	2,416,270	12,500,613	51,062,078
Restricted for debt service	1,739,396	-	-	-	1,318,801	3,058,197
Unrestricted	4,888,164	4,578,916	-	932,399	445,187	10,844,666
Total Net Assets	\$ 41,231,227	\$ 6,120,444	\$ -	\$ 3,348,669	\$ 14,264,601	\$ 64,964,941

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Major Enterprise Funds					Total Enterprise Funds
	Waterworks/ Sanitary Sewer	Solid Waste	Public Improvement Corporation	Central Materials Processing Facility	Recreation	
Operating Revenues:						
Water	\$ 4,469,719	\$ -	\$ -	\$ -	\$ -	\$ 4,469,719
Sewer	3,593,540	-	-	-	-	3,593,540
Solid waste	-	3,591,052	-	-	-	3,591,052
Tap on fees	596,600	-	-	-	-	596,600
Tipping fees	-	-	-	1,606,927	-	1,606,927
Recycling income	-	-	-	1,545,898	-	1,545,898
Earth Centre	-	-	-	271,410	-	271,410
Intergovernmental	103,776	4,263	-	-	-	108,039
Recreation	-	-	-	-	6,092,237	6,092,237
Miscellaneous	1,657,326	97,883	-	20,267	-	1,775,476
Total Operating Revenues	10,420,961	3,693,198	-	3,444,502	6,092,237	23,650,898
Operating Expenses:						
Personnel costs	4,045,420	2,351,200	-	1,673,336	3,408,533	11,478,489
Depreciation	2,942,173	632,630	2,049	220,548	1,826,680	5,624,080
Utilities	631,594	45,235	-	53,294	845,199	1,575,322
Purchased water	757,295	-	-	-	-	757,295
Wastewater treatment costs	138,213	-	-	-	-	138,213
Landfill fees	-	910,203	-	862,394	-	1,772,597
Repairs and maintenance	499,548	222,911	-	154,115	250,593	1,127,167
Chemicals and supplies	348,148	6,682	-	875	80,623	436,328
Professional services	423,400	12,145	-	24,012	188,313	647,870
Office expense	203,454	42,263	-	180,393	281,320	707,430
Insurance	32,720	30,848	-	(16,116)	49,518	96,970
Gasoline and fuel	137,950	238,199	-	34,084	19,569	429,802
Rent	11,716	1,409	-	5,594	-	18,719
Concessions	-	-	-	-	205,972	205,972
Miscellaneous	475,539	709,493	-	429,665	19,222	1,633,919
Total Operating Expenses	10,647,170	5,203,218	2,049	3,622,194	7,175,542	26,650,173
Operating Loss	(226,209)	(1,510,020)	(2,049)	(177,692)	(1,083,305)	(2,999,275)
Nonoperating Revenues (Expenses):						
Interest on investments	5,869	26,605	30	1,462	1,108	35,074
Bond interest and fees	(1,333,395)	-	-	-	(945,738)	(2,279,133)
(Loss) gain on disposal of capital assets	(33,281)	4,585	-	-	-	(28,696)
Capital asset transfers out	-	-	(4,835,148)	-	-	(4,835,148)
Loss on early extinguishment of debt	-	-	(155,254)	-	-	(155,254)
Equity loss in joint venture	(55,313)	-	-	-	-	(55,313)
Total Nonoperating Revenues (Expenses)	(1,416,120)	31,190	(4,990,372)	1,462	(944,630)	(7,318,470)
Loss Before Capital Contributions and Transfers	(1,642,329)	(1,478,830)	(4,992,421)	(176,230)	(2,027,935)	(10,317,745)
Capital contributions	10,018,826	-	-	-	5,346,568	15,365,394
Transfers in	-	-	5,546,496	-	1,050,000	6,596,496
Transfers out	-	-	(533,193)	-	-	(533,193)
Change In Net Assets	8,376,497	(1,478,830)	20,882	(176,230)	4,368,633	11,110,952
Net Assets - Beginning of Year, restated	32,854,730	7,599,274	(20,882)	3,524,899	9,895,968	53,853,989
Net Assets - End of Year	\$ 41,231,227	\$ 6,120,444	\$ -	\$ 3,348,669	\$ 14,264,601	\$ 64,964,941

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Major Enterprise Funds					Total Enterprise Funds
	Waterworks/ Sanitary Sewer	Solid Waste	Public Improvement Corporation	Central Materials Processing Facility	Recreation	
Cash Flows From Operating Activities:						
Receipts from customers	\$ 8,397,867	\$ 3,535,384	\$ -	\$ 3,420,955	\$ 6,111,241	\$ 21,465,447
Payments to suppliers	(3,766,425)	(4,471,883)	-	(1,623,230)	(1,877,170)	(11,738,708)
Payment to employees	(3,765,350)	(2,185,714)	-	(1,530,457)	(3,229,298)	(10,710,819)
Other receipts	2,019,162	143,127	-	39,550	(23,614)	2,178,225
Net Cash Provided By (Used In) Operating Activities	2,885,254	(2,979,086)	-	306,818	981,159	1,194,145
Cash Flows Provided By (Used In) Noncapital Financing Activities:						
Advances on (repayments of) internal balances	(21,417)	59,501	-	(39,745)	(7,240)	(8,901)
Net Cash Provided by (Used In) Noncapital Financing Activities	(21,417)	59,501	-	(39,745)	(7,240)	(8,901)
Cash Flows From Capital and Related Financing Activities:						
Transfers in	-	-	5,546,496	-	1,050,000	6,596,496
Transfers out	-	-	(533,192)	-	-	(533,192)
Acquisition and construction of capital assets, net	(2,356,447)	(378,688)	-	(111,228)	(427,552)	(3,273,915)
Proceeds from sale of capital assets	12,600	5,252	-	-	-	17,852
Principal paid on bonds	(1,500,000)	-	(5,430,000)	-	(720,000)	(7,650,000)
Interest paid on bonds	(198,768)	-	(116,546)	-	(865,636)	(1,180,950)
Net Cash Provided Used In Capital and Related Financing Activities	(4,042,615)	(373,436)	(533,242)	(111,228)	(963,188)	(6,023,709)
Cash Flows Provided By Investing Activities:						
Proceeds from sale of investments	-	3,202,587	-	-	-	3,202,587
Interest received on investments	5,869	25,861	30	1,462	1,108	34,330
Net Cash Provided By Investing Activities	5,869	3,228,448	30	1,462	1,108	3,236,917
Net (Decrease) Increase In Cash And Cash Equivalents	(1,172,909)	(64,573)	(533,212)	157,307	11,839	(1,601,548)
Cash and Cash Equivalents - Beginning of Year	5,769,986	2,652,543	533,212	1,170,904	2,945,773	13,072,418
Cash and Cash Equivalents - End of Year	\$ 4,597,077	\$ 2,587,970	\$ -	\$ 1,328,211	\$ 2,957,612	\$ 11,470,870
Cash and Cash Equivalents - End of Year	\$ 4,597,077	\$ 2,587,970	\$ -	\$ 1,328,211	\$ 2,957,612	\$ 11,470,870
Investments	-	1,803,515	-	-	-	1,803,515
Cash, Cash Equivalents and Investments - End of Year	\$ 4,597,077	\$ 4,391,485	\$ -	\$ 1,328,211	\$ 2,957,612	\$ 13,274,385
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:						
Operating Income (loss)	\$ (226,209)	\$ (1,510,020)	\$ (2,049)	\$ (177,692)	\$ (1,083,305)	\$ (2,999,275)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation expense	2,942,173	632,630	2,049	220,548	1,826,680	5,624,080
(Increase) decrease in assets:						
Services receivable	(264,578)	(55,668)	-	(3,280)	-	(323,526)
Miscellaneous receivable	264,395	40,981	-	19,283	(2,094)	322,565
Inventory	325	-	-	(115,798)	6,598	(108,875)
Increase (decrease) in liabilities:						
Accounts payable	(107,173)	2,818	-	220,878	56,561	173,084
Accrued payroll	17,965	11,176	-	6,024	19,724	54,889
Accrued vacation	3,757	10,941	-	7,397	17,562	39,657
Deposits held for others	(5,875)	-	-	-	(22,998)	(28,873)
Other liabilities	260,474	(2,111,944)	-	129,458	162,431	(1,559,581)
Total Adjustments	3,111,463	(1,469,066)	2,049	484,510	2,064,464	4,193,420
Net Cash Provided By (Used In) Operating Activities	\$ 2,885,254	\$ (2,979,086)	\$ -	\$ 306,818	\$ 981,159	\$ 1,194,145

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF FIDUCIARY NET ASSETS -
OTHER POST EMPLOYMENT BENEFITS TRUST FUND
SEPTEMBER 30, 2011**

ASSETS:

Cash and investments:

Held by trustees:

Money market mutual funds \$ 43,468

Domestic equity investments:

Exchange traded funds 1,606,280

Mutual funds 1,846,996

International equities:

Common stock foreign 65,901

Exchange traded funds 469,305

Mutual funds 381,477

Fixed income investments:

Corporate bonds 499,189

Agency notes 150,696

Diversified taxable mutual funds 2,504,908

Other 124,987

Alternative investments:

Hedge funds 527,400

Traded real estate 188,144

Commodities 226,874

Receivables, net of allowances:

Interest 12,953

Other 46,906

Prepaid items 9,226

Total Assets 8,704,710

LIABILITIES:

Accounts payable 14,442

Deferred revenue 6,651

Total Liabilities 21,093

NET ASSETS:

Held in trust for other post employment benefits \$ 8,683,617

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS -
OTHER POST EMPLOYMENT BENEFITS TRUST FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011**

ADDITIONS:

Contributions:

City of St. Peters	\$ 429,000
Plan members	98,553
Total Contributions	<u>527,553</u>

Investment income:

Interest and dividends	295,131
Net depreciation in the fair value of plan investments	<u>(267,879)</u>
Total Investment Income	<u>27,252</u>

Total Additions	<u>554,805</u>
------------------------	----------------

DEDUCTIONS:

Benefit payments	<u>303,468</u>
------------------	----------------

Administrative and general expenses:

Insurance, taxes and other premiums	142,078
Professional fees	<u>40,399</u>
Total administrative and general expenses	<u>182,477</u>

Total Deductions	<u>485,945</u>
-------------------------	----------------

CHANGE IN NET ASSETS	68,860
-----------------------------	--------

**NET ASSETS HELD IN TRUST FOR OTHER
POST EMPLOYMENT BENEFITS:**

BEGINNING OF YEAR	<u>8,614,757</u>
END OF YEAR	<u><u>\$ 8,683,617</u></u>

CITY OF ST. PETERS, MISSOURI

**NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2011**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of St. Peters, Missouri (the City) was incorporated in 1910. The City operates as a fourth-class city under the Missouri state statutes under the Board of Aldermen/City Administrator form of government. The Board of Aldermen is comprised of eight Aldermen and a Mayor. The City provides the following services: public safety (police), public works, public improvements, water and sanitary sewer, residential trash collection, recreation, community development, health, planning and zoning, and general administration.

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

Reporting Entity

The City defines its reporting entity to include all component units for which the City's governing body is financially accountable. The City is financially accountable if it appoints a voting majority of a potential component unit's governing body and is able to impose its will on that potential component unit, or the relationship must have the potential for creating specific financial benefits to, or impose specific financial burdens on the City. The City's financial reporting entity consists of the City and its component units.

Blended Component Units: The following component unit is legally separate from the City; however, its activities are so intertwined with the City as the primary government that it is, in substance, the same as the primary government. As such, the balances and transactions of this component unit are blended into the basic financial statements and are reported in a manner similar to the balances and transactions of the City itself.

The City of St. Peters Public Improvement Corporation (the PIC) has been reported as a component unit of the City and blended as a separate enterprise fund because of the significance of its operational and financial relationship with the City. The PIC was formed in August 1990 for the purpose of facilitating the acquisition and construction of certain capital improvements and facilities solely for the benefit of the City. The PIC is accounted for as if it were part of the City's operations because it was established to provide benefits exclusively for the public facility need of the City. Separate financial statements are not prepared for the PIC.

Discretely Presented Component Units: The component unit column in the statement of net assets and statement of activities includes the financial data of the City's discretely presented component unit, which is reported in a separate column to emphasize that it is legally separate from the City.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

The City of St. Peters Natatorium Foundation (the Foundation) is a not-for-profit corporation organized for the purpose of accepting contributions from the community and using the resources to fund improvements to the St. Peters Rec-Plex facility. The Foundation is discretely presented due to the nature and significance of its relationship with the board. The accounting policies and financial reporting practices of the Foundation conform to accounting principles generally accepted in the United States of America applicable to not-for-profit entities. The Foundation has only one fund. There are no separate financial statements issued for the Foundation.

Joint Venture: The City has entered into the following multi-governmental arrangement creating an organization that is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control, in which the City retains an ongoing financial interest or an ongoing financial responsibility.

The St. Peters-St. Charles Water Pipeline Project (the Water Pipeline Project) was formed under the laws of the State of Missouri on October 2, 1985. The purpose of the Water Pipeline Project is to construct and operate a water pipeline and appurtenant facilities from the Howard Bend Treatment Plant, owned and operated by the City of St. Louis, Missouri, to the separate facilities of the municipalities of St. Peters, Missouri, and St. Charles, Missouri, in order to adequately supply water by the pipeline to the citizens and businesses of the municipalities. The Water Pipeline Project is owned by the City of St. Peters (31.8%) and the City of St. Charles (68.2%). The City of St. Peters is responsible for managing and accounting for the daily operations of the Water Pipeline Project, except when concurrence of both cities is required. Additional information regarding the Water Pipeline Project is provided in Note 11.

Basis Of Presentation

The City's basic financial statements include both government-wide (reporting on the City as a whole) and fund financial statements (reporting the City's major, and in the aggregate nonmajor, funds).

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all nonfiduciary activities of the City. The effect of interfund activity has been removed from these statements, with the exception of interfund services provided and used. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Taxes, unrestricted interest earnings and other items not included among program revenues are reported instead as general revenues. The government-wide focus is on the sustainability of the City as an entity and the change in the City's net assets resulting from the current year's activity.

Fund Financial Statements

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

Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with self-balancing accounts. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. There are three categories of funds used by the City, governmental, proprietary and fiduciary.

Governmental Funds

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 (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income. The following are the City's major governmental funds:

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

Transportation Trust - The transportation trust fund is used to account for transportation sales tax revenues and grants to be used for the construction, repair and maintenance of streets, roads and bridges.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Special Allocation - City Centre - The Special Allocation fund - City Centre is used to account for revenues generated by the City Centre TIF district for the payment of debt service and other TIF related expenditures.

Debt Service - The debt service fund is used to account for the accumulation of resources for, and the payment of, governmental long-term debt principal, interest, and related costs.

Capital Projects - The capital projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

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

Proprietary Funds

Proprietary funds are used to account for activities that are similar to those found in the private sector. The measurement focus used is the economic resources measurement focus. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City has five enterprise funds which are all considered major funds as follows:

Waterworks/Sanitary Sewer - The waterworks/sanitary sewer fund is used to account for the billing and collection of charges for water and sanitary sewer services for customers of the waterworks and sanitary sewer system. Revenues are used to pay for both operating expenses and capital costs to maintain these services.

Solid Waste - The solid waste fund is used to account for the provision of solid waste collection to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

Public Improvement Corporation - The public improvement corporation fund is used to account for the acquisition and construction of certain capital improvements and facilities solely for the benefit of the City.

Central Materials Processing Facility - The central materials processing facility fund is used to account for revenues and expenses resulting from the processing of solid waste. Trash and recyclable materials are sorted by recyclable type (i.e., cardboard, newspaper, plastic, glass, aluminum, etc.). The sorted recyclables are then baled and sold to companies that use recyclable material in the manufacturing of their products. The remaining material (trash) is taken to a landfill.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Recreation Fund - The recreation fund is used to account for activities of the City's recreation operations.

Governmental Accounting Standards Board (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*, offers the option of following all private-sector standards of accounting and financial reporting issued after November 30, 1989, unless the latter conflict with or contradict GASB pronouncements, for their business-type activities and enterprise funds. The City elected not to follow private-sector guidance issued after such date.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

The principal operating revenues of the Enterprise Funds are charges to customers for sales and services. Operating expenses for the Enterprise Funds include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Fiduciary Fund Type - Trust and Agency Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Trust funds are accounted for and reported similar to proprietary funds. The City's trust fund accounts for post-employment health care benefits provided to eligible retirees. The City does not have any agency funds.

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net assets.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Basis Of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements, proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

Revenues - Exchange And NonExchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year.

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied (Note 3). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. For the City, available means expected to be received within 60 days of year end.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: state-levied locally shared taxes (including gasoline tax), fines and forfeitures, licenses and permits, interest, grants and rentals.

Deferred And Unearned Revenues

Deferred revenue arises when assets are recognized before revenue recognition criteria has been satisfied. Certain grants received before eligibility requirements are met are reported as unearned revenues.

In governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. However, principal and interest on general long-term debt, which have not matured are recognized when paid. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Cash And Cash Equivalents And Investments

The City's cash and cash equivalents consist of highly liquid investments (including restricted assets) with maturity dates within three months of the date acquired by the City. Investments consist of those investments with maturity dates greater than three months at the time of purchase by the City. Investments that have a maturity date of less than one year at the time of purchase are carried at cost or amortized cost because of their short-term maturities. Investments that have a maturity date of greater than one year at the time of purchase are carried at fair value. Fair value is based on quoted market prices.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year end are recorded as prepaid items.

Inventories

Inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. The cost of governmental fund-type inventories is recorded as expenditures when consumed rather than when purchased.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded, is employed within the governmental fund financial statements. Encumbrances outstanding at year-end do not constitute expenditures or liabilities and are reported as assigned fund balance to indicate that a portion of the fund balance is not available for subsequent appropriation.

Capital Assets

Capital assets, which include property, plant, equipment and prospectively reported infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of \$250 or more for general capital assets and \$5,000 or more for infrastructure, and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not enhance functionality or materially extend the life of an asset are not capitalized.

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

Buildings	30 years
Structures and improvements	20 years
Water and sewer lines	50 years
Streets, bridges and sidewalks	12 - 50 years
Furniture and other equipment	5 - 8 years
Vehicles	5 years
Computer equipment	5 years
Software	3 years
Land improvement	20 years
Pool equipment	5 years

Compensated Absences

City employees earn vacation during the current year which must be taken in the subsequent year. Accrued vacation time is recognized as a liability when incurred and any unused accumulated vacation is payable to employees upon termination. Based upon the policy of the City, all of the accrued vacation is due within one year and is recorded in the government-wide and proprietary fund financial statements as a short-term liability. A liability for these amounts is reported in governmental funds only if the amounts due at year end have matured. Sick leave benefits do not vest and are recorded as expenditures when paid. Compensated absences are typically liquidated by the general fund.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Other Post Employment Benefit Obligation

The City calculates and records a net other post employment benefit obligation (OPEB) in the government-wide and proprietary funds financial statements. The net OPEB is, in general, the cumulative difference between the actuarial required contribution and the actual contributions since October 1, 2008, the required date of implementation. The City is not required to and has elected not to retroactively implement GASB 45. Details relating to the City's postretirement health care benefits provided, OPEB liability, and its calculation are provided at Note 13. The obligation is typically liquidated by the general fund.

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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable, as reported in the statement of net assets, are adjusted by the applicable bond premium or discount and deferred amounts on refundings. Bond issuance costs are reported as a deferred charge.

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

Debt Refunding

For current and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense over the remaining life of the old debt or new debt, whichever is shorter, using the straight-line method since the results of the straight-line method are not materially different from the use of the effective interest method. The deferred refunding amounts are classified as a component of bonds payable in the government-wide and proprietary fund financial statements.

Interfund Activity

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

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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

Adoption of New Accounting Standards

For the year ended September 30, 2011, the City adopted GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The requirements for this statement are effective for periods beginning after June 15, 2010.

Governmental Fund Balances

In the governmental fund financial statements the following classifications are used to define the governmental fund balances:

Nonspendable -- This consists of the governmental fund balances that are not in spendable form or legally or contractually required to be maintained intact. The City's nonspendable fund balance consists of inventory and prepaid items.

Restricted - This consists of the governmental fund balances that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. The City's restricted funds consist of various taxes approved by voters for specific purposes, capital projects, sewer lateral projects, grants, police services, TIF projects and debt obligations.

Committed -- This consists of the governmental fund balances that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the Board of Aldermen, the City's highest level of decision-making authority. The City has no committed fund balance as of September 30, 2011.

Assigned -- This consists of the governmental fund balances that are intended to be used for specific purposes by a) Board of Aldermen or b) City Administrator. The City's assigned fund balance includes monies budgeted in the subsequent year, contractual obligations (encumbrances) and capital project.

Unassigned - This consists of the governmental funds that do not meet the definition of "nonspendable," "restricted," "committed," or "assigned."

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Net Assets

In the government-wide financial statements, net assets are displayed in three components as follows:

Invested in Capital Assets, Net of Related Debt - This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted - This consists of net assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted - This consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Use of Restricted Resources

When an expense is incurred that can be paid using either restricted or unrestricted resources (net assets), the City's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the City's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications-committed and then assigned fund balances before using unassigned fund balances.

Investment In Joint Venture

The City's investment in the St. Peters - St. Charles Water Pipeline Project (the Joint Venture) is recorded on the equity method of accounting, taking into consideration capitalized interest.

Estimates And Assumptions

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

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

2. DEPOSITS AND INVESTMENTS

Investment Policy

The City's Deputy Investment Officer, subject to the review of the Investment Officer, is authorized to invest excess cash in any investments authorized by the City's investment policy. The City's investment policy conforms to the investment policy guidelines set forth by the State of Missouri. The City's investment policy authorizes the City to invest in the following instruments: insured or collateralized certificates of deposit, certain collateralized repurchase agreements, direct obligations of any state in the United States and certain Missouri governmental entities (as outlined in the policy) that are rated "AAA" by Standard & Poor's Corporation and/or "Aaa" by Moody's Investor Service at the time of purchase, direct obligations of the United States of America, and obligations issued or guaranteed by certain agencies of the United States of America (as outlined in the policy). As of September 30, 2011, all of the City's investments were in compliance with the City's investment policy.

Any bond ordinance, contract or other document, which imposes more stringent standards for investments than those set forth in the policy, shall govern the investment of such funds. To the extent the City's policy shall impose more stringent standards for investments than those set forth in any bond ordinance, contract or other document, the City's policy shall govern such investments.

As of September 30, 2011, the City's deposit and investment balances were as follows:

<u>Deposit/Investment Type</u>	<u>Carrying Value</u>
Deposits	\$26,903,807
Money market mutual funds	4,444,306
Treasury obligations	<u>4,804,221</u>
	<u>\$36,152,334</u>

As of September 30, 2011, the discretely presented component unit's investment balances were as follows:

Money market mutual funds	\$ 31,665
United States government agency obligations	138,903
Municipal bonds and notes - tax	64,688
Corporate bonds and notes	136,494
Common stocks	352,283
Equity mutual funds	<u>944,221</u>
	<u>\$1,668,254</u>

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

The discretely presented component unit is not required to adopt the provision of GASB 40.

Fiduciary Trust Investments:

Money market mutual funds	\$ 43,468
Common stocks	1,606,280
Mutual funds	4,733,381
Agency notes	150,696
Corporate bonds and notes	499,189
Hedge funds	527,400
Traded real estate	188,144
Commodities	226,874
Common stock - foreign	65,902
Exchange traded funds - international	469,305
Fixed income international bond funds	31,575
Fixed income emerging markets	<u>93,412</u>
	<u>\$8,635,626</u>

Since the investment strategies and associated risks for the City’s Fiduciary Trust fund is substantially different than those of the remainder of the City, the investment disclosures for the Fiduciary Trust are presented separately.

Interest Rate Risk

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in general interest rates. As of September 30, 2011, the City had the following investments and maturities:

Investment	Carrying Value	Investment Maturities (In Years)	
		Less than 1	1 - 5
City:			
Money market mutual funds	\$ 4,444,306	\$ 4,444,306	\$ -
Treasury obligations	4,804,221	4,804,221	-
	<u>\$ 9,248,527</u>	<u>\$ 9,248,527</u>	<u>\$ -</u>

Generally, all investments shall be held to maturity to avoid market losses. To enable investments to be held to maturity, investments shall be made in a manner that ensures the availability of funds on a timely and adequate basis for payment of general expenditures and capital outlay projects. Maturity limitations shall depend on fund type (i.e., short-term or long-term). All funds shall be considered short-term, except those for debt service reserves, capital projects, special assessment funds and trust funds, unless otherwise determined by the Investment Officer consistent with the policy.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Market price volatility risk and reinvestment risk shall be controlled through maturity diversification.

All repurchase agreements shall have a maturity of not longer than 30 days. No more than 15% of the City's portfolio shall be invested in repurchase agreements, unless approval has been obtained by the Board of Aldermen.

Short-term fund investment maturities shall be scheduled to coincide with projected cash flow needs, considering anticipated revenues and large routine expenditures (e.g. payroll). Short-Term funds shall be invested in instruments whose maturities do not exceed one year at the time of purchase.

At no time shall the City invest Short-Term Funds with a maturity date of over one year without the approval of the Board of Aldermen prior to commitment of such funds.

Debt service reserve funds may be invested for a period corresponding to the maturity on the bonds that such debt service reserve fund secures. All other Long-Term Funds may be invested with maturities that generally coincide with the expected fund uses. Long-Term Funds may only be invested in investments that are permitted in the policy.

Investment Credit Risk

The City will minimize the credit risk, the risk of loss due to failure of the security issuer or backer, by pre-qualifying the financial institutions, broker/dealers, advisors and depositories with which the City will do business. The City will also diversify the portfolio so that potential losses on individual securities will be minimized.

The City's credit ratings associated with their investments are as follows:

Money market mutual funds	AAAm
Treasury obligations	AAA

Concentration of Credit Risk

The City's investment policy places no specific limits on the amount the City may invest in any one issuer as a percentage of the total portfolio, with the exception of repurchase agreements, which are limited to 15% of the portfolio. The City employs the "prudent person" standard, as defined in the policy, to determine the instrument type and maturity that the City invest its funds in. As of September 30, 2011, the City's investments were not subject to concentration of credit risk.

Custodial Credit Risk

For investments, custodial credit 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 its investments or collateral securities that are in the possession of an outside party. In accordance with its policy, the City addresses custodial credit risk by pre-qualifying institutions with which the City places investments, diversifying its investment portfolio and maintaining the "prudent person" standard of quality for its investments.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

For deposits, custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution, by surety company bonds or by a single collateral pool established by the financial institution.

Fiduciary Trust Investments

The Fiduciary Trust Fund is governed by City of St. Peters Post Retirement Medical Trust (the "Trust") guidelines. The Trust will be for the benefit of former employees who have retired directly from service with the City.

The Trust is authorized to invest in the following types of investments:

- a. Equity funds, which are primarily invested in common stocks of publicly traded companies, as well as securities that can be converted into common stocks. Equity strategies may include large, mid and small capitalization investments. International equity strategies may include developed markets and emerging markets investments.
- b. Fixed income, which may be comprised of individually managed bonds, mutual funds and exchange traded funds. Fixed income investments shall consist of U.S. Treasury Government Agencies, Corporate, Mortgage Backed, Taxable Municipal, and Asset Backed Securities. A portion of the fixed income allocation may be invested in international, high yield, and emerging market bond funds.

Interest Rate Risk

As of September 30, 2011, the Trust had the following investments and maturities:

<u>Investment Type</u>	<u>Carrying Value</u>	<u>Investment Maturities (In Years)</u>		
		<u>Not Applicable</u>	<u>Less Than 1</u>	<u>1 - 5</u>
Fiduciary Trust:				
Money market mutual funds	\$ 43,468	\$ -	\$ 43,468	\$ -
Common stocks	1,606,280	1,606,280	-	-
Mutual funds:				
Domestic equity	1,846,996	1,846,996	-	-
Fixed income	2,504,908	-	2,504,908	-
International equity	381,477	381,477	-	-
Agency notes	150,696	-	150,696	-
Corporate bonds and notes	499,189	-	499,189	-
Hedge funds	527,400	527,400	-	-
Traded real estate	188,144	188,144	-	-
Commodities	226,874	226,874	-	-
Common stock - foreign	65,902	65,902	-	-
Exchanged traded funds - international	469,305	469,305	-	-
Fixed income international bond funds	31,575	31,575	-	-
Fixed income emerging markets	93,412	93,412	-	-
	<u>\$ 8,635,626</u>	<u>\$ 5,437,365</u>	<u>\$ 3,198,261</u>	<u>\$ -</u>

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

The Trust plan requires active managers to manage the effective duration of their portfolio type comparable to their peers and relative to specific indices outlined in the Plan's policies.

Custodial Credit Risk

The Trust plan does not have a specific policy addressing custodial credit risk. The Pension Trust was not subject to custodial credit risk this year.

Investment Credit Risk

The Trust plans investment policies limit its investment choices, as documented above. The credit ratings associated with their investments subject to credit risk have average ratings by Standard & Poor's or Moody's as follows:

Ratings	Investment Type					
	Money Market Mutual Funds	Mutual Funds	Corporate Bonds and Notes	Income International Bond Fund	Agency Notes	Emerging Markets
AAA	\$ 43,468	\$ -	\$ -	\$ -	\$ -	\$ -
AA	-	-	-	31,575	-	-
AA+	-	69,369	-	-	-	-
AA-	-	2,080,800	-	-	-	-
A	-	-	499,189	-	-	-
A+	-	354,739	-	-	-	-
A-1	-	-	-	-	150,696	-
BB	-	-	-	-	-	47,812
BB+	-	-	-	-	-	45,600
	<u>\$ 43,468</u>	<u>\$ 2,504,908</u>	<u>\$ 499,189</u>	<u>\$ 31,575</u>	<u>\$ 150,696</u>	<u>\$ 93,412</u>

Concentration of Investment Credit Risk

The Trust's investment policy allows the following ranges for asset classes:

Equity	40% to 60%
Fixed Income	10% to 40%
Money Markets	1% to 40%
Alternative Investments*	up to 10%

* including pooled real estate/real estate investment trusts, hedge funds, commodity funds, etc.

Concentration of credit risk is required to be disclosed by the City for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U.S. Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments). At September 30, 2011, the City had the following concentrations of credit risk:

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Description	Carrying Value	Percentage of Total Investments
Common stocks	\$ 1,606,280	41.2%
Hedge funds	527,400	13.5%
Corporate bonds and notes	499,189	12.8%
Exchange traded funds - international	469,305	12.0%
Commodities	266,874	5.8%

3. PROPERTY TAX

The City's property tax is levied annually, on or before September 1, based on the assessed valuation of property located in the City as of the previous January 1. Assessed valuations are established by the St. Charles County Assessor. The City tax rate was levied at \$.77 per \$100 of assessed valuation, of which \$.5759 is for general revenue purposes and \$.1941 for the payment of principal and interest on general obligation bonds. Taxes are billed November 1, are due and collectible on December 31, and are delinquent and represent a lien on related property on January 1 of the following year. Taxes are billed, collected and remitted to the City by the St. Charles County Collector.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

4. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2011:

	Balance October 1, 2010	Additions and transfers	Retirements and transfers	Balance September 30, 2011
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 143,135,078	\$ 8,418,157	\$ -	\$ 151,553,235
Construction in progress	28,188,655	4,194,122	24,967,218	7,415,559
Total capital assets not being depreciated	171,323,733	12,612,279	24,967,218 *	158,968,794
Capital assets, being depreciated:				
Structures and improvements	52,559,288	2,406,377	56,125	54,909,540
Machinery and equipment	17,879,999	1,058,566	278,229	18,660,336
Furniture and fixtures	1,503,409	66,406	11,536	1,558,279
Vehicles	6,359,481	154,981	677,594	5,836,868
Infrastructure	197,711,193	26,583,195	2,053,672	222,240,716
Total capital assets being depreciated	276,013,370	30,269,525 **	3,077,156	303,205,739
Less - accumulated depreciation for:				
Structures and improvements	16,719,445	1,840,669	36,731	18,523,383
Machinery and equipment	14,316,171	1,342,905	271,158	15,387,918
Furniture and fixtures	1,184,737	61,151	11,514	1,234,374
Vehicles	4,491,316	624,223	634,819	4,480,720
Infrastructure	99,784,328	6,862,535	2,053,672	104,593,191
Total accumulated depreciation	136,495,997	10,731,483	3,007,894	144,219,586
Total capital assets being depreciated, net	139,517,373	19,538,042	69,262	158,986,153
Governmental activities, capital assets, net	\$ 310,841,106	\$ 32,150,321	\$ 25,036,480	\$ 317,954,947

** Includes \$4,635,213 transfers from a proprietary fund.

* Includes \$5,138,658 transfers to the recreation fund and \$6,366,822 transfers to the Waterworks/Sanitary Sewer.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

	Balance October 1, 2010	Additions and transfers	Retirements and transfers	Balance September 30, 2011
Business-Type Activities:				
Waterworks/Sanitary Sewer:				
Capital assets, not being depreciated:				
Land and land rights	\$ 1,279,613	\$ 55,624	\$ 45,881	\$ 1,289,356
Construction in progress	1,179,870	21,778	1,127,777	73,871
Total capital assets not being depreciated	2,459,483	77,402	1,173,658	1,363,227
Capital assets, being depreciated:				
Structures and improvements	53,249,744	4,253,664	-	57,503,408
Water lines	19,417,497	3,839,791	-	23,257,288
Sewer lines	16,075,838	4,843,815	-	20,919,653
Machinery, equipment and vehicles	6,082,316	488,378	60,421	6,510,273
Furniture, fixtures and other assets	24,293	-	98	24,195
Total capital assets being depreciated	94,849,688	13,425,648 *	60,519	108,214,817
Less: Accumulated depreciation for:				
Structures and improvements	25,752,163	1,615,452	-	27,367,615
Water lines	6,494,852	424,062	-	6,918,914
Sewer lines	6,476,421	382,705	-	6,859,126
Machinery, equipment and vehicles	4,635,760	518,450	60,421	5,093,789
Furniture, fixtures and other assets	20,577	1,504	98	21,983
Total accumulated depreciation	43,379,773	2,942,173	60,519	46,261,427
Total capital assets being depreciated, net	51,469,915	10,483,475	-	61,953,390
Waterworks/sanitary sewer capital assets, net	\$ 53,929,398	\$ 10,560,877	\$ 1,173,658	\$ 63,316,617
* Includes \$6,366,822 transferred from Governmental Activities.				
Solid Waste:				
Capital assets, not being depreciated:				
Land and land rights	\$ -	\$ -	\$ -	\$ -
Construction in progress	-	-	-	-
Total capital assets not being depreciated	-	-	-	-
Capital assets, being depreciated:				
Structures and improvements	710,634	-	-	710,634
Machinery and equipment	2,169,093	116,802	-	2,285,895
Vehicles	4,766,983	261,886	30,620	4,998,249
Total capital assets being depreciated	7,646,710	378,688	30,620	7,994,778
Less: Accumulated depreciation for:				
Structures and improvements	487,734	25,751	-	513,485
Machinery and equipment	1,952,587	91,649	-	2,044,236
Vehicles	3,410,252	515,230	29,953	3,895,529
Total accumulated depreciation	5,850,573	632,630	29,953	6,453,250
Total capital assets being depreciated, net	1,796,137	(253,942)	667	1,541,528
Solid waste capital assets, net	\$ 1,796,137	\$ (253,942)	\$ 667	\$ 1,541,528

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

	Balance October 1, 2010	Additions and transfers	Retirements and transfers	Balance September 30, 2011
Business-Type Activities (continued):				
Public Improvement Corporation:				
Capital assets, not being depreciated:				
Land and land rights	\$ -	\$ -	\$ -	\$ -
Construction in progress	654,690	-	654,690	-
Total capital assets not being depreciated	654,690	-	654,690	* -
Capital assets, being depreciated:				
Structures and improvements	4,226,440	-	4,226,440	-
Machinery, equipment and vehicles	-	-	-	-
Furniture and fixtures	-	-	-	-
Total capital assets being depreciated	4,226,440	-	4,226,440	** -
Less: Accumulated depreciation for:				
Structures and improvements	43,932	2,049	45,981	-
Machinery, equipment and vehicles	-	-	-	-
Furniture and fixtures	-	-	-	-
Total accumulated depreciation	43,932	2,049	45,981	-
Total capital assets being depreciated, net Public Improvement Corporation capital assets, net	4,182,508	(2,049)	4,180,459	-
	\$ 4,837,198	\$ (2,049)	\$ 4,835,149	\$ -
Central Materials Processing Facility:				
Capital assets, not being depreciated:				
Land and land rights	\$ -	\$ -	\$ -	\$ -
Construction in progress	-	-	-	-
Total capital assets not being depreciated	-	-	-	-
Capital assets, being depreciated:				
Structures and improvements	4,523,366	33,109	-	4,556,475
Machinery and equipment	1,632,171	78,119	33,854	1,676,436
Furniture and fixtures	14,671	-	-	14,671
Vehicles	185,326	-	-	185,326
Total capital assets being depreciated	6,355,534	111,228	33,854	6,432,908
Less: Accumulated depreciation for:				
Structures and improvements	2,150,184	163,967	-	2,314,151
Machinery and equipment	1,518,122	45,406	33,854	1,529,674
Furniture and fixtures	14,103	378	-	14,481
Vehicles	147,535	10,797	-	158,332
Total accumulated depreciation	3,829,944	220,548	33,854	4,016,638
Total capital assets being depreciated, net Central Materials Processing Facility capital assets, net	2,525,590	(109,320)	-	2,416,270
	\$ 2,525,590	\$ (109,320)	\$ -	\$ 2,416,270

* Includes \$654,690 transfers to Governmental Activities.

** Includes \$199,935 transfers to Recreation Fund and \$3,980,523 transfers to Governmental Activities.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

	Balance October 1, 2010	Additions and transfers	Retirements and transfers	Balance September 30, 2011
Business-Type Activities (continued):				
Recreation:				
Capital assets, not being depreciated:				
Land and land rights	\$ -	\$ -	\$ -	\$ -
Construction in progress	-	-	-	-
Total capital assets not being depreciated	-	-	-	-
Capital assets, being depreciated:				
Structures and improvements	41,774,566	5,474,454	-	47,249,020
Machinery and equipment	2,225,758	346,533	27,046	2,545,245
Furniture and fixtures	250,831	-	237	250,594
Total capital assets being depreciated	44,251,155	5,820,987 *	27,283	50,044,859
Less: Accumulated depreciation for:				
Structures and improvements	14,548,539	1,656,750	-	16,205,289
Machinery and equipment	1,631,262	212,890	27,046	1,817,106
Furniture and fixtures	233,056	3,907	237	236,726
Total accumulated depreciation	16,412,857	1,873,547 **	27,283	18,259,121
Total capital assets being depreciated, net	27,838,298	3,947,440	-	31,785,738
Recreation capital assets, net	\$ 27,838,298	\$ 3,947,440	\$ -	\$ 31,785,738

* Includes \$245,917 transfers from the Public Improvement Corporation and \$5,138,658 from Governmental Activities.

** Includes \$45,981 transfer from the Public Improvement Corporation.

Capitalized interest totaling \$1,489,114 and \$1,343,753 is included in the Recreation Fund and Waterworks/Sanitary Sewer Fund capital assets, respectively.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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

Governmental Activities:

General government	\$ 302,804
Administration	400,285
Police	1,173,837
Municipal court	2,835
Public works	7,473,669
Engineering	86,915
Vehicle and equipment maintenance	14,830
Health and environmental	186,378
Parks and recreation	887,467
Community relations	125,207
Community and arts	<u>77,256</u>
Total depreciation expense - governmental-type activities	<u><u>\$ 10,731,483</u></u>

Business-Type Activities:

Waterworks/sanitary sewer	\$ 2,942,173
Solid waste	632,630
Public improvement corporation	2,049
Central materials processing facilities	220,548
Recreation	<u>1,826,680</u>
Total depreciation expense - business-type activities	<u><u>\$ 5,624,080</u></u>

5. EMPLOYEES' RETIREMENT SYSTEM

Plan Description

The City participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, section RSMo. 70.600 - 70.755. As such, it is the system's responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and it is tax exempt.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Funding Policy

The City's full-time employees contribute 4% of their gross salary to the pension plan. The City is required by state statute to contribute at an actuarially determined rate; the current rate is 13.2% (general) and 12.4% (police) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

Annual Pension Cost

The City's annual pension cost and net pension obligation for the year ended September 30, 2011 were as follows:

Annual required contribution	\$ 3,119,457
Interest on net pension obligation	-
Adjustment to annual required contribution	-
Annual pension cost	<u>3,119,457</u>
Actual contributions	<u>2,933,375</u>
Increase (decrease) in NPO	186,082
NPO beginning of year	-
NPO end of year	<u><u>\$ 186,082</u></u>

The obligation is typically liquidated by the general fund.

The annual required contribution (ARC) was determined as part of the February 29, 2008 and February 28, 2009 annual actuarial valuations using the entry age actuarial cost method. The actuarial assumptions as of February 28, 2011 included: (a) a rate of return on the investment of present and future assets of 7.25% per year, compounded annually, (b) projected salary increases of 3.5% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 6.0% per year, depending on age and division, attributable to seniority/merit, (d) pre-retirement mortality based on 75% of the RP-2000 Combined Healthy Table set back 0 years for men and 0 years for women, and (e) post-retirement mortality based on 105% of the 1994 Group Annuity Mortality table set back 0 years for men and 0 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period as of February 29, 2008 was 15 years for the General division and 15 years for the Police division. The amortization period as of February 28, 2009 was 30 years for the General division and 30 years for the Police division.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Three-Year Trend Information				
Year Ended September 30,		Annual Pension Costs (APC)	Percentage of APC Contributed	Net Pension Obligation
2009	*	\$ 2,637,314	100%	\$ -
2010	*	\$ 2,748,358	100%	\$ -
2011		\$ 3,119,457	94%	\$ 186,082

* Plan year ended June 30.

Funded Status and Funding Progress

As of February 28, 2011, the most recent actuarial valuation date, the plan was 67 percent funded. The actuarial accrued liability for benefits was \$72.7 million, and the actuarial value of assets was \$48.9 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$23.8 million. The covered payroll (annual payroll of active employees covered by the plan) was \$23.3 million, and the ratio of the UAAL to the covered payroll was 102%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liability for benefits.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

6. LONG-TERM LIABILITIES

The original issue amount and fund maturity date for each bond outstanding is as follows:

	Original Authorized/ Issued Amount	Date of Maturity
General Obligation:		
Series 2004 Refunding	\$ 9,520,000	March 2012
Series 2007	7,000,000	March 2027
Series 2008	16,000,000	March 2028
Series 2010A Refunding	2,520,000	March 2021
Series 2010B Refunding	3,790,000	September 2030
Series 2011 Refunding	5,150,000	March 2016
Neighborhood Improvement District Special Assessment Debt With Governmental Commitment:		
Series 2006	52,700	March 2016
Tax Increment Revenue:		
Series 2001	9,900,000	December 2012
Revenue Bonds:		
Series 1999	9,910,000	May 2015
Series 2003	12,970,000	May 2023
Series 2007	21,445,000	May 2032
Series 2009	5,000,000	May 2029
Certificates of Participation:		
Series 2006A	23,100,000	November 2031
Series 2010A	870,000	May 2019
Series 2010B	8,805,000	May 2030
Series 2010C	1,725,000	June 2024
Development Notes (Premier 370 Project):		
Series 2008A	18,000,000	September 2028

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

	Balance - October 1, 2010, restated			Balance - September 30, 2011		Current Portion
	Additions	Retirements				
Governmental Activities						
General Obligation Bonds:						
Series 1999 Refunding	\$ 1,985,000	\$ -	\$ 1,985,000	\$ -		\$ -
Series 2004 Refunding	7,220,000	-	6,045,000	1,175,000		1,175,000
Series 2007	7,000,000	-	-	7,000,000		-
Series 2008	16,000,000	-	-	16,000,000		-
Series 2010A Refunding	2,520,000	-	20,000	2,500,000		20,000
Series 2010B Refunding	-	3,790,000	-	3,790,000		-
Series 2011 Refunding	-	5,150,000	-	5,150,000		100,000
Neighborhood Improvement District						
Limited General Obligation Bonds:						
Series 2006	34,700	-	5,000	29,700		5,000
Annual Appropriation Bonds:						
Tax Increment Revenue Notes:						
Taxable - Series 2001	5,532,000	-	2,600,000	2,932,000		-
Tax-exempt - Series 2001	4,367,000	-	-	4,367,000		-
Certificates of Participation:						
Series 2006A - Refunding portion	2,415,000	-	230,000	2,185,000		240,000
Series 2010A - Refunding portion	870,000	-	260,000	610,000		265,000
Series 2010B - Build America Bonds	8,805,000	-	345,000	8,460,000		345,000
Series 2010C - Refunding portion	-	1,725,000	-	1,725,000		115,000
Development Notes, Series A	12,355,000	1,055,000	285,000	13,125,000		-
OPEB obligation	2,593,523	1,762,021	311,500	4,044,044		-
Net pension obligation	-	2,183,619	2,053,105	130,514		-
Compensated absences	1,218,799	1,778,878	1,742,858	1,254,819		1,254,819
	<u>\$ 72,916,022</u>	<u>\$ 17,444,518</u>	<u>\$ 15,882,463</u>	74,478,077		<u>\$ 3,519,819</u>
Add: Unamortized premium				8,574		
Less: Unamortized discount and deferred amount on refunding				<u>(1,098,469)</u>		
Total Governmental Activities				<u>\$ 73,388,182</u>		
Business -Type Activities:						
Water/Sewer Revenue Bonds:						
Capital Appreciation Series 1999	\$ 5,205,000	\$ -	\$ 1,110,000	\$ 4,095,000		\$ 1,105,000
Capital Appreciation Series 2003	12,485,000	-	255,000	12,230,000		260,000
Capital Appreciation Series 2007	21,130,000	-	135,000	20,995,000		225,000
Revenue Bonds Series 2009	5,000,000	-	-	5,000,000		-
Annual Appropriation Bonds:						
Certificates of Participation:						
Series 2006A - Tax-exempt	19,825,000	-	245,000	19,580,000		605,000
Series 2006B - Taxable	475,000	-	475,000	-		-
PIC Leasehold Revenue Bonds (Note 7):						
Series 2003	5,430,000	-	5,430,000	-		-
OPEB obligation	1,104,192	735,056	117,500	1,721,748		-
Net pension obligation	-	935,838	880,270	55,568		-
Compensated absences	388,293	590,770	551,113	427,950		427,950
	<u>\$ 71,042,485</u>	<u>\$ 2,261,664</u>	<u>\$ 9,198,883</u>	64,105,266		<u>\$ 2,622,950</u>
Less: Unamortized discount and deferred amount on refunding				(553,484)		
Unaccreted capital appreciation on bonds				<u>(13,328,865)</u>		
Total Business-Type Activities				<u>\$ 50,222,917</u>		

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Debt Service Requirements To Maturity (Including Public Improvement Corporation)

The annual principal requirements to maturity of bonded debt outstanding as of September 30, 2011, assuming the Certificates of Participation lease/purchase agreement is renewed each year, are as follows:

Years Ending September 30	Governmental Activities				Business-Type Activities				Total Debt Service Requirements To Maturity	
	General Obligation and Special Assessment		Annual Appropriation		Revenue Bonds		Annual Appropriation		Principal	Interest
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest		
2012	\$ 1,300,000	\$ 1,259,370	\$ 965,000	\$ 577,210	\$ 1,590,000	\$ 197,590	\$ 605,000	\$ 834,350	\$ 4,460,000	\$ 2,868,520
2013	1,331,000	1,221,790	765,000	554,880	1,695,000	197,590	630,000	811,040	4,421,000	2,785,300
2014	1,686,000	1,204,500	780,000	534,150	1,795,000	197,590	650,000	786,550	4,911,000	2,722,790
2015	1,911,000	1,178,320	795,000	509,920	1,930,000	197,590	675,000	760,880	5,311,000	2,646,710
2016	1,536,700	1,143,130	825,000	483,540	1,985,000	195,340	705,000	733,620	5,051,700	2,555,630
2017-2021	8,850,000	4,854,620	3,730,000	1,928,860	10,620,000	883,570	3,965,000	3,203,260	27,165,000	10,870,310
2022-2026	12,420,000	2,764,540	2,850,000	1,175,310	10,885,000	585,040	4,885,000	2,259,300	31,040,000	6,784,190
2027-2031	6,610,000	373,180	2,270,000	361,560	10,105,000	133,890	6,080,000	1,031,260	25,065,000	1,899,890
2032	-	-	-	-	1,715,000	-	1,385,000	31,510	3,100,000	31,510
	\$ 35,644,700	\$ 13,999,450	\$ 12,980,000	\$ 6,125,430	\$ 42,320,000	\$ 2,588,200	\$ 19,580,000	\$ 10,451,770	\$ 110,524,700	\$ 33,164,850

General Obligation Bonds

General obligation bonds are supported by a pledge of the City's full faith and credit. These bonds, which are reported in the government-wide statement of net assets, were issued to finance various capital projects. \$2,695,479 is available in the City's Debt Service Funds to repay general obligation bonds. The remainder of the general obligation bonds are to be repaid from future property tax levies. The bonds bear interest at rates ranging from .60% to 6.25% and mature through 2030.

Neighborhood Improvement District Bonds (Special Assessment Debt With Governmental Commitment)

In 1994, State legislation was adopted permitting the formation of special assessment areas, known as Neighborhood Improvement Districts, to finance local public improvements (the NID Act). The improvements are financed by bonds which are retired by assessments levied on those specific properties which benefit from the improvements. To the extent assessments are insufficient to retire the NID Bonds, the City is obligated to pay for debt service with available funds of the City. The City is not authorized to levy a City-wide property tax to pay the NID Bonds.

On September 26, 2006, the City issued \$52,700 of Neighborhood Improvement District Limited General Obligation Bonds (NID Bonds). These bonds are supported by a pledge of the City's full faith and credit and will be repaid from future special assessments to be assessed on certain real property of the District. The bonds bear interest at 4.7% and mature in 2016.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Tax Increment Financing (TIF) Notes Payable

The tax increment financing notes payable are payable from payments in lieu of taxes collected by the Special Allocation special revenue funds.

The TIF notes represent special, limited obligations of the City, payable solely from the incremental sales and property taxes generated by the development project. The annual debt service repayments of the TIF notes are contingent upon the amounts of payments in lieu of taxes collected by the TIF districts. The notes bear interest at rates ranging from 7% to 8.5% and mature December 1, 2012.

Revenue Bonds (Excluding Public Improvement Corporation)

All revenue bonds payable are recorded in the appropriate enterprise funds since the ordinances authorizing the bond issues require that the bonds be repaid from operations of the respective enterprise fund. These bonds are payable solely from, and secured by, a pledge of the net revenues to be derived from the operation of the Waterworks and Sewerage System. The bond ordinances require the establishment of certain cash reserve accounts which are described in Note 9. These bonds bear interest at rates ranging from 3.3% to 5.25% and mature through 2032.

Certificates of Participation

Certificates of Participation (“COPS”) evidence proportionate ownership interest in the right to receive rental payments to be paid by the City under various lease/purchase agreements. The American Recovery and Reinvestment Act of 2009 authorizes the City to issue taxable obligations known as “Build America Bonds” to finance capital expenditures for which it could otherwise issue tax-exempt obligations and to elect to receive a subsidy payment, on each payment date, from the United States Treasury equal to 35% of the amount of each interest payment on the Build America Bonds. During 2010, the City made an irrevocable election to issue the Certificates as Build America Bonds. The US Treasury Interest Subsidy will be paid directly to the City. The City intends to apply, but has not pledged, the US Treasury Interest Subsidy to payment of the Certificates. Additionally, no holder of any Build America Bonds issued by the City will be entitled to any federal income tax credits associated with the Build America Bonds.

The purpose of the Series 2010C Certificates is to refund \$1,765,000 principal amount of outstanding PIC Leasehold Revenue Bonds, Series 2003. The Series 2010C Certificates are non-taxable, bear interest at rates ranging from 2.00% to 3.75% and mature June 2024.

The purpose of the Series 2010A Certificates is to refund \$1,190,000 principal amount of outstanding PIC Leasehold Revenue Bonds, Series 2002. The Series 2010A Certificates are non-taxable, bear interest at rates ranging from 1.0% to 3.6% and mature May 2019. The purpose of the Series 2010B Certificates (Build America Bonds) is to construct and reconstruct certain roads in the City. The Series 2010B Certificates are taxable, bear interest at rates ranging from 1.25% to 6.25% and mature May 2030.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

The purpose of the Series 2006A Certificates is to finance the cost of renovating the City's Rec-Plex, constructing an ice skating complex adjacent to the Rec-Plex, and refunding \$3,095,000 principal amount of outstanding Leasehold Revenue Bonds, Series 1998. The Series 2006A Certificates are non-taxable, bear interest at rates ranging from 3.75% to 4.55% and mature November 2031.

Development Notes (Premier 370 Project)

The City has a reimbursement agreement with the Premier 370 Project Developer. The Developer intends to construct on the property certain public infrastructure improvements ("Public Improvements") and other improvements for industrial and commercial uses ("Development"), all of which will help to improve the social and economic welfare of the City and enhance the tax base on the City.

To ensure the economic stability of the project, the City has agreed to reimburse the Developer for a portion of certain costs related to the Public Improvements for the construction of an Interchange.

On December 14, 2006, the City authorized the issuance of Development Notes (Series A and B) not to exceed \$19 million. As of September 30, 2011, the City has issued \$18,000,000 of Development Notes (Series A) for the Premier 370 project. The Series A Notes are tax-exempt and bear interest at 5.675%. Principal and interest is payable on February 1, May 1, August 1 and November 1 and final payment is due on September 15, 2028.

The notes represent special, limited obligations of the City. Principal and interest are payable from pledged revenues, as defined in the agreement.

Upon substantial completion of the Public Improvements, the Developer will dedicate and convey to the City, along with all necessary easements and rights of way.

Legal Debt Margin

Under the statutes of the State of Missouri, the limit of bonded indebtedness is 10% of the most recent assessed valuation. This does not include an additional debt limit of 10% assessed valuation available for street improvements or waterworks and electric plants as provided under the statutes of the State of Missouri. The computation is as follows:

Assessed valuation - 2010 tax year	<u>\$1,014,588,944</u>
Debt limit - 10% of assessed valuation	<u>101,458,894</u>
Amount of debt applicable to debt limit:	
Total general obligation bonded debt	35,644,700
Less: Amount available in debt service fund	<u>(2,695,479)</u>
Bond indebtedness applicable to debt limit	<u>32,949,221</u>
Legal debt margin	<u>\$ 68,509,673</u>

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

7. CITY OF ST. PETERS, MISSOURI PUBLIC IMPROVEMENT CORPORATION

On August 24, 1990, the Public Improvement Corporation (PIC) was formed as a Missouri not-for-profit corporation. The purpose of the PIC is to facilitate the acquisition and construction of certain capital improvements and facilities solely for the benefit of the City of St. Peters, Missouri.

Funding of such capital improvements and facilities has been provided through the issuance of leasehold revenue bonds. The revenue bonds do not constitute a legal debt or liability for the City, the State of Missouri, or for any political subdivision thereof and do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The issuance of the revenue bonds does not obligate the City to levy any form of taxation or to make any appropriation for their payment in any fiscal year. The PIC has no taxing power.

On December 1, 2003, the PIC issued \$7,070,000 of Leasehold Revenue Bonds, Series 2003. Proceeds from the sale of the bonds were used to finance the construction of improvements to Laurel Park, improvements to other City parks and trails, the acquisition of recreational facilities and improvements thereto, erosion control, watershed and basin improvements, and other storm water management related projects. Simultaneously with the issuance of these 2003 Leasehold Revenue Bonds, the City entered into a lease agreement dated December 1, 2003 whereby a portion of the property, facilities and improvements acquired or constructed by the PIC have been leased to the City. The initial lease was renewed on September 30, 2004 and subject to annual budget appropriations. The lease will have successive one-year renewal options for a period of twenty years. At the end of the twenty-year period, the assets will be inventoried and become property of the City. Rental payments by the City are to be sufficient at all times to pay, when due, the principal, redemption premium, if any, and interest on the 2003 Leasehold Revenue Bonds. For fiscal year 2011 the City made lease payments totaling \$35,948. During the fiscal year 2011, the City refunded the bonds as noted in Note 6. As a result, the debt has been removed from the PIC and the related assets have been transferred to the City.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

8. DEBT DEFEASANCE

On August 10, 2011, the City issued \$5,150,000 in General Obligation Refunding Bonds, Series 2011 with interest rates ranging between .70% and 2.0%. The City issued the bonds to advance refund \$5,045,000 of the outstanding principal on the General Obligation Bonds, Series 2004. The net proceeds of \$5,292,255 (after discount of \$9,963 and bond issuance cost of \$43,807) plus an additional \$196,025 of City debt service fund monies were used to purchase United States government securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for future debt service on the refunded portion of the Series 2004 bonds. As a result, that portion of the Series 2004 bonds is considered defeased, and the City has removed the liability from the government activities statement of net assets. At September 30, 2011 the outstanding balance of the defeased debt is \$5,045,000. The defeased bonds will be redeemed on March 1, 2012. There is \$1,175,000 of outstanding principal remaining on the Series 2004 bonds, which will reach maturity on March 1, 2012.

The advance refunding results in an economic gain (difference between the present values of the debt services payments on the old and new debt) of approximately \$266,000. The transaction was not a refunding for savings but rather a total debt restructure.

9. ENTERPRISE FUNDS DEBT REQUIREMENTS

Cash and cash equivalents and investments restricted at September 30, 2011 are as follows:

Revenue Fund	\$ 73,544
Series 2007 Waterworks and Sewage Bond Project Fund	48,293
Series 2009 Waterworks and Sewage Bond Project Fund	50,991
Series 1999 Waterworks and Sewage Bond Debt Service Fund	460,417
Series 2003 Waterworks and Sewage Bond Debt Service Fund	130,000
Series 2007 Waterworks and Sewage Bond Debt Service Fund	112,500
Series 2009 Waterworks and Sewage Bond Debt Service Fund	98,794
Depreciation Fund	225,000
Interest Reserve Fund	500,000
Series 2006A Certificate of Participation Reserve Fund	1,318,707 *
	<u>\$3,018,246</u>

* In addition, \$458,581 is maintained in the general fund.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

The various Leasehold and other Revenue Bond, Certificates of Participation and related documents provide for the restriction of operating revenues of the enterprise fund after current operating expenses have been met. The Ordinance also provides for additional restrictions of operating revenues. The following are descriptions of the related reserve requirements:

Revenue Fund

Requirements - deposit of the gross earnings (excluding tap-on fees) of the Waterworks and Sewer System as collected, to be disbursed to the following funds as required.

Series 2007 Waterworks and Sewage Bond Project Fund

Requirements - initial deposit of \$9,629,993 to be used to pay project costs associated with the bond issue.

Series 2009 Waterworks and Sewage Bond Project Fund

Requirements - initial deposit of \$4,851,261 to be used to pay project costs associated with the bond issue.

Series 1999 Waterworks And Sewage Revenue Bonds Debt Service Fund

Requirements - monthly credit (1/12) of the debt service payment due the next succeeding May 1.

Series 2003 Waterworks and Sewage Revenue Bonds Debt Service Fund

Requirements - monthly credit (1/12) of the debt service payment due the next succeeding May 1.

Series 2007 Waterworks and Sewage Revenue Bonds Debt Service Fund

Requirements - monthly credit (1/12) of the debt service payment due the next succeeding May 1.

Series 2009 Waterworks and Sewage Revenue Bonds Debt Service Fund

Requirements - monthly credit (1/12) of the debt service payment due the next succeeding May 1.

Depreciation Fund

Requirements - initial transfer and credit of \$225,000 to be used only for making emergency replacements and repairs and necessary extensions and enlargements to the Waterworks and Sewerage System. In the event monies are drawn from this fund, the City will replenish the fund to \$225,000 by making 24 equal monthly deposits into the fund in the 24 months immediately succeeding the use.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Interest Reserve Fund

Requirements - Initial transfer and credit of \$500,000 and thereafter such amounts as appropriated by the Board of Alderman of the City from the Contingency Account, the General Fund of the City, or other available funds of the City. Monies in the Interest Reserve Fund shall be held and used by the City to make up any deficiency in any of the accounts or subaccounts in the Revenue Fund and may be withdrawn by the City at any time and applied to its general governmental purposes if not required to satisfy the City's rate covenant.

Rate Covenant

Requirements - the City will fix, establish, maintain and collect such rates, fees and charges for the use and services furnished by the Waterworks and Sewer System to provide revenues in each fiscal year to pay for the operating costs of the system, the bond principal and interest payments, and any required deposits. Such rates should generate available revenues (net revenues plus interest reserve fund monies) at least equal to 125% of the principal and interest requirements on all waterworks and sewerage system bonds during the fiscal year and net revenues at least equal to 100% of the principal and interest requirements on all waterworks and sewerage system revenue bonds during the fiscal year.

Series 2006A Certificates of Participation Reserve Fund

Requirements - initial deposit of \$1,777,273 to be used for the payment of principal and interest on the bonds in the event insufficient funds are available in the bond funds. In the event monies are drawn from these funds, the City will replenish the funds within twelve months of the date of such deficiency.

As of September 30, 2011, the City met all related debt reserve requirements.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

10. INTERFUND BALANCES AND TRANSFERS

The following represents a reconciliation of transfers between individual funds for the year ended September 30, 2011:

	Transfers From	Transfers To	Net Transfers
Major Governmental Funds:			
General	\$ 4,802,146	\$ -	\$(4,802,146)
Transportation Trust	3,655	-	(3,655)
Special Allocation - City Centre	1,861,656	-	(1,861,656)
Debt Service	-	1,966,435	1,966,435
Capital Projects	-	571,987	571,987
Nonmajor Governmental Funds:			
Local Parks and Stormwater	2,107,579	173,311	(1,934,268)
Major Enterprise Funds:			
Public Improvement Corporation	5,368,341	5,546,496	178,155
Recreation	-	1,050,000	1,050,000
	14,143,377	9,308,229	(4,835,148)
Government-wide transfers	11,505,480	4,635,213	(6,870,267)
Capital contribution - Recreation Fund	-	5,338,593	5,338,593
Capital contribution - Waterworks/Sanitary Sewer	-	6,366,822	6,366,822
	<u>\$25,648,857</u>	<u>\$ 25,648,857</u>	<u>\$ -</u>

Interfund transfer of \$6,213 was made to Capital Projects Fund for road projects.

Interfund transfers totaling \$1,050,000 were made to the Recreation Fund for operating support.

Interfund transfer of \$5,892 was made to the Capital Projects Fund for professional services.

A transfer totaling \$1,861,656 was made to the Debt Service Fund for the Series 1999 General Obligation Bonds.

Interfund transfer of \$104,780 was made to the Debt Service Fund for General Obligation Bonds used to refund the Public Improvement Corporation bonds.

Interfund transfer of \$200,000 was made to the Capital Projects Fund for Lakeside 370 Park for Park Development.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Interfund transfer of \$5,546,496 was made to the Public Improvement Corporation Fund to early extinguish debt from governmental activities.

A transfer totaling \$4,635,213 was made to transfer assets from a proprietary fund to the governmental activities who has assumed responsibility for the related debt.

A transfer of \$359,883 was made to the Capital Projects Fund for a stormwater master plan.

A transfer of \$173,311 was made to the Local Parks and Stormwater Fund who assumed responsibility for the related debt.

Capital assets totaling \$199,935 were made from the Public Improvement Corporation to the Recreation Fund and capital assets totaling \$5,138,658 were made from the governmental activities to the Recreation fund. As are result, capital contributions totaling \$5,338,593 are recorded in the Recreation Fund.

Capital assets totaling \$6,366,822 were transferred from the governmental activities to the Waterworks/Sanitary Sewer fund resulting in a capital contribution in the fund that received the assets.

Individual fund interfund receivable and payable balances as of September 30, 2011 are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Major Governmental Funds:		
General	\$ 342,450	\$ -
Transportation Trust	-	8,914
Nonmajor Governmental Funds:		
Community Development Block Grant	-	51,859
Neighborhood Improvement District	-	1,141
Sewer Lateral Repair Program	-	125
Major Enterprise Funds:		
Waterworks/Sanitary Sewer	-	183,343
Solid Waste	-	78,325
Central Materials Processing Facility	-	8,883
Recreation	-	9,860
	<u>\$ 342,450</u>	<u>\$ 342,450</u>

The amounts due to or from individual funds represent interfund borrowings that arise in the normal course of business. Interfund borrowings are necessary due to the nature and timing of governmental receipts.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Interfund payables at September 30, 2011 include \$9,860 in the Recreation Fund, \$8,914 in the Transportation Trust Fund, \$78,325 in the Solid Waste Fund, \$50,420 in the Waterworks/Sanitary Sewer Fund and \$8,883 in the Central Materials Processing Facility Fund are for reimbursement to the General Fund for insurance expense.

Interfund payables of \$51,859 in the CDBG Fund, \$1,141 in the Neighborhood Improvement District Fund and \$132,923 in the Waterworks/Sanitary Sewer Fund are due to the elimination of negative cash balances.

11. JOINT VENTURE

In October 1985, the City of St. Peters, Missouri and the City of St. Charles, Missouri entered into a joint venture agreement to form the St. Peters - St. Charles Water Pipeline Project (the Joint Venture). The purpose of the Joint Venture is to construct and operate a water pipeline and appurtenant facilities from the Howard Bend Treatment Plant, owned and operated by the City of St. Louis, Missouri, to the separate facilities of the municipalities of St. Peters, Missouri and St. Charles, Missouri (the Owners), in order to adequately supply water by the pipeline to the citizens and businesses of the municipalities.

The Joint Venture is owned by the City of St. Peters, Missouri (31.8%) and the City of St. Charles, Missouri (68.2%). In accordance with the Joint Venture agreement, the City of St. Peters, Missouri is responsible for managing and accounting for the daily operations of the Joint Venture, except where concurrence of both cities is required. The Joint Venture receives all of its operating revenue from the water it sells to the Owners. The Owners financed the cost of construction of the pipeline and appurtenant facilities and, therefore, depreciation is excluded from the charges to the Owners. The cumulative investment in the Joint Venture by the City of St. Peters, Missouri through September 30, 2011 includes its proportionate share of water pipeline construction costs and an initial contribution to a water pipeline maintenance fund. Under terms of the Joint Venture agreement, additional contributions to maintain the water pipeline maintenance fund at an agreed-upon base amount may be required. The current base amount is \$500,000 which may be increased to a maximum of \$1,000,000 if maintenance costs so justify.

During the fiscal year 2011, the City of St. Peters, Missouri purchased water from the Joint Venture and paid related pumping charges totaling \$757,295. These costs are included as operating expenses of the City's waterworks/sanitary sewer enterprise fund.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Condensed summary of financial information for the Joint Venture as of and for its fiscal year ended September 30, 2011 is as follows:

Assets	<u>\$ 6,682,880</u>
Liabilities	\$ 703,703
Partnership capital:	
St. Peters	2,903,699
St. Charles	6,227,431
Accumulated deficit:	
St. Peters	(1,002,324)
St. Charles	<u>(2,149,629)</u>
	<u>\$ 6,682,880</u>
Operating revenue	\$ 1,839,896
Operating expenses	(2,000,872)
Nonoperating revenue	<u>1,502</u>
Net Loss	<u>\$ (159,474)</u>

The joint venture issues separate financial statements which may be obtained by writing to the St. Peters - St. Charles Water Pipeline Project, One St. Peters Centre Boulevard, St. Peters, Missouri 63376.

12. INSURANCE PROGRAMS

The City became self-insured with respect to workers' compensation, general liability and property and casualty insurance effective July 1, 1998 and medical insurance effective January 1, 1998. Unemployment compensation became effective in 1997. The estimated liability for payment of incurred (both reported and unreported) but unpaid claims relating to these matters is recorded in the general fund.

The City obtains periodic funding information from the claims-servicing company managing the self-insurance programs and adjusts the charges to the various funds as required to maintain the appropriate level of estimated claims liabilities. The City maintains excess liability coverages for workers' compensation, general liability, property and casualty and medical costs. Settled claims did not exceed commercial coverages for each of the past three fiscal years.

At September 30, 2011, the City's total estimated liability for payment of incurred (both reported and unreported) but unpaid claims for workers' compensation, property, and medical costs were \$952,334.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Changes in the self-insured claims liabilities at September 30, 2011 and 2010 were as follows:

	Workers'		
	Compensation/		
	General	Medical	Total
Balance - September 30, 2009	\$ 369,441	\$ 600,000	\$ 969,441
Add: Current Year Claims And Changes in Estimate	423,015	4,280,561	4,703,576
Less: Claim Payments	427,625	4,269,561	4,697,186
Balance - September 30, 2010	364,831	611,000	975,831
Add: Current Year Claims And Changes in Estimate	528,005	4,662,209	5,190,214
Less: Claim Payments	540,502	4,673,209	5,213,711
Balance - September 30, 2011	<u>\$ 352,334</u>	<u>\$ 600,000</u>	<u>\$ 952,334</u>

13. POSTEMPLOYMENT HEALTH CARE BENEFITS

Plan Description

The City of St. Peters (City) sponsors a Postemployment Benefit Plan (Plan), which is a single-employer defined benefit healthcare plan administered by the City of St. Peters. The Plan is accounted for as a trust fund since an irrevocable trust has been established. A stand-alone financial report is not available for the Plan. The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. In order to be eligible, retirees must be at least age 55 (age 50 for Police employees) with 5 years of service, or have at least 80 points (age plus service), or be otherwise eligible to retire under the LAGERS Pension Plan. Spouses of retirees are eligible to continue participation after the death of the retiree.

Membership consisted of the following at October 1, 2010, the date of the latest actuarial valuation:

Active plan members	387
Retirees and beneficiaries	60
Terminated plan members entitled to but not yet receiving benefits	--
Total	<u>447</u>

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Funding Policy

The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the City; however, the City has no obligation to contribute to the Plan on an annual basis or to provide post-employment benefits to its employees. Money held in the trust is restricted for the provision of those benefits. For the fiscal year 2011, the City contributed \$429,000 to the Plan. Plan members receiving benefits contributed approximately \$98,553 through required contributions based on their years of service.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the fiscal year, the amount actually contributed to the Plan, and changes in the City's net OPEB obligation (NOO):

1. Annual required contribution (ARC)	\$2,506,429
2. Interest on net OPEB obligation (NOO)	123,171
3. Adjustment to ARC (Amortization of NOO)	<u>(132,523)</u>
4. Annual OPEB cost (expense), (1) + (2) + (3)	2,497,077
5. Employer contributions made	<u>(429,000)</u>
6. Change in net OPEB obligation, (4) + (5)	2,068,077
7. Net OPEB obligation - beginning of year	<u>3,697,715</u>
8. Net OPEB obligation - end of year, (6) + (7)	<u>\$5,765,792</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2011 and the two preceding years were as follows:

Fiscal Year	Percentage of Annual		
	Annual	OPEB Cost	Net OPEB
Ended	OPEB Cost	Contributed	Obligation
2009	\$2,244,000	20.8%	\$1,778,000
2010	\$2,418,715	20.6%	\$3,697,715
2011	\$2,497,077	17.2%	\$5,765,792

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Funded Status and Funding Progress

As of October 1, 2010, the most recent actuarial valuation date, the plan was 34.1% funded. The actuarial accrual liability for benefits was \$25.3 million, and the actuarial value of assets was \$8.6 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$16.7 million. The covered payroll (annual payroll of active employees covered by the plan) was \$26.7 million, and the ratio of the UAAL to the covered payroll was 62 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the October 1, 2010 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 7.0% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 9.75% initially, reduced by .25% each year to an ultimate rate of 5%. Both rates included a 3.5% inflation assumption. The actuarial value of assets was set equal to the market value of assets. The UAAL is being amortized as a level dollar amount on an open basis. The remaining amortization period at September 30, 2011, was 28 years.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

14. COMMITMENTS AND CONTINGENCIES

Litigation

A lawsuit captioned Great Rivers Habitat Alliance, et al., v. City of St. Peters, Missouri and the Missouri Attorney General, was filed on December 13, 2004 in Circuit Court of Cole County, Missouri, by five individuals and the Great Rivers Habitat Alliance (a Missouri benevolent corporation) seeking invalidation of the Lakeside 370 Business Park TIF Redevelopment Plan (Plan) and the Ordinances adopting that Plan for redevelopment. A motion to intervene was filed on behalf of the County of St. Charles on July 19, 2005 to join as a plaintiff and assert claims to invalidate the Plan and Ordinances. On September 1, 2005, the Plaintiffs filed an amended petition, joined by St. Charles County. The City and Missouri Attorney General requested the Court grant judgment against plaintiffs on plaintiffs' claims that the TIF Act was unconstitutional. On December 9, 2005, the Circuit Court entered judgment against plaintiffs and in favor of the City and Attorney General, holding that the TIF Act was not unconstitutional as alleged by plaintiffs. The City then filed a motion for summary judgment, requesting the Court enter judgment against all remaining claims of invalidity of the Plan and Ordinances. On January 19, 2006, the Circuit Court entered judgment against plaintiffs and in favor of the City upholding the validity of the Plan and Ordinances as against the challenges brought by the plaintiffs. An amended Judgment was entered on May 17, 2006. Plaintiffs appealed the Circuit Court's judgment, which was heard by the Missouri Court of Appeals for the Western District of Missouri. In March 2008, the Western District Court of Appeals reversed the judgment and ordered a trial on the Plaintiffs' claims that the Ordinance and Plan were invalidly adopted. A four-day Trial was held in April and May 2011, resulting in Judgment in favor of the City on all claims entered on August 5, 2011. Plaintiffs timely appealed to the Missouri Western District Court of Appeals. Briefing on the appeal is currently underway and no oral argument date has been set. The City is unable at this time to determine the likelihood of any final outcome or the financial impact, if any, to the City in the case of any adverse decision.

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

Federal Grants

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

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

15. CONDUIT DEBT

In a prior year, the City authorized the issuance of up to \$26,500,000 in Taxable Industrial Development Revenue Bonds to finance an industrial development project for a Company in the City. The project consists of the Company's acquisition and installation of manufacturing machinery and equipment for use on the project site. The Company conveyed to the City title to the site on which the industrial project will be located and the personal property included in the project. At the same time, the City leased the project site, improvements thereon and the personal property, including the project, back to the Company pursuant to a lease agreement. These bonds are secured by the property financed and are payable solely from revenues received from the project. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, County, State of Missouri, 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. At September 30, 2011, \$9,044,530 of these Taxable Industrial Revenue Bonds have been issued and remain outstanding. Subsequent to September 30, 2011, an additional \$5,933,688 was issued and remains outstanding.

As part of the agreement, the Company has agreed to maintain a certain headcount for specified periods and the City has agreed to extend tax abatements to the Company for the years 2011-2017.

16. ENCUMBRANCES

The following encumbrances were outstanding as of September 30, 2011:

Fund	Amount
Major Governmental Funds:	
General	\$ 384,335
Transportation Trust	2,423,886
	<u>2,808,221</u>
Nonmajor Governmental Funds	<u>452,478</u>
Major Enterprise Funds:	
Waterworks/Sanitary Sewer	300,218
Solid Waste	546,203
Central Materials Processing Facility	66,289
Recreation	579
	<u>913,289</u>
Total	<u><u>\$ 4,173,988</u></u>

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

17. SUBSEQUENT EVENT

Subsequent to September 30, 2011, \$780,000 principal of the Tax Increment Revenue Notes, Series 2001, together with interest accrued on such principal amount, was irrevocably designated for redemption pursuant to mandatory redemption provisions.

18. RECENT ACCOUNTING PRONOUNCEMENTS

The accounting principles governing the reported amounts, presentation and related disclosures are subject to change from time to time based on new pronouncements and/or rules issued by various governing bodies. The Government Accounting Standards Board (GASB) is responsible for establishing generally accepted accounting principles (GAAP) for state and local governments.

In November 2010, the GASB issued Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements." The objective of this Statement is to improve financial reporting by addressing issues related to service concession arrangements (SCAs), which are a type of public-private or public-public partnership. The requirements in this Statement are effective for periods beginning after December 15, 2011.

In November 2010, the GASB issued Statement No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34. This Statement modifies certain requirements for inclusion of component units in the financial reporting entity. This Statement also amends the criteria for reporting component units as if they were part of the primary government (that is, blending) in certain circumstances. This Statement also clarifies the reporting of equity interests in legally separate organizations. It requires a primary government to report its equity interest in a component unit as an asset. The requirements of this Statement are effective for periods beginning after June 15, 2012.

In December 2010, the GASB issued Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements." The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the private sector standards issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements. The requirements of this Statement are effective for periods beginning after December 15, 2011.

In June 2011, the GASB issued Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position." The requirements of this Statement will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. It alleviates uncertainty about reporting those financial statement elements by providing guidance where none previously existed. The requirements of this Statement are effective for periods beginning after December 15, 2011.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

In June 2011, the GASB issued Statement No. 64, “Derivative Instruments: Application of Hedge Accounting Termination Provisions – an amendment of GASB Statement No. 53” The objective of this Statement is to clarify whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty’s credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The requirements of this Statement are effective for periods beginning after June 15, 2011.

The effects on the City’s financial statements as a result of the adoption of these new pronouncements are unknown.

19. PRIOR PERIOD ADJUSTMENT

As discussed in Note 1, the City implemented GASB 54 during the year ended September 30, 2011. As a result, some funds that were maintained as special revenue funds for accounting purposes do not meet the criteria for separate reporting in external financial statements and therefore should be presented as part of the general fund.

	General Fund	Drug Enforcement Agency Fund
Beginning fund balance, as previously reported	\$ 6,527,717	\$ 28,448
Adjustment for GASB 54 implementation	28,448	(28,448)
Beginning fund balance, restated	<u>\$ 6,556,165</u>	<u>\$ -</u>

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

During the year ended September 30, 2011, the City changed the accounting for the OPEB obligation and net pension obligation to allocate a portion of the liability to the business-type activities. The effect on the beginning net assets, is as follows:

Government-Wide and Business-Type Fund Financial Statements

	<u>Government-Wide</u>		<u>Major Enterprise Funds</u>			
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Waterworks/ Sanitary sewer</u>	<u>Solid Waste</u>	<u>Central Materials Processing Facility</u>	<u>Recreation</u>
Beginning net assets, as previously reported	\$ 276,606,183	\$ 54,958,181	\$ 33,278,524	\$ 7,834,456	\$ 3,737,261	\$ 10,128,822
Allocation of OPEB obligation	1,104,192	(1,104,192)	(423,794)	(235,182)	(212,362)	(232,854)
Beginning net assets, restated	<u>\$ 277,710,375</u>	<u>\$ 53,853,989</u>	<u>\$ 32,854,730</u>	<u>\$ 7,599,274</u>	<u>\$ 3,524,899</u>	<u>\$ 9,895,968</u>

Required Supplementary Information

CITY OF ST. PETERS, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON INFORMATION -BUDGET BASIS - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Revised</u>	<u>Actual</u>	
	<u>Budget</u>	<u>Final Budget</u>		
Revenues				
Sales tax	\$ 11,350,000	\$ 11,350,000	\$ 11,777,602	\$ 427,602
Property tax	6,564,700	6,564,700	6,705,073	140,373
Utility franchise tax	3,662,800	3,662,800	3,971,155	308,355
Cigarette tax	231,800	231,800	215,450	(16,350)
Licenses and permits	1,208,400	1,208,400	948,635	(259,765)
Interest	25,000	25,000	6,056	(18,944)
Intergovernmental	3,315,200	3,705,597	3,869,168	163,571
Fines and forfeitures	2,740,400	2,740,400	2,551,634	(188,766)
Charges for services	482,800	482,800	614,547	131,747
Miscellaneous	184,300	184,300	354,383	170,083
Total Revenues	29,765,400	30,155,797	31,013,703	857,906
Expenditures				
General government	1,595,750	1,598,750	1,841,104	(242,354)
Administration	4,244,440	4,134,440	4,015,074	119,366
Police	11,104,395	10,965,395	11,057,434	(92,039)
Municipal court	496,310	500,310	425,607	74,703
Public works	3,304,230	3,333,230	3,213,331	119,899
Engineering	2,632,495	2,608,495	2,320,182	288,313
Maintenance	441,200	448,200	411,240	36,960
Health	592,405	575,405	516,019	59,386
Parks and recreation	5,253,590	5,191,590	4,958,731	232,859
Community relations	914,860	922,860	821,693	101,167
Community and arts	153,750	154,750	161,354	(6,604)
Capital outlay	477,600	1,407,110	953,494	453,616
Debt service:				
Principal	490,000	490,000	490,000	-
Interest and fiscal charges	109,000	109,000	106,831	2,169
Other	-	-	30,394	(30,394)
Total Expenditures	31,810,025	32,439,535	31,322,488	1,117,047
Revenues Under Expenditures	(2,044,625)	(2,283,738)	(308,785)	1,974,953
Other Financing Sources (Uses):				
Transfers out	(300,000)	(4,830,000)	(4,802,146)	27,854
Proceeds from sale of bonds	-	3,780,000	3,779,092	(908)
Total Other Financing Sources (Uses)	(300,000)	(1,050,000)	(1,023,054)	26,946
Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	(2,344,625)	(3,333,738)	(1,331,839)	2,001,899
Fund Balances				
Budget basis:				
Unreserved:				
Beginning of year	4,596,232	4,596,232	4,596,232	-
Transfer from (to) reserved	93,839	562,949	51,714	(511,235)
End of year	2,345,446	1,825,443	3,316,107	1,490,664
Reserved:				
Beginning of year	1,348,160	1,348,160	1,348,160	-
Transfer from (to) unreserved	(93,839)	(562,949)	(51,714)	511,235
End of Year	1,254,321	785,211	1,296,446	511,235
Budget basis, end of year	\$ 3,599,767	\$ 2,610,654	4,612,553	\$ 2,001,899
Budget basis grant revenue			(21,795)	
Encumbrances, end of year			384,335	
Property tax - deferred revenue, end of year			(110,084)	
Implementation of GASB 54			28,448	
GAAP basis, end of year			\$ 4,893,457	

CITY OF ST. PETERS, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON INFORMATION
BUDGET BASIS - TRANSPORTATION TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Final Budget		
Revenues				
Sales tax	\$ 5,675,000	\$ 5,675,000	\$ 5,888,805	\$ 213,805
Interest	66,000	66,000	1,617	(64,383)
Intergovernmental	640,800	2,760,820	3,000,655	239,835
Miscellaneous	243,000	3,107,500	3,570,555	463,055
Total Revenues	<u>6,624,800</u>	<u>11,609,320</u>	<u>12,461,632</u>	<u>852,312</u>
Expenditures				
Public works	3,422,720	3,285,720	2,904,175	381,545
Street construction	2,018,200	5,150,800	4,742,390	408,410
Debt service	1,650,000	1,650,000	1,777,990	(127,990)
Total Expenditures	<u>7,090,920</u>	<u>10,086,520</u>	<u>9,424,555</u>	<u>661,965</u>
Revenues Over (Under) Expenditures	<u>(466,120)</u>	<u>1,522,800</u>	<u>3,037,077</u>	<u>1,514,277</u>
Other Financing Uses:				
Transfers out	-	-	(3,655)	(3,655)
Revenues Over (Under) Expenditures and Other Financing Uses	<u>(466,120)</u>	<u>1,522,800</u>	<u>3,033,422</u>	<u>1,510,622</u>
Fund Balances				
Budget basis:				
Unreserved:				
Beginning of year	2,943,815	2,943,815	2,943,815	-
Transfer from (to) reserved	-	-	-	-
End of year	<u>2,477,695</u>	<u>4,466,615</u>	<u>5,977,237</u>	<u>1,510,622</u>
Reserved:				
Beginning of year	628,623	628,623	628,623	-
Transfer from (to) reserved	-	-	-	-
End of year	<u>628,623</u>	<u>628,623</u>	<u>628,623</u>	<u>-</u>
Budget basis, end of year	<u>\$ 3,106,318</u>	<u>\$ 5,095,238</u>	6,605,860	<u>\$ 1,510,622</u>
Budget basis grant revenue			(1,127,862)	
Encumbrances, end of year			<u>2,423,886</u>	
GAAP basis, end of year			<u>\$ 7,901,884</u>	

CITY OF ST. PETERS, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON INFORMATION
BUDGET BASIS - SPECIAL ALLOCATION FUND - CITY CENTRE
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Revised Final Budget</u>	<u>Actual</u>	
Revenues				
Sales tax	\$ 2,393,000	\$ 2,402,000	\$ 2,561,893	\$ 159,893
Property tax	2,856,300	3,160,300	3,159,575	(725)
Utility franchise tax	-	-	1,553	1,553
Interest	10,000	10,000	5,629	(4,371)
Total Revenues	<u>5,259,300</u>	<u>5,572,300</u>	<u>5,728,650</u>	<u>156,350</u>
Expenditures				
General government	70,000	3,733,000	3,893,611	(160,611)
Capital outlay	1,151,106	1,892,672	1,730,325	162,347
Debt service	3,224,281	3,265,781	3,266,978	(1,197)
Total Expenditures	<u>4,445,387</u>	<u>8,891,453</u>	<u>8,890,914</u>	<u>539</u>
Revenues Over (Under) Expenditures	<u>813,913</u>	<u>(3,319,153)</u>	<u>(3,162,264)</u>	<u>156,889</u>
Other Financing Uses:				
Transfers out	(1,861,656)	(1,861,656)	(1,861,656)	-
Revenues Under Expenditures and Other Financing Uses	<u>(1,047,743)</u>	<u>(5,180,809)</u>	<u>(5,023,920)</u>	<u>156,889</u>
Fund Balances				
Budget basis:				
Unreserved:				
Beginning of year	1,617,675	1,617,675	1,617,675	-
Transfers from (to) reserved	(50,019)	3,856,634	3,856,487	(147)
End of year	<u>519,913</u>	<u>293,500</u>	<u>450,242</u>	<u>156,742</u>
Reserved:				
Beginning of year	4,742,271	4,742,271	4,742,271	-
Transfers from (to) reserved	50,019	(3,856,634)	(3,856,487)	147
End of year	<u>4,792,290</u>	<u>885,637</u>	<u>885,784</u>	<u>147</u>
Budget basis, end of year	<u>\$ 5,312,203</u>	<u>\$ 1,179,137</u>	<u>1,336,026</u>	<u>\$ 156,889</u>
Encumbrances, end of year			-	
GAAP basis, end of year			<u>\$ 1,336,026</u>	

CITY OF ST. PETERS, MISSOURI

**NOTES TO BUDGETARY COMPARISON INFORMATION
SEPTEMBER 30, 2011**

Budgetary Process

The Board of Aldermen follow the procedures outlined below in establishing the budgetary data reflected in the financial statements:

1. On or before August 1, the City Administrator submits to the Mayor and Board of Aldermen a proposed operating budget for the general, special revenue (excluding NID), and debt service funds for the fiscal year commencing the following October 1. In addition, budgets for the waterworks/sanitary sewer, solid waste, central materials processing facility and recreation enterprise fund operations are prepared on a basis similar to that of the general governmental funds in order to better manage these operations. The operating budgets include proposed expenditures and the means of financing them. Expenditures may not legally exceed appropriations at the fund level.
2. The annual operating budgets are approved through the adoption of the budget ordinance by the affirmative vote of a majority of the members of the Board of Aldermen and approval by the Mayor on or before September 1 of the preceding budget year. If the budgets have not been passed and approved on or before the last day preceding the budget year (September 30), the budgets and appropriations for the current fiscal year shall be deemed to be rebudgeted and reappropriated for the budget year until a new budget is adopted and approved.
3. The City Administrator is authorized to transfer part, or all, of any unexpended balance among any departments within a given fund.
4. If it is determined that the original budgeted revenues and expenditures need to be increased or decreased, the Board of Aldermen may, by ordinance, make such changes in budgeted revenues and expenditures so long as the total budgeted expenditures do not exceed the amount of budgeted revenues plus beginning unencumbered fund balance.
5. If it appears probable that revenues available will be insufficient to meet the amount appropriated, the Board of Aldermen may, by ordinance, reduce one or more appropriations.
6. Unencumbered appropriations lapse at year end.

The budgets for the general fund, the special revenue funds, and debt service funds are adopted on a basis which is consistent with accounting principles generally accepted in the United States of America (GAAP), except for the following:

- For GAAP purposes, expenditures are recognized primarily as incurred, whereas the City's budget basis recognizes encumbrances outstanding at year end as expenditures of the current period.

CITY OF ST. PETERS, MISSOURI

Notes to Budgetary Comparison Information (continued)

- In the special revenue funds, certain nonexchange intergovernmental revenue is recognized differently for GAAP and budget basis purposes due to the related recognition (encumbrance) of reimbursable expenditures discussed above.
- Property tax revenue is recognized in the period for which it is levied, to the extent it is collected within the current period or expected to be collected within 60 days following the end of the fiscal period on a GAAP basis. Property tax revenue not received at year end is recorded as deferred revenue. Property tax revenue is recognized on a budget basis at the point in time that the tax is levied.

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF FUNDING PROGRESS - EMPLOYEES' RETIREMENT SYSTEM
SEPTEMBER 30, 2011**

The following required supplementary information relates to the City of St. Peters' participation in Missouri LAGERS, an agent multiple-employer public retirement system.

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Entry Age Actuarial Accrued Liability	(b-a) Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL as a Percentage of Covered Payroll
February 28, 2002	26,095,648	34,790,135	8,694,487	75%	16,869,756	52%
February 28, 2003	28,371,495	38,701,789	10,330,294	73%	17,609,354	59%
February 28, 2004	31,388,499	42,491,859	11,103,360	74%	18,195,286	61%
February 28, 2005	35,295,426	46,959,411	11,663,985	75%	18,874,777	62%
February 28, 2006	39,749,391	51,233,320	11,483,929	78%	19,479,944	59%
February 28, 2007	44,119,819	54,773,026	10,653,207	81%	20,124,825	53%
February 28, 2008	49,907,598	61,324,981	11,417,383	81%	21,817,121	52%
February 28, 2009	41,957,250	63,353,591	21,396,341	66%	21,829,422	98%
February 28, 2010	45,636,705	67,734,767	22,098,062	67%	22,752,065	97%
February 28, 2011	48,922,884	72,732,860	23,809,976	67%	23,323,653	102%

Note: The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2011 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS office in Jefferson City.

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF FUNDING PROGRESS AND CONTRIBUTIONS -
OTHER POST-EMPLOYMENT BENEFIT PLAN
SEPTEMBER 30, 2011**

The following required supplementary information relates to the City's other post-employment benefits program.

Schedule of Funding Progress:

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability	(b-a) Unfunded Actuarial Accrued Liability (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	((b-a)/c) UAAL as a Percentage of Covered Payroll
09/30/08	\$ 6,910,000	\$ 21,450,000	\$ 14,540,000	32.2%	\$24,765,000	58.71%
09/30/09	\$ 7,858,000	\$ 23,863,000	\$ 16,005,000	32.9%	\$25,860,000	61.89%
10/01/10	\$ 8,635,738	\$ 25,292,370	\$ 16,656,632	34.1%	\$26,747,936	62.30%

Schedule of Employer Contributions:

Year Ended September 30,	Annual Required Contribution	Percentage Contributed
2009	\$2,244,000	20.80%
2010	\$2,418,715	20.60%
2011	\$2,497,077	17.20%

Note: The results shown above are based on plan provisions and long-term assumptions and methods summarized in Note 13.

Other Supplementary Information

**Combining And Individual Fund
Financial Statements And Schedules**

Nonmajor Governmental Funds
Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Sewer Lateral Repair Program Fund - Used to account for money received from assessments on all residential property with six or less dwelling units. This money is used to repair defective lateral sewer service lines.

Special Allocation Fund - Old Town - Used to account for revenues generated by the Old Town TIF district.

Special Allocation Fund -Lakeside Redevelopment - Used to account for revenues generated by the Lakeside Redevelopment TIF district for the payment of debt service and other TIF related expenditures.

Community Development Block Grant Fund - Used to account for federal grant proceeds that provides assistance to low and moderate income persons.

Neighborhood Improvement District Fund - Used to account for the use of bond proceeds for infrastructure improvements in the Crown Colony Phase One neighborhood improvement district.

Local Parks And Stormwater Fund - Used to account for one-tenth sales tax revenue and grant proceeds to be used for park and stormwater projects.

CITY OF ST. PETERS, MISSOURI

**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2011**

	Sewer Lateral Repair Program Fund	Special Allocation Funds		Community Development Block Grant Fund	Neighborhood Improvement District Fund	Local Parks and Stormwater Fund	Total
		Old Town	Lakeside Redevelop- ment				
Assets:							
Cash and cash investments:							
Held by trustees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	1,426,142	931,015	156,342	-	-	1,787,226	4,300,725
Restricted	-	-	-	27,522	-	166,878	194,400
Receivables, net of allowances where applicable:							
Taxes	-	-	-	-	-	103,700	103,700
Intergovernmental	-	64,288	-	24,816	-	-	89,104
Accrued interest	4,167	-	-	-	-	-	4,167
Other	4,951	34,032	2,495	221,863	28,225	100	291,666
Long-term receivables	-	-	-	635,887	-	-	635,887
Total Assets	\$ 1,435,260	\$ 1,029,335	\$ 158,837	\$ 910,088	\$ 28,225	\$ 2,057,904	\$ 5,619,649
Liabilities and Fund Balances:							
Liabilities:							
Accounts payable	\$ 142,716	\$ 198,243	\$ -	\$ 479	\$ -	\$ 70,649	\$ 412,087
Accrued liabilities	2,589	-	-	-	-	1,682	4,271
Deposits/guarantee bonds	4,200	-	-	-	-	-	4,200
Due to other funds	125	-	-	51,859	1,141	-	53,125
Deferred revenue	-	-	-	-	26,350	-	26,350
Total Liabilities	149,630	198,243	-	52,338	27,491	72,331	500,033
Fund Balances:							
Restricted for:							
Sewer lateral projects	1,285,630	-	-	-	-	-	1,285,630
Special allocation projects	-	831,092	158,837	-	-	-	989,929
Grants	-	-	-	857,750	-	-	857,750
Debt service	-	-	-	-	734	166,878	167,612
Local parks and stormwater	-	-	-	-	-	1,818,695	1,818,695
Total Fund Balances	1,285,630	831,092	158,837	857,750	734	1,985,573	5,119,616
Total Liabilities and Fund Balances	\$ 1,435,260	\$ 1,029,335	\$ 158,837	\$ 910,088	\$ 28,225	\$ 2,057,904	\$ 5,619,649

CITY OF ST. PETERS, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Sewer Lateral Repair Program Fund	Special Allocation Funds		Community Development Block Grant Fund	Neighborhood Improvement District Fund	Local Parks and Stormwater Fund	Total
		Old Town	Lakeside Redevelop- ment				
Revenues:							
Sales tax	\$ -	\$ 307,763	\$ 8	\$ -	\$ -	\$ 1,164,594	\$ 1,472,365
Property tax	-	637,366	24,248	-	-	-	661,614
Interest	8,038	6,654	3,474	-	2	2,154	20,322
Intergovernmental	-	64,288	-	198,186	-	-	262,474
Charges for services	520,235	-	-	-	-	-	520,235
Miscellaneous	-	-	-	-	6,975	4,550	11,525
Total Revenues	528,273	1,016,071	27,730	198,186	6,977	1,171,298	2,948,535
Expenditures:							
General government	-	126,327	1,868	246,354	-	-	374,549
Public works	845,579	1,333,546	-	-	-	232,832	2,411,957
Parks and recreation	-	-	-	-	-	140	140
Capital outlay	16,405	2,498,287	-	-	-	180,812	2,695,504
Debt service:							
Principal retirement	-	-	-	-	5,000	-	5,000
Interest	-	-	288	-	1,513	27,953	29,754
Other	-	-	-	-	340	52,275	52,615
Total Expenditures	861,984	3,958,160	2,156	246,354	6,853	494,012	5,569,519
Other Financing Sources (Uses):							
Transfers in	-	-	-	-	-	173,311	173,311
Transfers out	-	-	-	-	-	(2,107,579)	(2,107,579)
Issuance of debt	-	-	-	-	-	1,725,000	1,725,000
Bond discount	-	-	-	-	-	(9,185)	(9,185)
Total Other Financing Sources (Uses)	-	-	-	-	-	(218,453)	(218,453)
Net Changes In Fund Balances	(333,711)	(2,942,089)	25,574	(48,168)	124	458,833	(2,839,437)
Fund Balances:							
Beginning of year	1,619,341	3,773,181	133,263	905,918	610	1,526,740	7,959,053
End of year	\$ 1,285,630	\$ 831,092	\$ 158,837	\$ 857,750	\$ 734	\$ 1,985,573	\$ 5,119,616

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - BUDGET BASIS - BUDGETED NONMAJOR GOVERNMENTAL FUNDS**

Page 1 of 2

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Sewer Lateral Repair Program Fund			Special Allocation Fund - Old Town		
	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:						
Sales tax	\$ -	\$ -	\$ -	\$ 250,000	\$ 307,763	\$ 57,763
Property tax	-	-	-	590,960	637,366	46,406
Interest	10,000	8,038	(1,962)	15,000	6,654	(8,346)
Intergovernmental	-	-	-	-	-	-
Charges for services	540,000	520,235	(19,765)	-	-	-
Total Revenues	550,000	528,273	(21,727)	855,960	951,783	95,823
Expenditures:						
General government	-	-	-	121,749	126,327	(4,578)
Public works	845,250	813,824	31,426	250,000	268,234	(18,234)
Capital outlay	17,500	16,405	1,095	2,609,230	2,498,287	110,943
Total Expenditures	862,750	830,229	32,521	2,980,979	2,892,848	88,131
Revenues Over (Under) Expenditures	(312,750)	(301,956)	10,794	(2,125,019)	(1,941,065)	183,954
Fund Balances:						
Budget basis:						
Unreserved:						
Beginning of year	1,400,090	1,400,090	-	2,593,483	2,593,483	-
Transfers from (to) reserved	-	-	-	-	-	-
End of year	1,087,340	1,098,134	10,794	468,464	652,418	183,954
Reserved:						
Beginning of year	-	-	-	-	-	-
Transfers from (to) reserved	-	-	-	-	-	-
End of year	-	-	-	-	-	-
Budget basis, end of year	\$ 1,087,340	1,098,134	\$ 10,794	\$ 468,464	652,418	\$ 183,954
Budget basis grant revenue		-			-	
Encumbrances, end of year		187,496			178,674	
GAAP basis, end of year		\$ 1,285,630		\$ 831,092		

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - BUDGET BASIS - BUDGETED NONMAJOR GOVERNMENTAL FUNDS**

Page 2 of 2

FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Special Allocation Fund - Lakeside Redevelopment			Community Development Block Grant Fund			Local Parks and Storm Water Fund		
	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:									
Sales tax	\$ -	\$ 8	\$ 8	\$ -	\$ -	\$ -	\$ 1,135,000	\$ 1,164,594	\$ 29,594
Property tax	24,500	24,248	(252)	-	-	-	-	-	-
Interest	1,500	3,474	1,974	-	-	-	2,000	2,154	154
Intergovernmental	-	-	-	270,617	198,186	(72,431)	-	-	-
Miscellaneous	-	-	-	-	-	-	-	4,550	4,550
Total Revenues	26,000	27,730	1,730	270,617	198,186	(72,431)	1,137,000	1,171,298	34,298
Expenditures:									
General government	10,000	1,868	8,132	270,617	198,186	72,431	-	-	-
Public works	-	-	-	-	-	-	371,600	263,012	108,588
Parks and recreation	-	-	-	-	-	-	500	140	360
Capital outlay	-	-	-	-	-	-	295,000	147,213	147,787
Debt service	-	288	(288)	-	-	-	30,000	22,972	7,028
Total Expenditures	10,000	2,156	7,844	270,617	198,186	72,431	697,100	433,337	263,763
Other Financing Sources (Uses):									
Transfers in	-	-	-	-	-	-	-	173,311	173,311
Transfers out	-	-	-	-	-	-	(2,108,000)	(2,107,579)	421
Issuance of debt	-	-	-	-	-	-	1,659,000	1,658,559	(441)
Total Other Financing Sources (Uses)	-	-	-	-	-	-	(449,000)	(275,709)	173,291
Revenues Over (Under) Expenditures	16,000	25,574	9,574	-	-	-	(9,100)	462,252	471,352
Fund Balances:									
Budget basis:									
Unreserved:									
Beginning of year	133,263	133,263	-	-	-	-	1,102,013	1,102,013	-
Transfers from (to) reserved	-	-	-	-	-	-	168,000	168,122	122
End of year	149,263	158,837	9,574	-	-	-	1,260,913	1,732,387	818,056
Reserved:									
Beginning of year	-	-	-	-	-	-	330,000	335,000	5,000
Transfers from (to) reserved	-	-	-	-	-	-	(168,000)	(168,122)	(122)
End of year	-	-	-	-	-	-	162,000	166,878	4,878
Budget basis, end of year	\$ 149,263	158,837	\$ 9,574	\$ -	-	\$ -	\$ 1,422,913	1,899,265	\$ 822,934
GAAP basis receivable	-	-	-	-	857,750	-	-	-	-
Encumbrances, end of year	-	-	-	-	-	-	-	86,308	-
GAAP basis, end of year	\$ 158,837			\$ 857,750			\$ 1,985,573		

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - BUDGET BASIS - DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Property tax	\$ 2,103,100	\$ 2,137,731	\$ 34,631
Interest	10,000	16,271	6,271
Miscellaneous	-	2,719	2,719
Total Revenues	<u>2,113,100</u>	<u>2,156,721</u>	<u>43,621</u>
Expenditures:			
Debt service	4,646,100	4,625,450	20,650
Total Expenditures	<u>4,646,100</u>	<u>4,625,450</u>	<u>20,650</u>
Revenues Under Expenditures	(2,533,000)	(2,468,729)	64,271
Other Financing Sources:			
Transfers in	1,966,656	1,966,435	(221)
Revenues and Other Financing Sources Over Expenditures	(566,344)	(502,294)	64,050
Fund Balances:			
Budget basis:			
Unreserved:			
Beginning of year	3,254,331	3,254,331	-
End of year	<u>2,687,987</u>	<u>2,752,037</u>	<u>64,050</u>
Budget basis, end of year	<u>\$ 2,687,987</u>	2,752,037	<u>\$ 64,050</u>
Property tax - deferred revenue, end of year		<u>(41,134)</u>	
GAAP basis, end of year		<u>\$ 2,710,903</u>	

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL -
BUDGET BASIS - ENTERPRISE FUND - WATERWORKS/SANITARY
SEWER FUND - (UTILITY OPERATING FUND)
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Water and sewer	\$ 7,883,300	\$ 8,110,504	\$ 227,204
Interest	5,000	4,185	(815)
Intergovernmental	40,000	50,000	10,000
Miscellaneous	1,275,700	1,425,012	149,312
Total Revenues	9,204,000	9,589,701	385,701
Expenses:			
Personnel costs	3,728,250	3,786,986	(58,736)
Utilities	561,450	631,594	(70,144)
Purchased water	740,000	757,295	(17,295)
Wastewater treatment costs	103,000	138,213	(35,213)
Repairs and maintenance	616,000	512,512	103,488
Chemicals and supplies	415,000	348,148	66,852
Professional services	390,200	340,985	49,215
Supplies and other	284,425	251,727	32,698
Insurance	46,000	32,720	13,280
Gasoline and fuel	109,500	137,950	(28,450)
Rent	11,500	8,186	3,314
Miscellaneous	470,400	484,651	(14,251)
Total Expenses	7,475,725	7,430,967	44,758
Net Revenues Before Capital Expenditures and Debt Service and Fees	1,728,275	2,158,734	430,459
Capital Expenditures	539,053	499,177	39,876
Debt Service and Fees	1,700,000	1,698,768	1,232
Revenues Under Expenses	(510,778)	(39,211)	471,567
Net Assets			
Budget basis:			
Unreserved:			
Beginning of year	768,880	768,880	-
Transfers from (to) reserved	(45,417)	(45,417)	-
End of year	212,685	684,252	471,567
Reserved:			
Beginning of year	1,784,083	1,784,083	-
Transfers from (to) reserved	45,417	45,417	-
End of year	1,829,500	1,829,500	-
Budget basis, end of year	\$ 2,042,185	\$ 2,513,752	\$ 471,567

* The City adopts a separate budget for the utility operating fund (part of the waterworks/sanitary sewer enterprise fund). Actual amounts presented above include amounts encumbered at year end, which are treated as expenditures for purposes of the budget to actual comparison. Additionally, capital expenditures and bond principal payments are recognized as expenses for budget purposes.

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL -
BUDGET BASIS - ENTERPRISE FUND - SOLID WASTE FUND -
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Trash collection	\$ 3,664,200	\$ 3,602,829	\$ (61,371)
Intergovernmental	-	4,263	4,263
Miscellaneous	101,300	103,135	1,835
Interest	15,000	26,605	11,605
Total Revenues	3,780,500	3,736,832	(43,668)
Expenses:			
Personnel costs	2,115,620	2,207,790	(92,170)
Utilities	28,000	45,235	(17,235)
Landfill fees	1,036,700	910,203	126,497
Repairs and maintenance	210,400	220,789	(10,389)
Capital expenditures	718,181	697,165	21,016
Chemicals and supplies	10,500	6,682	3,818
Professional services	26,180	12,145	14,035
Supplies and other	71,390	54,554	16,836
Insurance	26,000	30,848	(4,848)
Gasoline and fuel	190,000	238,199	(48,199)
Rent	5,950	1,409	4,541
Miscellaneous	2,974,900	2,907,959	66,941
Total Expenses	7,413,821	7,332,978	80,843
Revenues Under Expenses	(3,633,321)	(3,596,146)	37,175
Net Assets			
Budget basis:			
Unreserved:			
Beginning of year	765,297	765,297	-
Transfers from (to) reserved	3,525,000	3,455,313	(69,687)
End of year	656,976	624,464	(32,512)
Reserved:			
Beginning of year	7,222,894	7,222,894	-
Transfers from (to) reserved	(3,525,000)	(3,455,313)	69,687
End of year	3,697,894	3,767,581	69,687
Budget basis, end of year	\$ 4,354,870	\$ 4,392,045	\$ 37,175

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL -
BUDGET BASIS - ENTERPRISE FUND -
CENTRAL MATERIALS PROCESSING FACILITY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Tipping fees	\$ 1,626,300	\$ 1,608,530	\$ (17,770)
Recycling fees	1,451,100	1,545,898	94,798
Earth Centre	306,700	271,410	(35,290)
Intergovernmental	20,000	-	(20,000)
Interest	2,000	1,462	(538)
Miscellaneous	22,000	20,267	(1,733)
Total Revenues	3,428,100	3,447,567	19,467
Expenses:			
Personnel costs	1,701,635	1,543,878	157,757
Landfill fees	992,000	862,394	129,606
Utilities	69,000	53,294	15,706
Capital expenditures	92,750	76,794	15,956
Professional services	74,950	24,012	50,938
Repairs and maintenance	163,275	216,440	(53,165)
Insurance	20,000	(16,116)	36,116
Gasoline and fuel	41,000	34,084	6,916
Supplies and other	614,300	610,024	4,276
Total Expenses	3,768,910	3,404,804	364,106
Revenues Over (Under) Expenses	(340,810)	42,763	383,573
Budget basis:			
Unreserved:			
Beginning of year	990,563	990,563	-
Transfers from (to) reserved	-	-	-
End of year	649,753	1,033,326	383,573
Reserved:			
Beginning of year	175,000	175,000	-
Transfers from (to) reserved	-	-	-
End of year	175,000	175,000	-
Budget basis, end of year	\$ 824,753	\$ 1,208,326	\$ 383,573

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL -
BUDGET BASIS - ENTERPRISE FUND - RECREATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Recreation	\$ 6,739,300	\$ 6,092,237	\$ (647,063)
Interest	10,000	1,108	(8,892)
Total Revenues	6,749,300	6,093,345	(655,955)
Expenses:			
Personnel costs	3,423,490	3,267,164	156,326
Utilities	903,100	845,199	57,901
Repairs and maintenance	212,020	246,753	(34,733)
Capital expenditures	427,200	314,282	112,918
Chemicals and supplies	80,500	80,623	(123)
Professional services	249,910	185,813	64,097
Supplies and other	352,510	279,608	72,902
Concessions	258,000	205,972	52,028
Insurance	27,000	49,518	(22,518)
Gasoline and fuel	13,900	19,569	(5,669)
Miscellaneous	44,950	80,261	(35,311)
Total Expenses	5,992,580	5,574,762	417,818
 Net Revenues Before Debt Service and Fees	 756,720	 518,583	 (238,137)
 Debt Service and fees	 1,585,000	 1,585,636	 (636)
 Revenues Under Expenses	 (828,280)	 (1,067,053)	 (238,773)
Other Financing Sources:			
Transfers in	1,050,000	1,050,000	-
 Revenues and Other Financing Sources Over (Under) Expenditures	 221,720	 (17,053)	 (238,773)
Net Assets			
Budget basis:			
Unreserved:			
Beginning of year	8,955	8,955	-
Transfers from (to) reserved	31,465	31,441	(24)
End of year	262,140	23,343	(238,797)
Reserved:			
Beginning of year	1,029,038	1,029,038	-
Transfers from (to) reserved	(31,465)	(31,441)	24
End of year	997,573	997,597	24
Budget basis, end of year	\$ 1,259,713	\$ 1,020,940	\$ (238,773)

Statistical Section

**City of
St. Peters**

CITY OF ST. PETERS, MISSOURI

Statistical Section

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

Contents

Page

Financial Trends

These pages contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

92 - 97

Revenue Capacity

These pages contain information to help the reader assess the City's most significant local revenue sources.

98 - 103

Debt Capacity

These pages present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

104 - 108

Demographic and Economic Information

These pages offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

109 - 110

Operating Information

These pages contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

111 - 113

Sources: Unless otherwise noted, the information in this section is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement No. 34 in 2003; schedules presenting government-wide information include information beginning in that year.

CITY OF ST. PETERS, MISSOURI

**NET ASSETS BY COMPONENT
LAST NINE FISCAL YEARS**

(accrual basis of accounting)

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities									
Invested in capital assets, net of related debt	\$ 17,817,073	\$ 38,538,859	\$ 48,650,137	\$ 241,816,941	\$ 239,665,381	\$ 220,878,960	\$ 240,140,438	\$ 258,630,627	\$ 259,323,155
Restricted for capital projects	3,144,994	1,637,801	7,119,355	14,774,979	8,176,260	8,502,836	5,922,228	6,768,629	-
Restricted for debt service	1,860,174	2,034,833	2,847,740	1,307,849	2,436,832	8,897,412	6,100,691	7,209,265	4,331,436
Restricted for other purposes	2,056,942	2,169,874	-	-	-	-	-	-	12,934,040
Unrestricted	19,425,271	19,350,046	15,789,770	21,251,441	17,868,604	21,207,143	13,523,667	5,101,854	(6,982,701)
Total governmental activities net assets	<u>\$ 44,304,454</u>	<u>\$ 63,731,413</u>	<u>\$ 74,407,002</u>	<u>\$ 279,151,210</u>	<u>\$ 268,147,077</u>	<u>\$ 259,486,351</u>	<u>\$ 265,687,024</u>	<u>\$ 277,710,375</u>	<u>\$ 269,605,930</u>
Business-type activities									
Invested in capital assets, net of related debt	\$ 19,933,025	\$ 20,257,573	\$ 20,726,775	\$ 22,491,148	\$ 29,209,873	\$ 39,970,976	\$ 37,818,296	\$ 37,202,278	\$ 51,062,078
Restricted for capital projects	-	-	-	-	3,363,721	-	-	-	-
Restricted for debt service	4,700,413	5,290,157	5,684,152	6,990,365	9,394,406	7,233,632	3,759,580	4,041,857	3,058,197
Unrestricted	11,161,512	10,573,701	11,174,468	9,580,106	11,604,597	17,159,930	20,468,117	12,609,854	10,844,666
Total business-type activities net assets	<u>\$ 35,794,950</u>	<u>\$ 36,121,431</u>	<u>\$ 37,585,395</u>	<u>\$ 39,061,619</u>	<u>\$ 53,572,597</u>	<u>\$ 64,364,538</u>	<u>\$ 62,045,993</u>	<u>\$ 53,853,989</u>	<u>\$ 64,964,941</u>
Primary government									
Invested in capital assets, net of related debt	\$ 37,750,098	\$ 58,796,432	\$ 69,376,912	\$ 264,308,089	\$ 268,875,254	\$ 260,849,936	\$ 277,958,734	\$ 295,832,905	\$ 310,385,233
Restricted for capital projects	3,144,994	1,637,801	7,119,355	14,774,979	11,539,981	8,502,836	5,922,228	6,768,629	-
Restricted for debt service	6,560,587	7,324,990	8,531,892	8,298,214	11,831,238	16,131,044	9,860,271	11,251,122	7,389,633
Restricted for other purposes	2,056,942	2,169,874	-	-	-	-	-	-	12,934,040
Unrestricted	30,586,783	29,923,747	26,964,238	30,831,547	29,473,201	38,367,073	33,991,784	17,711,708	3,861,965
Total primary government net assets	<u>\$ 80,099,404</u>	<u>\$ 99,852,844</u>	<u>\$ 111,992,397</u>	<u>\$ 318,212,829</u>	<u>\$ 321,719,674</u>	<u>\$ 323,850,889</u>	<u>\$ 327,733,017</u>	<u>\$ 331,564,364</u>	<u>\$ 334,570,871</u>

Note: The City began to report accrual information when it implemented GASB statement 34 in fiscal 2003. During fiscal year 2007 the City changed the accounting for the Recreation Fund from a governmental fund to an enterprise fund.

Source: Basic financial statements

CITY OF ST. PETERS, MISSOURI

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

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses									
Governmental activities:									
General government	\$ 1,918,385	\$ 2,480,263	\$ 3,153,690	\$ 4,414,387	\$ 4,101,069	\$ 10,605,639	\$ 4,936,885	\$ 3,988,945	\$ 6,412,147
Administration	5,813,016	5,262,781	5,142,485	4,679,329	4,440,371	4,439,076	4,413,440	4,465,717	4,642,420
Police	8,586,747	8,520,256	9,106,695	9,626,373	9,814,498	10,358,838	10,758,075	11,487,848	12,883,901
Municipal court	294,193	324,357	355,325	360,009	369,667	417,285	443,602	469,464	451,384
Public works	5,456,970	4,771,304	6,719,849	11,304,991	17,293,048	10,321,657	11,894,996	9,721,254	22,109,038
Engineering	2,012,693	2,139,381	2,070,918	2,584,427	2,469,174	2,630,888	2,552,615	2,571,574	2,572,899
Maintenance	878,392	799,725	729,378	967,257	756,069	727,250	749,630	788,172	465,034
Health	564,390	591,484	577,925	582,359	581,024	709,702	602,498	615,783	731,504
Parks and Recreation	8,092,134	8,789,938	8,845,727	9,112,915	5,517,854	5,279,526	5,507,748	5,893,725	6,092,722
Community Relations	807,688	855,073	826,583	876,912	960,770	962,461	1,009,804	1,007,998	983,171
Community & Arts	366,784	310,754	290,478	256,880	268,835	277,631	280,512	290,368	243,961
Community Development	-	-	-	-	-	-	-	963,000	-
Interest on long term debt	2,265,041	1,983,033	2,148,903	2,748,833	2,117,537	2,258,848	3,536,569	3,484,084	3,321,526
Total governmental activities expenses	37,056,433	36,828,349	39,967,956	47,514,672	48,689,916	48,988,801	46,686,374	45,747,932	60,909,707
Business-type activities:									
Waterworks/Sanitary Sewer	7,189,717	7,944,078	8,136,178	8,439,318	8,782,669	9,857,448	9,625,487	11,297,498	12,069,159
Solid Waste	2,871,588	3,176,106	3,367,321	3,558,062	4,043,387	4,182,408	4,399,270	7,126,274	5,203,218
Public improvement corporation	764,809	1,149,042	1,156,686	1,100,309	840,568	608,613	529,810	503,638	157,303
Central Materials Processing Facility	3,528,825	3,142,558	3,306,561	3,381,029	3,408,096	3,411,717	3,677,814	3,932,005	3,622,194
Recreation	-	-	-	-	6,122,627	6,453,216	7,038,214	7,884,369	8,121,280
Total business-type activities expenses	14,354,939	15,411,784	15,966,746	16,478,718	23,197,347	24,513,402	25,270,595	30,743,784	29,173,154
Total primary government expenses	\$ 51,411,372	\$ 52,240,133	\$ 55,934,702	\$ 63,993,390	\$ 71,887,263	\$ 73,502,203	\$ 71,956,969	\$ 76,491,716	\$ 90,082,861
Program Revenues									
Governmental activities:									
Charges for services:									
General government	\$ 893,171	\$ 1,274,215	\$ 1,434,577	\$ 2,082,925	\$ 1,819,527	\$ 1,709,498	\$ 908,725	\$ 1,181,701	\$ 1,052,200
Police	1,433,807	1,689,862	1,595,803	2,238,900	1,768,839	2,562,532	2,930,923	2,778,995	2,817,623
Public works	7,009	5,440	516,937	718,062	524,412	540,181	544,287	522,200	527,210
Health	10,972	11,629	11,652	21,400	20,359	22,425	21,314	20,182	18,477
Parks and recreation	3,290,389	3,567,199	3,331,353	3,743,865	26,730	25,851	25,585	8,640	9,113
Community relations	86,683	88,480	94,279	90,591	92,471	72,887	-	-	-
Community & Arts	111,211	103,348	123,875	124,970	114,390	177,196	172,413	176,380	208,539
Operating grants and contributions	3,310,766	3,539,346	3,534,260	3,623,735	3,813,207	3,496,262	4,024,801	3,597,950	3,680,124
Capital grants and contributions	3,951,170	6,255,077	4,094,689	7,785,280	5,767,781	4,000,088	6,557,930	10,759,472	15,176,082
Total governmental activities program revenues	13,095,178	16,534,596	14,737,425	20,429,728	13,947,716	12,606,920	15,185,978	19,045,520	23,489,368
Business-type activities:									
Charges for services:									
Waterworks/Sanitary sewer	7,227,302	7,495,672	8,384,200	8,580,469	9,728,781	9,370,782	8,649,448	9,675,873	10,420,961
Solid waste	2,836,216	3,147,922	3,636,949	3,974,228	4,325,591	4,622,677	3,374,042	3,540,501	3,693,198
Public improvement corporation	-	-	-	-	844,102	819,785	849,680	555,071	-
Central materials processing facility	3,627,223	3,508,675	3,240,202	3,021,534	3,399,577	3,703,035	3,326,266	3,394,464	3,444,502
Recreation	-	-	-	-	3,656,297	4,608,748	5,147,064	5,896,515	6,092,237
Operating grants and contributions	758,055	868,789	1,293,479	1,255,040	-	-	-	-	-
Capital grants and contributions	298,427	630,212	530,759	234,097	559,515	137,719	719,510	588,320	3,659,979
Total business-type activities program revenues	14,747,223	15,651,270	17,085,589	17,065,368	22,513,863	23,262,746	22,066,010	23,650,744	27,310,877
Total primary government program revenues	\$ 27,842,401	\$ 32,185,866	\$ 31,823,014	\$ 37,495,096	\$ 36,461,579	\$ 35,869,666	\$ 37,251,988	\$ 42,696,264	\$ 50,800,245

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003. During fiscal year 2007 the City changed the accounting for the

Recreation Fund from a governmental fund to an enterprise fund.

Source: Basic financial statements.

CITY OF ST. PETERS, MISSOURI

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

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Net (Expense)/Revenue									
Governmental activities	\$ (23,961,255)	\$ (20,313,753)	\$ (25,230,531)	\$ (27,084,944)	\$ (34,742,200)	\$ (36,381,881)	\$ (31,500,396)	\$ (26,702,412)	\$ (37,420,339)
Business-type activities	402,284	239,486	1,118,843	586,650	(683,484)	(1,250,656)	(3,204,585)	(7,093,040)	(1,862,277)
Total primary government net expense	\$ (23,558,971)	\$ (20,074,267)	\$ (24,111,688)	\$ (26,498,294)	\$ (35,425,684)	\$ (37,632,537)	\$ (34,704,981)	\$ (33,795,452)	\$ (39,282,616)
General Revenues and Other Changes in Net Assets									
Governmental activities:									
Taxes									
Property taxes levied for general purposes	\$ 5,319,788	\$ 5,345,877	\$ 5,444,307	\$ 5,754,221	\$ 5,972,329	\$ 6,152,614	\$ 6,392,363	\$ 5,993,141	\$ 6,705,073
Property taxes levied for debt service	2,067,646	2,244,013	2,277,665	2,460,820	2,563,201	2,633,533	2,636,371	2,495,335	2,137,731
Property taxes levied for tax increment financing districts	1,435,396	1,832,303	2,542,597	2,857,283	2,915,222	3,154,963	3,455,420	3,747,632	3,821,189
Sales taxes levied for general purposes	10,510,456	10,957,062	11,350,867	11,416,073	11,344,811	11,566,809	11,088,916	11,106,737	11,777,602
Sales taxes levied for transportation purposes	5,255,188	5,478,536	5,675,421	5,706,975	5,673,491	5,783,416	5,544,419	5,553,379	5,888,803
Sales taxes levied for Park and Storm Water purposes	1,036,575	1,081,465	1,120,688	1,126,750	1,120,066	1,142,294	1,094,341	1,096,321	1,164,594
Sales taxes levied for Tax increment Financing Districts	1,951,088	2,182,219	2,422,100	2,767,595	2,840,130	2,793,140	3,625,574	3,278,082	2,869,664
Franchise and public service taxes	2,692,959	2,823,306	3,073,690	3,269,630	3,364,976	3,415,948	3,457,259	3,603,717	4,188,158
Sewer lateral repair fee	-	480,541	-	-	-	-	-	-	-
Earnings on investments	767,316	354,629	794,416	2,220,645	2,095,392	1,488,010	286,808	110,734	55,642
Other revenue	1,430,292	479,869	516,637	1,423,234	2,388,254	514,882	912,057	553,445	3,571,682
Gain (loss) on sale of security	-	117,714	-	-	-	-	-	-	-
Gain on Sale of Capital Assets	(108,304)	237,001	-	20,328,060	66,490	-	17,541	20,981	69,326
Transfers	-	120,400	61,000	72,500	238,193	(10,924,454)	(810,000)	1,166,259	(12,933,570)
Total governmental activities	32,358,400	33,734,935	35,279,388	59,403,786	40,582,555	27,721,155	37,701,069	38,725,763	29,315,894
Business-type activities:									
Earnings on investments	142,102	207,395	406,121	759,658	1,462,516	763,109	134,044	35,355	35,074
Gain (loss) on sale of capital assets	-	-	-	202,416	58,019	355,034	5,964	31,940	4,585
Transfers	-	(120,400)	(61,000)	(72,500)	(238,193)	10,924,454	810,000	(1,166,259)	12,933,570
Total business-type activities	142,102	86,995	345,121	889,574	1,282,342	12,042,597	950,008	(1,098,964)	12,973,229
Total primary government	\$ 8,941,531	\$ 13,747,663	\$ 11,512,821	\$ 33,795,066	\$ 6,439,213	\$ 2,131,215	\$ 3,946,096	\$ 3,831,347	\$ 3,006,507
Change in Net Assets									
Governmental activities	\$ 8,397,145	\$ 13,421,182	\$ 10,048,857	\$ 32,318,842	\$ 5,840,355	\$ (8,660,726)	\$ 6,200,673	\$ 12,023,351	\$ (8,104,445)
Business-type activities	544,386	326,481	1,463,964	1,476,224	598,858	10,791,941	(2,254,577)	(8,192,004)	11,110,952
Total primary government	\$ 8,941,531	\$ 13,747,663	\$ 11,512,821	\$ 33,795,066	\$ 6,439,213	\$ 2,131,215	\$ 3,946,096	\$ 3,831,347	\$ 3,006,507

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003. The prior period adjustments are related to - fiscal year 2004 increased construction in progress for infrastructure assets incurred prior to October 1, 2002 that was inadvertently omitted, fiscal year 2006 is due to the recording of infrastructure placed in service prior to 2003, fiscal year 2007 the City changed the accounting for the Recreation Fund from a governmental fund to an enterprise fund and corrected inaccuracies in capital asset balances.

Source: Basic financial statements.

CITY OF ST. PETERS, MISSOURI

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

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund										
Reserved for encumbrances	\$ 660,161	\$ 431,094	\$ 382,180	\$ 465,563	\$ 372,189	\$ 346,284	\$ 733,673	\$ 1,724,906	\$ 754,166	\$ -
Reserved for capital improvements	-	-	-	-	4,000,000	2,867,207	2,100,000	620,259	379,110	-
Reserved for debt service	-	-	-	-	-	-	-	-	545,582	-
Reserved for storm water management	184,008	189,719	223,172	223,173	85,286	110,267	163,783	183,839	187,529	-
Reserved for inventory/prepaid	784,863	827,345	867,637	873,131	796,763	725,590	799,721	846,257	828,933	-
Reserved for other projects	1,393,403	2,692,157	2,932,610	780,609	524,527	694,980	479,904	2,160,448	389,628	-
Unreserved	3,813,463	3,344,086	4,161,091	4,248,705	5,502,409	7,861,281	12,480,457	7,737,594	3,442,769	-
Nonspendable	-	-	-	-	-	-	-	-	-	914,407
Restricted for:										
Debt service	-	-	-	-	-	-	-	-	-	545,587
Police services	-	-	-	-	-	-	-	-	-	227,169
Assigned for:										
Encumbrances	-	-	-	-	-	-	-	-	-	384,335
Subsequent year budget	-	-	-	-	-	-	-	-	-	1,597,435
Capital projects	-	-	-	-	-	-	-	-	-	541,388
Unassigned	-	-	-	-	-	-	-	-	-	683,136
Total General Fund	\$ 6,835,898	\$ 7,484,401	\$ 8,566,690	\$ 6,591,181	\$ 11,281,174	\$ 12,605,609	\$ 16,757,538	\$ 13,273,303	\$ 6,527,717	\$ 4,893,457

CITY OF ST. PETERS, MISSOURI

FUND BALANCES, GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
All Other Governmental Funds										
Reserved for encumbrances	\$ 3,492,964	\$ 7,546,759	\$ 2,127,464	\$ 4,865,217	\$ 3,936,558	\$ 3,559,764	\$ 7,938,066	\$ 4,109,188	\$ 8,490,996	\$ -
Reserved for capital improvements	334,726	147,457	455,307	472,945	447,514	320,000	4,980,000	-	-	-
Reserved for debt service	-	-	-	-	-	-	5,349,325	4,424,325	5,705,895	-
Reserved for inventory/prepaid	9,358	14,703	20,909	27,087	23,506	2,602	3,300	38,036	3,800	-
Reserved for long-term receivables	-	306,103	519,773	727,514	796,767	1,001,353	806,132	700,569	695,926	-
Reserved for other projects	2,198,994	2,086,042	2,199,874	-	-	3,276,765	-	-	-	-
Unreserved, reported in										
Special revenue funds	8,565,757	5,022,374	8,898,714	11,268,978	16,299,128	16,492,467	9,311,290	10,894,991	4,437,401	-
Debt service funds	1,865,237	1,860,174	2,034,833	2,847,740	1,307,849	2,396,237	3,458,563	3,669,646	3,197,773	-
Capital projects funds	4,214,598	1,344,994	1,637,801	22,598,170	5,907,073	280,116	20,915,453	16,635,365	10,209,589	-
Nonspendable	-	-	-	-	-	-	-	-	-	3,800
Restricted for:										
Transportation	-	-	-	-	-	-	-	-	-	7,015,173
Capital projects	-	-	-	-	-	-	-	-	-	2,028,013
Sewer lateral projects	-	-	-	-	-	-	-	-	-	1,285,630
Special allocation projects	-	-	-	-	-	-	-	-	-	2,050,275
Grants	-	-	-	-	-	-	-	-	-	857,750
Debt service	-	-	-	-	-	-	-	-	-	4,037,106
Local parks and stormwater	-	-	-	-	-	-	-	-	-	1,818,695
Assigned for capital projects	-	-	-	-	-	-	-	-	-	1,135,470
Total all other governmental funds	\$ 20,681,634	\$ 18,328,606	\$ 17,894,675	\$ 42,807,651	\$ 28,718,395	\$ 27,329,304	\$ 52,762,129	\$ 40,472,120	\$ 32,741,380	\$ 20,231,912

Notes: Increased fund balance in 2005 resulted primarily from a \$22,500,000 bond issue for capital projects, and Reserved for Other Projects declined when the City began reporting the Natatorium Foundation as a component unit. During fiscal year 2007 the City changed the accounting for the Recreation Fund from a government fund to a enterprise fund. GASB 54 was implemented in fiscal year 2011.

Source: Basic financial statements.

CITY OF ST. PETERS, MISSOURI

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues										
Sales tax (1)	\$ 18,799,467	\$ 18,753,307	\$ 19,699,282	\$ 20,569,091	\$ 21,017,391	\$ 20,978,501	\$ 21,285,659	\$ 20,655,597	\$ 20,719,476	\$ 21,700,665
Property tax (2)	8,166,425	8,513,746	9,439,098	10,292,983	11,069,439	11,431,916	11,783,275	12,606,100	12,217,710	12,698,014
Utility franchise tax	2,563,123	2,692,959	2,823,306	3,073,693	3,269,630	3,364,976	3,415,948	3,457,259	3,603,717	3,972,708
Special Assessment	-	-	-	-	215,839	-	-	-	-	-
Cigarette tax	206,383	202,503	212,994	189,403	203,416	231,216	254,592	230,091	223,484	215,450
Licenses and permits	1,030,145	844,571	1,167,388	1,312,320	1,950,438	1,660,469	1,526,797	826,625	1,092,659	948,635
Interest	589,411	776,385	472,343	794,421	2,220,644	2,095,392	1,488,010	286,808	110,734	55,643
Intergovernmental	6,501,077	5,278,697	6,999,736	5,880,363	6,731,969	6,821,731	6,155,149	7,647,291	9,978,781	11,669,898
Fines and Forfeitures	1,372,841	1,353,080	1,572,793	1,504,269	1,985,297	1,600,896	2,298,424	2,618,034	2,521,997	2,551,634
Charges for Services	3,499,166	3,560,744	4,340,727	4,109,749	4,694,036	933,779	1,176,669	1,174,004	1,080,991	1,134,782
Miscellaneous	2,342,512	1,903,093	818,681	860,653	1,779,408	2,322,571	451,120	773,329	367,352	3,834,808
Total revenues	45,070,550	43,879,085	47,546,348	48,586,945	55,137,507	51,441,447	49,835,643	50,275,138	51,916,901	58,782,237
Expenditures										
General government	1,507,248	1,670,032	2,138,722	2,908,197	2,740,191	3,862,364	11,156,412	2,953,949	2,929,663	6,109,343
Administration	5,587,177	5,499,898	5,022,275	5,025,680	4,732,115	3,869,357	4,026,933	3,964,072	4,025,538	4,020,331
Police	8,199,622	8,329,325	8,478,745	8,989,169	9,649,419	9,407,345	9,924,110	10,309,193	10,756,677	11,062,800
Municipal court	262,991	292,982	324,432	353,214	359,395	366,373	413,865	439,981	463,630	425,757
Public works	5,542,950	5,612,441	5,794,336	6,774,954	7,560,368	8,418,877	8,074,152	8,319,193	7,879,484	8,685,647
Engineering	1,902,461	1,905,371	2,122,459	2,058,782	2,528,071	2,422,063	2,599,668	2,501,915	2,509,843	2,354,444
Maintenance	713,071	748,045	729,127	709,484	713,904	703,345	710,878	729,093	771,310	411,365
Health	569,180	522,844	536,982	561,370	557,632	555,176	681,640	588,106	586,799	517,257
Parks and Recreation	7,542,068	7,655,882	8,285,927	8,394,205	9,043,035	4,613,547	4,577,817	4,796,454	4,965,617	4,961,281
Community relations	748,392	765,544	715,660	802,542	799,077	787,641	889,931	945,554	925,874	822,657
Community & arts	274,821	278,508	222,717	212,512	180,085	187,634	198,067	200,287	212,144	161,354
Community Development	-	-	-	-	-	-	-	-	963,000	-
Capital outlay	11,462,638	6,561,839	10,169,034	5,647,963	23,657,316	12,924,502	15,656,104	27,579,699	28,937,644	23,635,682
Debt service										
Principal retirement	1,590,000	1,655,000	1,365,000	1,420,000	1,485,000	1,554,000	2,644,000	4,720,000	7,595,000	6,730,000
Interest and arbitrage rebate	1,687,574	2,497,833	2,150,748	2,130,515	2,700,280	1,992,456	2,166,782	3,284,645	3,147,203	3,323,236
Payment to escrow agent	-	-	713,108	-	-	-	-	-	141,255	197,604
Other	44,863	45,066	208,389	52,017	56,082	74,425	59,837	60,693	174,914	209,418
Total expenditures	47,635,056	44,040,610	48,977,661	46,040,604	66,761,970	51,739,105	63,780,196	71,392,834	76,985,595	73,628,176
Excess of revenues over (under) expenditures	(2,564,506)	(161,525)	(1,431,313)	2,546,341	(11,624,463)	(297,658)	(13,944,553)	(21,117,696)	(25,068,694)	(14,845,939)
Other Financing Sources (Uses)										
Transfers in	1,335,000	230,000	340,400	2,467,132	350,000	847,275	7,212,077	7,964,523	7,756,444	2,711,733
Transfers out	(1,700,000)	(230,000)	(220,000)	(2,406,132)	(277,500)	(3,491,361)	(18,136,531)	(8,774,523)	(9,455,886)	(8,775,036)
Proceeds from sale of capital assets	-	-	-	-	24,600,000	156,395	25,013,532	3,452	34,357	140,360
Issuance of debt	3,709,000	257,000	9,520,000	22,500,000	52,700	3,275,000	29,630,000	6,150,000	14,898,000	11,720,000
Payments to escrow agent	-	-	(9,363,128)	-	(22,500,000)	-	-	-	(168,207)	(5,094,651)
Bond premium	-	-	-	-	-	-	-	-	-	8,990
Bond discount	-	-	-	-	-	(60,637)	(189,771)	-	(2,472,340)	(9,185)
Total other financing sources (uses)	3,344,000	257,000	277,272	22,561,000	2,225,200	726,672	43,529,307	5,343,452	10,592,368	702,211
Net change in fund balances	\$ 779,494	\$ 95,475	\$ (1,154,041)	\$ 25,107,341	\$ (9,399,263)	\$ 429,014	\$ 29,584,754	\$ (15,774,244)	\$ (14,476,326)	\$ (14,143,728)
Total expenditures	47,635,056	44,040,610	48,977,661	46,040,604	66,761,970	51,739,105	63,780,196	71,392,834	76,985,595	73,628,176
Debt service	3,277,574	4,152,833	3,515,748	3,550,515	4,185,280	3,546,456	4,810,782	8,004,645	10,742,203	10,053,236
Capital outlay	(11,462,838)	(6,561,839)	(10,169,034)	(5,647,963)	(23,657,316)	(9,640,700)	(15,656,104)	(27,579,699)	(28,937,644)	(23,635,682)
Capital expenditures from functional categories	(1,634,192)	(1,245,973)	(820,537)	(1,070,991)	(1,733,562)	-	(4,189,580)	(2,908,965)	(5,098,067)	5,707,407
Debt service as a percentage of noncapital expenditures	9.5%	11.5%	9.3%	9.0%	10.1%	8.4%	10.9%	19.6%	25.0%	18.0%

(1) Includes general and special revenue sales tax

(2) Includes general and special revenue property tax

(3) During the fiscal year 2007 the City changed the accounting for the Recreation Fund from a governmental fund to an enterprise fund.

(4) During the fiscal year 2007 the City reported all capital expenditures from functional categories as capital outlay.

Source: Basic financial statements.

CITY OF ST. PETERS, MISSOURI

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Tax Year	Residential Property	Commercial Property	Agriculture Property	Personal Property	Total Taxable Assessed Value	Estimated Actual Value	Direct Tax Rate	Ratio of Total Assessed Value To Total Estimated Actual Value
2002	376,076,814	207,481,596	940,674	148,459,133	732,958,217	3,080,947,989	0.9000	23.79%
2003	381,249,863	212,060,518	912,648	149,798,119	744,021,148	3,126,267,102	0.9000	23.80%
2004	461,123,165	235,203,492	1,172,346	148,068,059	845,567,062	3,615,948,666	0.8500	23.38%
2005	470,357,496	243,246,009	437,124	144,102,898	858,143,527	3,671,660,941	0.8500	23.37%
2006	551,812,707	266,671,065	800,541	150,170,460	969,454,773	4,194,807,038	0.8000	23.11%
2007	566,980,076	275,187,777	579,347	155,794,342	998,541,542	4,316,278,384	0.8000	23.13%
2008	629,546,882	293,995,938	658,415	156,601,934	1,080,803,169	4,707,434,553	0.7700	22.96%
2009	640,325,083	303,902,424	645,615	158,159,809	1,103,032,931	4,799,686,643	0.7700	22.98%
2010	606,007,592	292,923,777	659,048	146,379,192	1,045,969,609	4,549,530,088	0.7700	22.99%
2011	608,581,172	294,292,000	658,976	141,484,862	1,045,017,010	4,552,667,353	0.7700	22.95%

Notes: Property is reassessed once every two years. Property is subclassified for purposes of assessment as follows:

- Residential Real Property - 19% of true value
- Commercial Real Property - 32% of true value
- Agriculture Real Property - 12% of productivity value
- Personal Property - 33 1/3% of book value

Estimated actual taxable value is calculated by dividing taxable assessed value by these percentages. Tax rates are per \$100 of assessed value

Source: Assessed valuations are from the Office of the St. Charles County Clerk

CITY OF ST. PETERS, MISSOURI

**DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Per \$100 of Assessed Valuation)**

Fiscal Year	City of St. Peters Direct Tax Rates			Overlapping Tax Rates						
	Operating	Debt Service	Total Direct	School Districts(1)			St. Charles County (2)	St. Charles Community College	Others(3)	
				Fort Zumwalt	St. Charles	Francis Howell				
2002	0.6740	0.2600	0.9340	4.2534	4.2700	4.6931	0.2493	0.2473	1.3251	
2003	0.6400	0.2600	0.9000	4.2538	4.2700	4.6920	0.2475	0.2435	1.3449	
2004	0.5890	0.2610	0.8500	4.2538	4.5700	4.4020	0.2300	0.2318	1.2184	
2005	0.5890	0.2610	0.8500	4.9538	4.5700	5.0420	0.2290	0.2318	1.2097	
2006	0.5500	0.2500	0.8000	4.5521	4.4700	4.7168	0.2178	0.2196	1.1283	
2007	0.5500	0.2500	0.8000	4.5629	4.4700	4.7176	0.2178	0.2196	1.1353	
2008	0.5300	0.2400	0.7700	4.3789	4.3700	4.4522	0.2045	0.2094	1.1120	
2009	0.5349	0.2351	0.7700	4.3811	4.3000	4.4541	0.2045	0.2094	1.0846	
2010	0.5349	0.2351	0.7700	4.5967	4.5200	4.7291	0.0241	0.0220	1.3917	
2011	0.5759	0.1941	0.7700	4.5968	4.5562	5.0008	0.2041	0.2196	1.3988	

Notes:

- (1) The City is served by three school districts. While all three school districts overlap the City, none of the school districts overlap another school district.
- (2) In addition to the tax rate shown, there is a \$.53 tax rate (surcharge) imposed on all Real Estate Sub-Class 3, Commercial properties located in St. Charles County.
- (3) Includes the tax rate for Central Co. Fire & Rescue #20, the St. Charles County Ambulance District, Handicapped Facilities Board, St. Charles County Dispatch & Alarm Agency, St. Charles County Library District and State of Missouri.

Source: Tax rates provided by respective taxing districts and office of the St. Charles County Clerk

CITY OF ST. PETERS, MISSOURI
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2011			2002		
	Assessed Value	Rank	Percentage of Total Assessed Valuation(1)	Assessed Value	Rank	Percentage of Total Assessed Valuation(2)
Mid Rivers Mall LLC	19,692,444	1	1.88%	-	-	-
Airwick Industries, Inc.	9,593,712	2	0.92%	13,700,080	2	1.87%
Turnberry Apartments LLC	5,961,060	3	0.57%	-	-	-
Walmart Real Estate Business Trust	5,101,193	4	0.49%	2,821,088	9	0.38%
SSM Properties, Inc.	3,903,369	5	0.37%	-	-	-
Westerfield America of MO Inc.	3,824,815	6	0.37%	19,376,930	1	2.64%
Grewe Limited Partnership	3,764,410	7	0.36%	-	-	-
79 Crossing LLC	3,503,257	8	0.34%	-	-	-
Jungs Station Association	3,395,000	9	0.32%	2,786,760	10	0.38%
94 Crossing LLC	3,388,234	10	0.32%	-	-	-
May Department Stores	-	-	-	4,414,949	3	0.60%
Nationwide Life Insurance Co.	-	-	-	3,873,860	4	0.53%
Wentzway Corp.	-	-	-	2,894,030	5	0.39%
Sears Roebuck and Co.	-	-	-	3,006,597	6	0.41%
JC Penney's Properties, Inc.	-	-	-	2,932,768	7	0.40%
John H. Harland Printing Co.	-	-	-	2,886,926	8	0.39%

Notes:

- (1) Excludes properties in Tax Increment Financing District
- (2) Based on calendar year 2010 assessed valuation equal to \$1,045,017,010
- (3) Based on calendar year 2001 assessed valuation equal to \$732,958,217

Source: Office of the St. Charles County Assessor

CITY OF ST. PETERS, MISSOURI

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

(amounts expressed in thousands)

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2002	6,620	6,506	98.28%	103	6,609	99.83%
2003	6,793	6,649	97.88%	128	6,777	99.76%
2004	7,239	7,122	98.38%	110	7,232	99.90%
2005	7,361	7,263	98.67%	90	7,353	99.89%
2006	7,823	7,650	97.79%	160	7,810	99.83%
2007	8,080	7,961	98.53%	108	8,069	99.86%
2008	8,384	8,110	96.73%	262	8,372	99.86%
2009	8,561	8,401	98.13%	143	8,544	99.80%
2010	8,074	7,912	97.99%	136	8,048	99.68%
2011	8,099	7,937	98.00%	-	7,937	98.00%

Note: Per State Statute, Uncollected Personal Property Tax is written-off after five years.

Source: St. Charles County Collector

CITY OF ST. PETERS, MISSOURI

**SALES TAX COLLECTED
LAST TEN FISCAL YEARS**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Sales Tax Collected For General Purposes	\$ 10,729,420	\$ 10,510,456	\$ 10,957,055	\$ 11,350,867	\$ 11,416,073	\$ 11,344,811	\$ 11,566,809	11088916	11,106,737	11,777,602
Sales Tax Collected For Transportation Purposes	5,364,686	5,255,188	5,478,535	5,675,422	5,706,975	5,673,491	5,783,416	5544419	5,553,379	5,888,805
Sales Tax Collected For Park and Storm Water Purposes	1,060,285	1,036,575	1,081,465	1,120,689	1,126,750	1,120,066	1,142,294	1094341	1,096,321	1,164,594
Total Direct Sales Tax Collected	17,154,391	16,802,219	17,517,055	18,146,978	18,249,798	18,138,368	18,492,519	17,727,676	17,756,437	18,831,001
City direct sales tax rate	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%
Sales Tax Collected For Tax Increment Financing - City Centre	1,398,359	1,734,209	1,931,266	2,007,070	2,234,173	2,421,767	2,481,415	2,630,751	2,676,608	2,561,893
Sales Tax Collected For Tax Increment Financing - Old Town	235,209	209,756	244,813	408,710	526,909	412,015	305,890	293800	352,787	307,763
Sales Tax Collected For Tax Increment Financing - Lakeside 370	11,508	7,123	6,148	6,333	6,511	6,350	5,835	3,370	79	8
Total Tax Collected for Tax Increment Financing	\$ 1,645,076	\$ 1,951,088	\$ 2,182,227	\$ 2,422,113	\$ 2,767,593	\$ 2,840,132	\$ 2,793,140	\$ 2,927,921	\$ 3,029,474	\$ 2,869,664
Total Sales Tax Collected	\$ 18,799,467	\$ 18,753,307	\$ 19,699,282	\$ 20,569,091	\$ 21,017,391	\$ 20,978,500	\$ 21,285,659	\$ 20,655,597	\$ 20,785,911	\$ 21,700,665

Note: As set out in Section 32.057 of the Missouri Revised Statutes it is a violation to make known in any manner the tax returns or departmental records derived from the Missouri Department of Revenue. Due to the confidentiality of earnings information the above alternative information is provided to assist users in understanding this revenue source.

Source: City Finance Department

CITY OF ST. PETERS, MISSOURI

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

Fiscal Year	City Direct Rate	St. Charles County	Metropolitan Park Tax	Children & Family Services	State of Missouri	Total Sales Tax
2002	1.60%	1.50%	0.10%	-	4.225%	7.425%
2003	1.60%	1.50%	0.10%	-	4.225%	7.425%
2004	1.60%	1.50%	0.10%	-	4.225%	7.425%
2005	1.60%	1.50%	0.10%	0.125%	4.225%	7.550%
2006	1.60%	1.50%	0.10%	0.125%	4.225%	7.550%
2007	1.60%	1.45%	0.10%	0.125%	4.225%	7.500%
2008	1.60%	1.45%	0.10%	0.125%	4.225%	7.500%
2009	1.60%	1.45%	0.10%	0.125%	4.225%	7.500%
2010	1.60%	1.45%	0.10%	0.125%	4.225%	7.500%
2011	1.60%	1.50%	0.10%	0.125%	4.225%	7.550%

Note: The city sales tax rate may be changed only with voter approval. State law exempts certain food sales from 3% of state sales tax.

Source: City Finance Department

CITY OF ST. PETERS, MISSOURI

**RATIOS OF OUTSTANDING DEBT BY TYPE (1)
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities					Business-Type Activities			Total	Debt Per Capita(2)
	General Obligation Bonds	Special Assessment Bonds	Tax Increment Notes	Development Notes	Certificate of Participation	Water/Sewer Revenue Bonds	Certificate of Participation	Leasehold Revenue Bonds		
2002	30,905,000	-	8,679,000	-	-	16,070,000	-	7,025,000	62,679,000	1,205
2003	29,250,000	-	8,936,000	-	-	27,800,000	-	6,560,000	72,546,000	1,395
2004	28,080,000	-	8,936,000	-	-	26,410,000	-	13,150,000	76,576,000	1,473
2005	49,160,000	-	8,936,000	-	-	24,965,000	-	12,390,000	95,451,000	1,836
2006	25,175,000	52,700	8,936,000	-	-	23,480,000	-	11,610,000	69,253,700	1,332
2007	23,625,000	48,700	8,936,000	-	3,275,000	21,960,000	21,350,000	7,990,000	87,184,700	1,677
2008	44,305,000	44,700	8,936,000	6,630,000	2,955,000	41,865,000	21,350,000	7,455,000	133,540,700	2,568
2009	41,765,000	39,700	8,936,000	10,925,000	2,635,000	45,320,000	20,840,000	6,910,000	137,370,700	2,642
2010	34,825,000	34,700	9,899,000	12,355,000	12,090,000	43,820,000	20,300,000	5,430,000	138,753,700	2,639
2011	35,615,000	29,700	7,299,000	13,125,000	12,980,000	42,320,000	19,580,000	-	130,948,700	2,471

Notes:

- (1) Total and per capita personal income are unavailable for the City.
- (2) See table 16 for population data.

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

CITY OF ST. PETERS, MISSOURI

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

Fiscal Year	General Obligation Bonds And Special Assessment Bonds	Fund Balance Debt Service Fund	Net General Bonded Debt	Percentage of Actual Taxable Value of Property (1)	Debt Per Capita (2)
2002	30,905,000	1,865,237	29,039,763	0.94%	558.46
2003	29,250,000	1,860,174	27,389,826	0.88%	526.73
2004	28,080,000	2,034,833	26,045,167	0.72%	500.87
2005	49,160,000	2,847,740	46,312,260	1.26%	890.62
2006	25,227,700	1,307,849	23,919,851	0.57%	460.00
2007	23,673,700	2,396,237	21,277,463	0.49%	409.18
2008	44,349,700	3,458,563	40,891,137	0.87%	786.37
2009	41,804,700	3,669,646	38,135,054	0.79%	733.37
2010	34,859,700	3,197,773	31,661,927	0.70%	602.22
2011	35,644,700	2,695,479	32,949,221	0.72%	621.68

Notes:

(1) See table 5 for property value data.

(2) See table 16 for population data.

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

CITY OF ST. PETERS, MISSOURI

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
SEPTEMBER 30, 2011**

Jurisdiction	Debt Outstanding	Percentage Applicable to St. Peters	Share of Debt Applicable to St. Peters
Debt repaid with property taxes:			
St. Charles County	\$ 5,358,000	14.57%	\$ 780,661
St. Charles County Ambulance District	9,845,000	14.57%	1,434,417
Central County Fire and Rescue	7,455,000	69.46%	5,178,243
St. Charles County Community College	37,875,000	14.65%	5,548,688
St. Charles School District R-VI	36,770,387	6.78%	2,493,032
Fort Zumwalt School District R-II	134,930,000	26.94%	36,350,142
Francis Howell School District	174,963,987	19.95%	34,905,315
Other Debt:			
St. Charles Community College	1,765,000	14.65%	258,573
St. Charles School District R-VI	935,000	6.78%	63,393
	\$ 409,897,374		\$ 87,012,464
City's direct debt*			<u>35,644,700</u>
Total direct and overlapping debt			<u><u>\$ 122,657,164</u></u>

* The above table includes Neighborhood Improvement District bonds which are a general obligation of the issuer but are to be paid by special assessments levied in the Neighborhood Improvement District.

Sources: Assessed value data used to estimate applicable percentages was provided by the St. Charles County Assessor. Debt outstanding data provided by each governmental unit.

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

CITY OF ST. PETERS, MISSOURI

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Assessed Valuation	\$ 1,014,588,944	\$ 1,045,017,010
Debt Limit - 10% off assessed valuation	101,458,894	104,501,701
Amount of debt applicable to debt limit		
Total general obligation debt	35,644,700	-
Less: Amount available in debt service fund	(2,695,479)	-
Net bond indebtedness applicable to debt limit	32,949,221	-
Legal debt margin	\$ 68,509,673	\$ 104,501,701

City Purposes Basic Limit	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt Limit	\$ 73,295,822	\$ 74,402,115	\$ 84,556,706	\$ 85,814,353	\$ 96,945,477	\$ 99,854,154	\$ 108,080,317	\$ 110,303,293	\$ 104,596,961	\$ 101,458,894
Total net debt applicable to limit	29,039,763	27,389,826	26,045,167	46,312,260	23,919,851	21,277,463	40,891,137	38,135,054	31,561,927	32,949,221
Legal Debt Margin	\$ 44,256,059	\$ 47,012,289	\$ 58,511,539	\$ 39,502,093	\$ 73,025,626	\$ 78,576,691	\$ 67,189,180	\$ 72,168,239	\$ 73,035,034	\$ 68,509,673
Total net debt applicable to the limit as a % of debt limit	39.62%	36.81%	30.80%	53.97%	24.67%	21.31%	37.83%	34.57%	30.17%	32.48%

Street and Sewer Additional Limit	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Debt Limit	\$ 73,295,822	\$ 74,402,115	\$ 84,556,706	\$ 85,814,353	\$ 96,945,477	\$ 99,854,154	\$ 108,080,317	\$ 110,303,293	\$ 104,596,961	\$ 104,501,701
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	\$ 73,295,822	\$ 74,402,115	\$ 84,556,706	\$ 85,814,353	\$ 96,945,477	\$ 99,854,154	\$ 108,080,317	\$ 110,303,293	\$ 104,596,961	\$ 104,501,701
Total net debt applicable to the limit as a % of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Note: The Missouri Constitution provides that in addition to the basic 10% debt limitation, the City may become indebted for an additional 10% of the assessed valuation for the purpose of acquiring rights-of-way, constructing, extending, and improving streets and avenues, and constructing, extending and improving a sanitary or storm sewer systems.

Source: Notes to the Financial Statements

CITY OF ST. PETERS, MISSOURI

**PLEGGED-REVENUE YEARS
LAST TEN FISCAL YEARS**

Fiscal Year	Water Revenue Bonds						Special Assessment Bonds			
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Special Assessment Collections	Debt Service		Coverage
				Principal	Interest			Principal	Interest	
2002	6,999,333	(5,040,065)	1,959,268	1,045,000	446,993	1.31	-	-	-	-
2003	7,227,302	(4,771,125)	2,456,177	1,240,000	352,449	1.54	-	-	-	-
2004	7,495,672	(5,165,769)	2,329,903	1,390,000	182,735	1.48	-	-	-	-
2005	8,384,200	(5,329,670)	3,054,530	1,445,000	121,171	1.95	-	-	-	-
2006	8,580,469	(5,731,539)	2,848,930	1,485,000	59,596	1.84	215,839	-	-	-
2007	9,728,781	(6,093,420)	3,635,361	1,520,000	19,195	2.36	6,975	4,000	2,211	1.12
2008	9,370,782	(6,724,209)	2,646,573	1,540,000	6,700	1.71	6,975	4,000	2,195	1.13
2009	8,649,448	(6,530,682)	2,118,766	1,545,000	-	1.37	6,975	5,000	1,983	1.00
2010	9,675,873	(6,910,939)	2,764,934	1,500,000	195,942	1.63	6,975	5,000	1,748	1.03
2011	10,423,561	(7,447,829)	2,975,732	1,500,000	197,589	1.75	6,975	5,000	1,513	1.07

Notes: Operating expenses do not include interest, depreciation, or amortization expenses. Debt service is presented on a cash flow basis. The coverage calculations presented in this schedule differ from those required by specific bond indentures.

The decline in the interest portion of debt service relates to the maturity of revenue bonds and the issuance of Capital Appreciation Bonds.

Source: Basic financial statements and notes to the financial statements.

CITY OF ST. PETERS, MISSOURI

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

Year	Population	School Enrollment	Unemployment Rate
2002	52,000	42,020	3.00%
2003	52,000	42,519	3.20%
2004	52,000	42,392	3.00%
2005	52,000	42,713	3.10%
2006	52,000	42,639	3.00%
2007	52,000	46,940	3.10%
2008	52,000	46,174	4.20%
2009	52,000	44,257	8.00%
2010	52,575	43,729	7.90%
2011	53,000	44,090	n/a

Note: Total and per capita personal income are unavailable for the City of St. Peters.

Sources: Population is based on the 2010 official count of the United States Bureau of Census. School enrollment was provided by the Missouri Department of Elementary and Secondary Education's website. The unemployment rate is an unofficial estimate of the Missouri Economic Research and Information Center.

CITY OF ST. PETERS, MISSOURI
LARGEST EMPLOYERS
(BASED ON FULL-TIME EMPLOYMENT)
CURRENT AND NINE YEARS AGO
SEPTEMBER 30, 2011

	2011			2002		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Fort Zumwalt School District R-II	962	1	3.0%	534	2	1.6%
Barnes St. Peters Hospital	830	2	2.6%	500	3	1.5%
City of St. Peters	566	3	1.7%	580	1	1.8%
Wal-Mart *	434	4	1.3%	-	-	-
Boone Center Inc.	251	5	0.8%	-	-	-
JC Penney Inc.	250	6	0.8%	-	-	-
Francis Howell School District R-III	249	7	0.8%	298	4	0.9%
Reckitt & Benckiser	200	8	0.6%	194	8	0.6%
Dierbergs (2 locations)	171	9	0.5%	182	9	0.6%
Sears Roebuck & Company	166	10	0.5%	-	-	-
Schnucks	-	-	-	240	6	0.7%
United Services, Inc.	-	-	-	-	-	-
Macy's	-	-	-	-	-	-
Wainwright Industries	-	-	-	-	-	-
National Information Solutions	-	-	-	260	5	0.8%
Continental Sprayers	-	-	-	219	7	0.7%
Didion & Sons Foundry Co.	-	-	-	-	-	-
Woodbridge Foam Manufacturing	-	-	-	134	10	0.4%
	4,079		12.6%	3,141		9.6%

Note: Percentage of Total City Employment was based on the employed labor force of 32,401 for September 2011 and 32,557 for September 2002. Labor force statistics are unofficial estimates from the Missouri Economic Research and Information Center.

Source: Survey of Employers

CITY OF ST. PETERS, MISSOURI**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<u>Function/Program</u>										
Governmental Activities:										
General Government	7.90	7.90	7.90	7.90	7.90	7.90	7.90	7.90	7.90	7.90
Administration	51.70	49.70	47.70	48.70	47.40	47.40	44.30	47.30	47.30	46.30
Police	111.90	108.70	108.70	108.70	109.00	110.00	111.50	113.20	114.50	116.20
Municipal Court	5.40	5.40	5.40	5.40	5.40	5.40	5.40	5.40	5.40	5.40
Public Works	48.40	45.90	45.90	46.20	36.95	36.45	40.20	40.20	41.00	41.50
Engineering	31.80	28.80	29.00	29.00	32.00	33.00	32.70	32.00	31.70	29.50
Maintenance	10.60	9.90	9.90	9.70	8.60	9.60	9.60	9.60	9.60	9.10
Health	9.40	8.70	8.70	8.60	7.80	8.40	8.90	8.15	8.15	8.30
Parks and Recreation	125.80	135.90	137.10	137.10	136.40	58.40	65.20	66.20	66.10	70.00
Community Relations	9.70	9.00	9.00	9.00	9.00	9.00	9.00	9.70	9.70	9.70
Community & Arts	4.80	4.80	4.80	4.80	3.80	3.80	2.40	2.40	2.40	2.40
Business-Type Activities:										
Waterworks/Sanitary Sewer	39.70	39.40	41.90	42.40	42.40	43.50	46.40	46.90	47.20	47.90
Solid Waste	23.10	23.80	23.80	24.10	24.60	26.70	26.60	26.85	27.20	27.50
Central Materials Processing Facility	32.60	24.60	24.60	27.50	27.30	24.30	25.20	25.45	25.50	25.10
Recreation	-	-	-	-	-	78.40	80.10	80.80	90.40	106.00
Total	512.80	502.50	504.40	509.10	498.55	502.25	515.40	522.05	534.05	552.80

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total hours by 2,080. During fiscal year 2007 the City changed the accounting for the Recreation Fund from a governmental fund to an enterprise fund.

Source: City budget office.

CITY OF ST. PETERS, MISSOURI

**OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Functions/Program										
Governmental Activities:										
Administration										
Citizen Concerns Received	923	942	1,129	988	964	1,226	1,189	784	802	302
No. of Concerns Responses within 72 hours	97%	99%	99%	98%	99%	98%	98%	99%	99%	100%
Police										
Average number of physical arrests per month	214	293	336	223	228	240	291	264	285	260
Average number of calls for service per month	3,900	3,598	3,465	2,342	2,407	2,608	3,570	2,404	2,543	2,682
Citizen Concerns Received	456	325	265	363	326	379	316	256	230	307
No. of Concerns Responses with 72 hours	100%	98%	96%	99%	96%	97%	93%	96%	100%	100%
Municipal court										
Average Number of Court Sessions per year	32	32	32	32	32	33	32	32	32	34
No. of tickets processed	19,445	20,419	17,229	17,727	19,019	15,410	24,438	25,783	26,244	22,999
Public Works										
Slab Replacement (Square Yards)	20,262	17,417	22,667	16,123	19,230	32,400	38,732	21,439	123,765	39,917
Asphalt overlay (Miles)	4.1	4.6	4.3	6.3	7.8	6.7	5.3	9.0	6.9	7.0
Curb Replacement (Lineal Feet)	9,300	10,816	12,251	8,917	13,145	15,705	30,413	20,747	19,550	17,607
Cracksal (Lineal Feet)	72,516	50,325	69,807	43,402	56,684	51,677	25,357	82,697	105,347	75,000
Sidewalk (Square Feet)	985	5,319	4,720	7,735	10,335	25,348	15,130	12,910	13,420	13,125
Citizen Concerns Received	545	744	945	651	648	719	949	775	909	1,145
No. of Concerns Responses with 72 hours	100%	99%	98%	94%	96%	97%	98%	91%	94%	97%
Engineering										
New Commercial Construction Unit Permits Issued	37	79	65	13	24	35	24	8	11	7
Value of New Commercial Construction Units	\$ 47,701,387	\$ 61,680,082	\$ 39,599,803	\$ 15,856,038	\$ 62,397,912	\$ 78,167,652	\$ 38,550,900	\$ 11,630,703	\$ 13,238,381	\$ 7,200,340
New Residential Construction Unit Permits Issued	218	431	289	302	271	232	217	261	309	347
Value of New Residential Construction Units	\$ 24,285,105	\$ 55,996,636	\$ 38,197,045	\$ 29,516,271	\$ 33,189,993	\$ 25,380,724	\$ 24,780,106	\$ 29,580,527	\$ 33,073,423	\$ 33,762,198
Citizen Concerns Received	1,383	1,245	1,191	1,004	973	1,031	1,042	910	1,034	1,103
No. of Concerns Responses with 72 hours	97%	95%	96%	96%	95%	98%	98%	98%	98%	98%
Health										
Citizen Concerns Received	256	176	133	168	168	219	173	186	188	132
No. of Concerns Responses with 72 hours	100%	94%	98%	99%	99%	100%	99%	100%	100%	100%
Animal Control										
Citizen Concerns Received	81	73	75	62	36	32	42	60	46	61
No. of Concerns Responses with 72 hours	98%	99%	97%	100%	97%	100%	100%	98%	100%	100%
Parks and Recreation										
REC-PLEX Annual Passes	1,779	1,867	2,017	2,070	2,191	2,066	2,619	2,784	3,201	3,335
Citizen Concerns Received	202	183	162	166	159	186	201	165	181	195
No. of Concerns Responses with 72 hours	100%	100%	100%	100%	100%	100%	100%	100%	100%	99%
Business-type activities:										
Waterworks/Sanitary Sewer										
Number of water service connections	15,319	15,762	15,955	16,430	17,718	16,768	17,458	17,790	17,803	17,994
Daily average water consumption in gallons	5,200,000	5,200,000	5,010,000	5,200,000	5,998,000	5,365,233	5,250,000	5,276,983	5,083,645	5,278,322
Number of sanitary sewer service connections	16,823	17,207	17,294	17,563	17,718	17,913	18,078	18,211	18,427	18,607
Daily average sanitary sewer treatment in gallons	5,170,000	5,700,000	5,930,000	5,930,000	6,239,000	6,227,156	6,990,000	7,600,000	5,490,918	5,290,000
Citizen Concerns Received	1,347	1,232	1,084	1,239	909	1,049	1,225	944	1,019	1,152
No. of Concerns Responses with 72 hours	99%	100%	100%	100%	100%	100%	100%	100%	100%	99%
Solid Waste										
Citizen Concerns Received	147	145	115	118	101	108	99	69	75	88
No. of Concerns Responses with 72 hours	99%	97%	99%	98%	100%	100%	100%	100%	100%	100%

*Information is not available for this time period

Sources: Various city departments.

* Daily average sanitary sewer treatment in gallons lower in 2010 - meters were recalibrated.

CITY OF ST. PETERS, MISSOURI

**CAPITAL ASSETS STATISTICAL BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Functions/Program										
Governmental Activities:										
General government										
City Hall	1	1	1	1	1	1	1	1	1	1
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Streets (miles)	223	225	225	225	225	225	225	230	230	243
Streetlights	2,370	2,396	2,398	2,483	2,483	2,483	2,483	2652	2652	3103
Parks and Recreations										
Sports Center (gymnasium)	1	1	1	1	1	1	1	1	1	1
Senior Citizen Center (Includes a fitness trailer)	1	1	1	1	1	1	1	1	1	1
REC-PLEX(2 pools; 3 ice rinks 2 gymnasium; fitness facilities	1	1	1	1	1	1	1	1	1	1
Parks	19	19	19	19	20	20	21	21	21	21
Park acreage	590	590	686	686	986	986	1,190	1285.8	1285.8	1283.8
Golf Courses	1		11	1	1	1	1	1	1	1
Outdoor swimming Pools	3	3	3	3	3	3	3	3	3	3
Tennis Courts	7	7	7	7	7	7	7	7	7	73
Miles of hiking/biking trails	9	10	10	10	10	10	10	14.1	14.6	21.5
Community & Arts										
Community and Arts Center	1	1	1	1	1	1	1	1	1	1
Business-type activities										
Waterworks/Sanitary Sewer										
Water										
Maximum daily capacity in gallons:										
Water treatment plant	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
City of St. Louis system (per contract)	9,858,000	9,858,000	9,858,000	9,858,000	9,858,000	9,858,000	9,858,000	9,858,000	9,858,000	9,858,000
Water mains (miles)	229	241	242	251	261	261	261	276	276	276
Fire hydrants	1,198	1,475	1,959	1,970	1,981	1,989	1,831	1895	1927	1948
Wastewater										
Sanitary sewers (miles)	210	210	215	227	239	239	239	243	243	243
Storm Sewers (miles)	122	122	134	147	161	161	161	161	161	175
Treatment capacity (thousands of gallons)	6,900,000	6,900,000	6,900,000	6,900,000	6,900,000	6,900,000	6,900,000	9,500,000	9,500,000	9,500,000
Solid Waste										
Customers - Residential	15,092	15,229	15,494	15,666	15,801	16,172	16,317	16,438	16,631	16,871
Central Materials Processing Facility	1	1	1	1	1	1	1	1	1	1

* Information is not available for this time period

Sources: Various City departments.