
CITY OF ST. PETERS, MISSOURI
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2016



Submitted By:

Beth A. French
Director of Finance

Table of Contents

	Page
Part I - Introductory Section:	
Letter of Transmittal	i-iv
List of City Officials	v
Organizational Structure	vi
GFOA Certificate of Achievement	vii
Part II - Financial Section:	
Independent Auditors' Report	1
Management's Discussion and Analysis	4
Basic Financial Statements:	
<i>Government-wide Financial Statements:</i>	
Statement of Net Position	23
Statement of Activities	25
<i>Fund Financial Statements:</i>	
Balance Sheet - Governmental Funds	26
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	27
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	28
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	29
Statement of Fund Net Position - Proprietary Funds	30
Statement of Revenues, Expenses and Changes In Fund Net Position - Proprietary Funds	31
Statement of Cash Flows - Proprietary Funds	32
Statement of Fiduciary Net Position - Other Post Employment Benefits Trust Fund	33
Statement of Changes in Fiduciary Net Position - Other Post Employment Benefits Trust Fund	34
<i>Notes to Basic Financial Statements</i>	35
Required Supplementary Information:	
Budgetary Comparison Information - Budget Basis - General Fund	75
Budgetary Comparison Information - Budget Basis - Transportation Trust Fund	76
Budgetary Comparison Information - Budget Basis - Local Parks and Stormwater Fund	77
Budgetary Comparison Information - Budget Basis - Special Allocation Fund - City Centre	78
Notes to Budgetary Comparison Information	79
Employees' Retirement System:	
Schedule of Changes in Net Pension Liability and Related Ratios	81
Schedule of Contributions	82
Schedule of Funding Progress and Contributions - Other Post- Employment Benefit Plan	83

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	84
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	85
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Budget Basis - Budgeted Nonmajor Governmental Funds	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)	89
Schedule of Revenues and Expenses - Budget and Actual - Budget Basis - Enterprise Fund - Solid Waste Fund	90
Schedule of Revenues and Expenses - Budget and Actual - Budget Basis - Enterprise Fund - Central Materials Processing Facility Fund	91
Schedule of Revenues and Expenses - Budget and Actual - Budget Basis - Enterprise Fund - Recreation Fund	92
Part III - Statistical Section:	
	Table
Net Position by Component	1 93
Changes in Net Position	2 94
Fund Balances, Governmental Funds	3 96
Changes in Fund Balances, Governmental Funds	4 98
Assessed Value and Estimated Actual Value of Taxable Property	5 99
Direct and Overlapping Property Tax Rates	6 100
Principal Property Taxpayers	7 101
Property Tax Levies and Collections	8 102
Sales Tax Collected	9 103
Direct and Overlapping Sales Tax Rates	10 104
Ratios of Outstanding Debt by Type	11 105
Ratios of Net General Bonded Debt Outstanding	12 106
Direct and Overlapping Governmental Activities Debt	13 107
Legal Debt Margin Information	14 108
Pledged-Revenue Coverage	15 109
Demographic and Economic Statistics	16 110
Largest Employers (Based on Full-Time Employment)	17 111
Full-Time Equivalent City Government Employees by Function/Program	18 112
Operating Indicators by Function/Program	19 113
Capital Assets Statistics by Function/Program	20 114

Introductory Section

**City of
St. Peters**



February 15, 2017

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, 2016, is hereby submitted.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to 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.

The accounting firm of Schowalter & Jabouri, P.C. was retained by the City to perform an annual audit. The independent auditors' report on the financial statements is included at the front of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City 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 22.46 square miles and services a population of approximately 52,575. 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.

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, Tax Increment Financing Commission, Personnel Review Board, St. Peters Green Team, Senior Advisory Committee, Veterans Memorial Commission, Outpatient Surgical Treatment Center Medical Review Board, Health and Wellness Advisory Committee, and the Parks, Recreation, and Arts Advisory Board. 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 573 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 is re-evaluated and updated. The Mayor, Board of Aldermen and 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

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 was 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 (62.82 cents in the General Fund and 14.18 cents in the Debt Service Fund) without cutting any City services. The assessed valuation for the City of St. Peters during the 2016 fiscal year was \$1,080,409,127.

The age distribution of St. Peters is close to that of the state of Missouri. Approximately 23% of St. Peters' residents are under the age of 18 years. Older adults, 65 years and above, comprise roughly 11% of the population. The median age of St. Peters' population in 2010 was 38.8 years.

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 86.2% 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, 2015. 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. I want to specifically acknowledge Rita Westerson, Assistant Director of Finance for her assistance with the preparation of this report.

In closing, without the leadership, interest, and support of the Mayor, Board of Aldermen and the City Administrator, preparation of this report would not have been possible.

Respectfully submitted,



Beth A. French
Director of Finance

City of St. Peters, Missouri

Mayor
Len Pagano

Aldermen

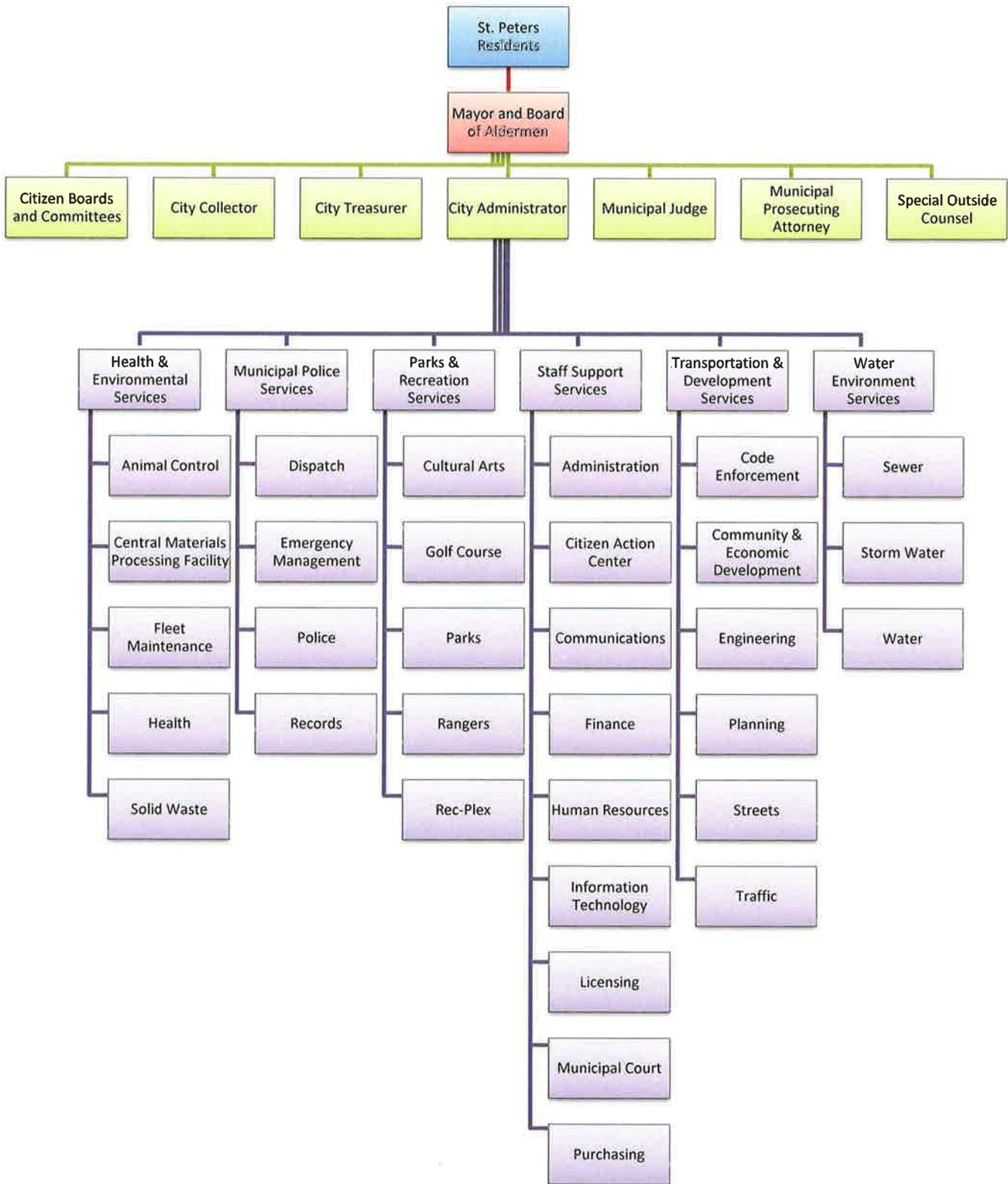
Ward I
John “Rocky” Reitmeyer
Dave Thomas

Ward II
Jerry Hollingsworth
Judy Bateman

Ward III
Terri Violet
Michael Shea

Ward IV
Patrick Barclay
Don Aytes

City Administrator
Russ Batzel





Government Finance Officers Association

**Certificate of
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for Excellence
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Presented to

**City of St. Peters
Missouri**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2015

Executive Director/CEO

Financial Section

**City of
St. Peters**



SCHOWALTER & JABOURI, P.C.

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

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 (the "City"), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

MEMBERS

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS • MISSOURI SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS
AICPA GOVERNMENTAL AUDIT QUALITY CENTER • AICPA EMPLOYEE BENEFIT PLAN AUDIT QUALITY CENTER

"SCHOWALTER & JABOURI, P.C. IS A MEMBER OF NEXIA INTERNATIONAL, A WORLDWIDE NETWORK OF INDEPENDENT ACCOUNTING AND CONSULTING FIRMS"

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, 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, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 – 22, the budgetary comparison information and related notes on pages 75 – 80, and the pension and other post-employment benefit plan related information on pages 81 – 83 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of St. Peters, Missouri's basic financial statements. The introductory section, other supplementary information - 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 basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 15, 2017, on our consideration of the City of St. Peters, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of St. Peters, Missouri's internal control over financial reporting and compliance.


SCHOWALTER & ABOURI, P.C.

St. Louis, Missouri
February 15, 2017

Management's Discussion and Analysis

CITY OF ST. PETERS, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2016

This section of the City of St. Peters' annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year that ended on September 30, 2016. 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 and deferred outflows of resources of the City exceed its liabilities and deferred inflows of resources (net position) at the end of the fiscal year by approximately \$348.2 million. Net position is comprised of: \$310.8 million net investment in capital assets; \$3.9 million restricted for debt service; \$6.5 million restricted for transportation; \$4.9 million for park and storm water; \$5 million restricted for other purposes; \$8.3 million unrestricted and available for the City's business-type activities; and \$8.8 million unrestricted for governmental purposes.
- Total net position increased approximately \$700,000 over the course of this year's operations. Governmental activities increased by approximately \$2.3 million, and business-type activities decreased by \$1.6 million. Explanations for these changes will be discussed in more detail throughout this report.
- Every other year the value of all real property located within the City is reassessed by the County Assessor. Fiscal year 2106 was a reassessment year and overall property values in the City increased by approximately 5.5%. Existing property increased by 3.9% and the remaining growth is due to new construction and increased personal property.
- The City retained the same property tax rate that we have had since 2007 of 77 cents per \$100 of assessed valuation.
- This was the final year of the City Centre Tax Increment Financing (TIF) District, which ended three months into the fiscal year. The assessed value and the gross sales within the District had increased from approximately \$4 million to over \$45 million and from approximately \$5 million to \$212 million, respectively since its establishment. As with all of our TIF districts, City Centre accounts for the tax revenue for all taxing districts resulting in approximately \$7 million in property and sales taxes in fiscal year 2015. Since 2011 the primary uses of this revenue were distributions back to the taxing districts as surplus PILOTs, debt service and infrastructure. As a result of the dissolution of the district this year, Citywide property and sales tax decreased \$8.0 and general governmental expenses decreased \$3.9 million. Going forward the City will record the tax revenue in the respective funds.
- As the economy continued to turn around across the country the City realized \$1.7 million additional general, transportation and local parks storm water sales tax revenue and \$112,000 more in the Old Town and Lakeside TIF districts. These increases are offset by the decreases in our City Centre TIF discussed previously.
- On February 4, 2016, the City issued \$16,170,000 in General Obligation Bonds Refunding Bonds, Series 2016, with interest rates ranging from 2.0% to 3.0% and final maturity in 2035, to refund \$16,000,000 of outstanding principal on the General Obligation Bonds, Series 2008.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

- On July 5, 2016, the City issued \$8,000,000 of General Obligation Bonds Series 2016 with interest rates ranging from 2.0% to 3.0% and final maturity in 2036. This is the third series of bonds issued in connection with the \$40,000,000 authorized by the voters on August 3, 2010 for the purpose of (a) preparing a storm water watershed master plan; (b) designing, constructing and acquiring real property and easements necessary for the implementation of storm water projects within the City of St. Peters, Missouri (the "City"), including but not limited to creek bank stabilization, erosion control, detention basin construction and reconstruction, storm water pollution prevention, construction and reconstruction of the City's storm water collection system, and related improvements thereto; and (c) refinancing certain lease obligations relating to erosion control, watershed and basin improvements and other storm water management related projects within the City.
- Program revenues are revenues directly associated with a function or program and come from sources other than the City's tax base. This year program revenue decreased government-wide by \$2.7 million. Program revenues are segregated into three areas, charges for services, program-specific grants and contributions and earnings on investments that must be spent on a specific program.
 - This year grants and contributions decreased \$3.3 million from the prior year with most of the change related to dedications to the public works function of the City, grants from St. Charles County for public work road improvements and dedications and tap on fees in the waterworks/sanitary sewer function.
 - Charges for services increased by \$630,000. Charges for services related to governmental activities decreased by \$267,000. The majority of this change comes from reduced citation revenue related to the policing activities. Charges for services related to our business-type activities increased by \$900,000 as discussed further in the MD&A.
 - General revenues are comprised of all revenues that do not qualify as program revenues. For the City of St. Peters the majority of general revenues are made up of property, sales and franchise taxes. During the year general revenues decreased \$5.7 million. The largest change in general revenues comes from the impact of the City Centre TIF dissolution discussed previously.
- General revenues are comprised of all revenues that do not qualify as program revenues. For the City of St. Peters the majority of general revenues are made up of property, sales and franchise taxes. During the year general revenues decreased \$5.7 million. The largest change in general revenues comes from the impact of the City Centre TIF dissolution discussed previously.

OVERVIEW OF THE FINANCIAL STATEMENTS

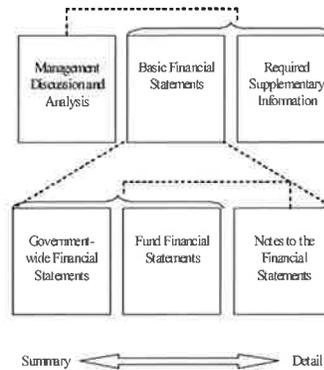
This annual report consists of three parts: the introductory section; the financial section which includes the auditors' report, management's discussion and analysis, the basic financial statements and required supplementary information, other supplementary information that presents schedules for non-major 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.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

- 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.

Figure MDA-1
Required Components of the City of St. Peters' Annual Financial Report



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.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

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), and the City's Recreation Fund	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 position Statement of activities	Balance sheet Statement of revenues, expenditures, and changes in fund balances	Statement of net position Statement of revenues, expenditures, and changes in net position Statement of cash flows	Statement of fiduciary net position Statement of changes in fiduciary net position
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

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 position 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 position and how they have changed. Net position—the difference between the City's assets, deferred inflows/outflows and liabilities—is one way to measure the City's financial health, or position.

- Over time, increases or decreases in the City's net position 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.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

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 and recreation activities are included here.

Financial Analysis Of The City As A Whole

Net position

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

Table MDA-3
City of St. Peters' Net Position

	Governmental Activities		Business-type Activities		Total	
	2015	2016	2015	2016	2015	2016
Assets						
Current and other assets	\$ 50,126,090	\$ 53,468,084	\$ 22,245,442	\$ 18,771,705	\$ 72,371,532	\$ 72,239,789
Capital assets (net of depreciation)	324,370,137	326,672,431	89,586,560	90,257,821	413,956,697	416,930,252
Total assets	<u>374,496,227</u>	<u>380,140,515</u>	<u>111,832,002</u>	<u>109,029,526</u>	<u>486,328,229</u>	<u>489,170,041</u>
Deferred outflows of resources	<u>5,052,089</u>	<u>13,364,428</u>	<u>2,482,969</u>	<u>5,191,791</u>	<u>7,535,058</u>	<u>18,556,219</u>
Liabilities						
Long-term obligations	75,868,392	88,952,225	52,785,033	54,203,923	128,653,425	143,156,148
Other liabilities	13,322,073	10,796,835	2,606,244	2,480,905	15,928,317	13,277,740
Total liabilities	<u>89,190,465</u>	<u>99,749,060</u>	<u>55,391,277</u>	<u>56,684,828</u>	<u>144,581,742</u>	<u>156,433,888</u>
Deferred inflows of resources	<u>1,387,513</u>	<u>2,529,389</u>	<u>383,901</u>	<u>552,861</u>	<u>1,771,414</u>	<u>3,082,250</u>
Net position						
Net investment in capital assets	259,507,068	264,195,696	40,399,392	46,625,435	299,906,460	310,821,131
Restricted	19,268,181	18,184,131	1,907,719	2,053,499	21,175,900	20,237,630
Unrestricted	10,195,089	8,846,667	16,232,682	8,304,694	26,427,771	17,151,361
Total Net Position	<u>\$ 288,970,338</u>	<u>\$ 291,226,494</u>	<u>\$ 58,539,793</u>	<u>\$ 56,983,628</u>	<u>\$ 347,510,131</u>	<u>\$ 348,210,122</u>

As seen in Table MDA-3, the City's total assets of \$489.1 million include \$72.2 million in current and other assets and \$416.9 million in capital assets.

Citywide assets increased during the fiscal year by \$2.9 million. The majority of this change relates to increased capital assets discussed in detail later and increased cash from unspent bond proceeds discussed previously.

Deferred Outflows of Resources increased by \$11. The majority of this change related to the increase in the deferred amount of pensions calculated in accordance with GASB Statements 68 and 71.

The City's total liabilities of \$156.4 million include \$135.9 million that is not due or payable in the next fiscal year and \$20.5 in other liabilities. The \$14.5 million increase in long-term obligations is the result of the previously discussed debt activity and an increase in the Other Post Employment Benefit "OPEB"

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

and Pension Liability offset by debt payments during the year. There was a \$2.6 million decrease in other liabilities of which \$1.8 million decreased accounts payable due to timing of payments related to capital projects; \$1.1 million decreased accrued payroll which is calculated based on the timing of paychecks; and \$514,000 decreased in developer deposits on hand at year-end offset by a \$942,000 increase in accrued interest on debt.

The increase in deferred inflows of resources relates \$1.3 million increase in the deferred amount related to pensions from under GASB 68 and 71 offset by a decrease in the deferred inflow of \$125,000 from an agreement with the Natatorium Foundation for the parks and recreation function of the City for pool related projects.

Total net position of approximately \$348.2 million is comprised of \$310.8 million net investment in capital assets; \$20.3 million restricted for debt service, transportation projects, special allocation projects, local park and storm water projects, and other purposes; \$8.3 million unrestricted and available for the City's business-type activities and \$8.8 million unrestricted for governmental purposes.

Changes in Net Position

The City's combined net position changed by less than 1% during fiscal year 2016 as a result of the activity shown in Table MDA-4.

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

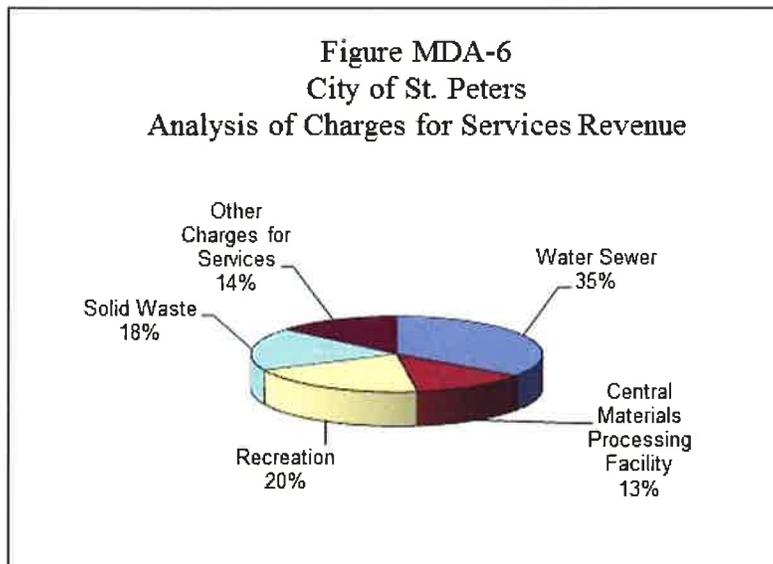
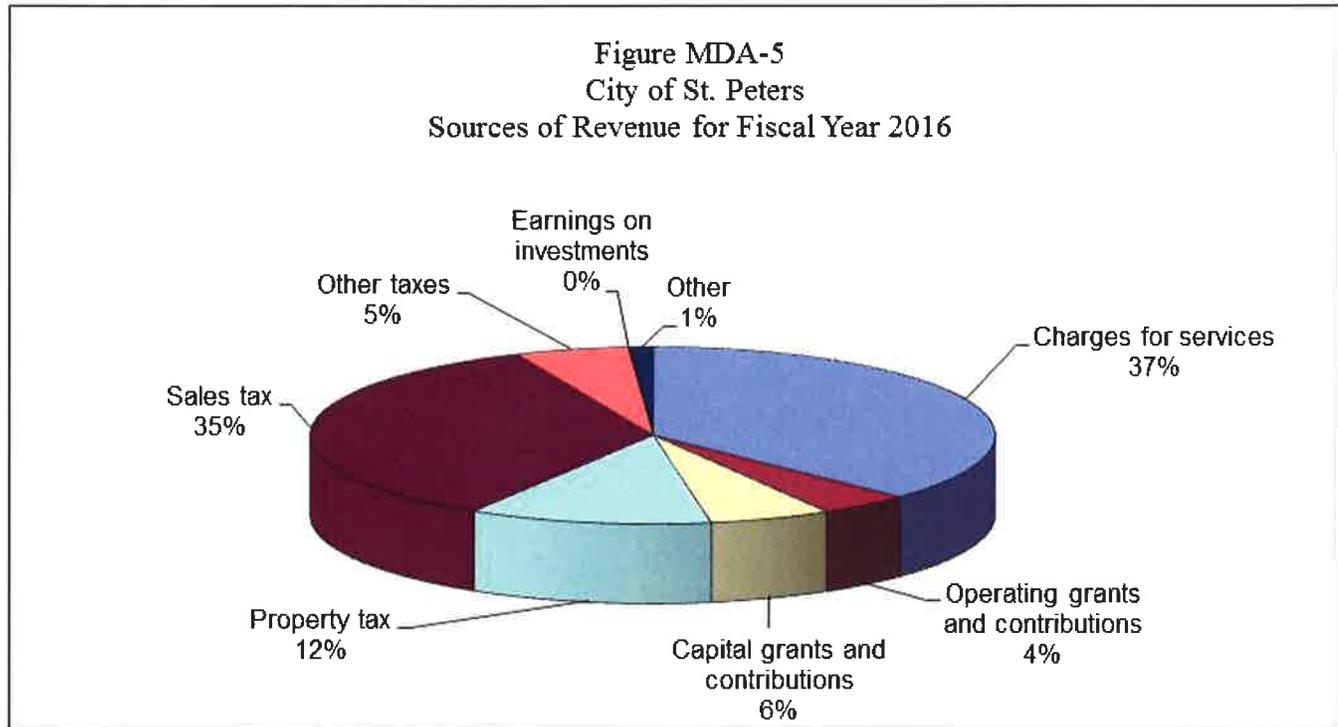
	Governmental Activities		Business-type Activities		Total	
	2015	2016	2015	2016	2015	2016
Revenues						
Program Revenues						
Charges for services	\$ 4,807,703	\$ 4,540,742	\$ 27,441,083	\$ 28,341,362	\$ 32,248,786	\$ 32,882,104
Operating grants and contributions	3,954,906	3,821,642	-	-	3,954,906	3,821,642
Capital grants and contributions	8,038,757	4,924,161	203,588	111,679	8,242,345	5,035,840
General Revenue						
Property tax	13,119,202	10,090,448	-	-	13,119,202	10,090,448
Sales tax	33,817,934	30,685,115	-	-	33,817,934	30,685,115
Other taxes	4,741,751	4,715,269	-	-	4,741,751	4,715,269
Earnings on investments	26,613	61,316	1,085	6,452	27,698	67,768
Gain on sale of capital assets	-	12,331	-	-	-	12,331
Other	498,732	948,759	-	-	498,732	948,759
Total revenues	69,005,598	59,799,783	27,645,756	28,459,493	96,651,354	88,259,276
Expenses						
General government	7,815,960	4,523,861	-	-	7,815,960	4,523,861
Administration	4,312,392	4,770,710	-	-	4,312,392	4,770,710
Police	12,728,527	14,710,038	-	-	12,728,527	14,710,038
Municipal court	417,289	457,861	-	-	417,289	457,861
Public works	15,574,017	16,658,928	-	-	15,574,017	16,658,928
Engineering	2,240,612	2,399,379	-	-	2,240,612	2,399,379
Maintenance	379,588	490,325	-	-	379,588	490,325
Health	807,978	881,765	-	-	807,978	881,765
Parks and recreation	6,606,600	6,499,501	-	-	6,606,600	6,499,501
Communications	990,599	1,068,164	-	-	990,599	1,068,164
Community and arts	259,914	240,416	-	-	259,914	240,416
Interest on long-term debt	3,886,941	3,153,241	-	-	3,886,941	3,153,241
Waterworks/sanitary sewer	-	-	12,546,331	12,776,435	12,546,331	12,776,435
Solid waste	-	-	5,310,401	5,745,911	5,310,401	5,745,911
Central materials processing facility	-	-	4,093,146	4,257,057	4,093,146	4,257,057
Recreation	-	-	8,669,871	8,925,693	8,669,871	8,925,693
Total expenses	56,020,417	55,854,189	30,619,749	31,705,096	86,640,166	87,559,285
Increase (decrease) in net position before transfers	12,985,181	3,945,594	(2,973,993)	(3,245,603)	10,011,188	699,991
Transfers	(971,668)	(1,689,438)	971,668	1,689,438	-	-
Increase (decrease) in net position	12,013,513	2,256,156	(2,002,325)	(1,556,165)	10,011,188	699,991
Beginning Net Position	276,956,825	288,970,338	60,542,118	58,539,793	337,498,943	347,510,131
Ending Net Position	\$ 288,970,338	\$ 291,226,494	\$ 58,539,793	\$ 56,983,628	\$ 347,510,131	\$ 348,210,122

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

For the fiscal year ended September 30, 2016, government-wide revenues totaled \$88.2 million.

Approximately one-third of all revenues are derived from charges from services and another one-third from sales tax.



The largest source of revenue relates to charges for services which 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, Solid Waste, other charges for services, and the Central Materials Processing Facility (CMPF).

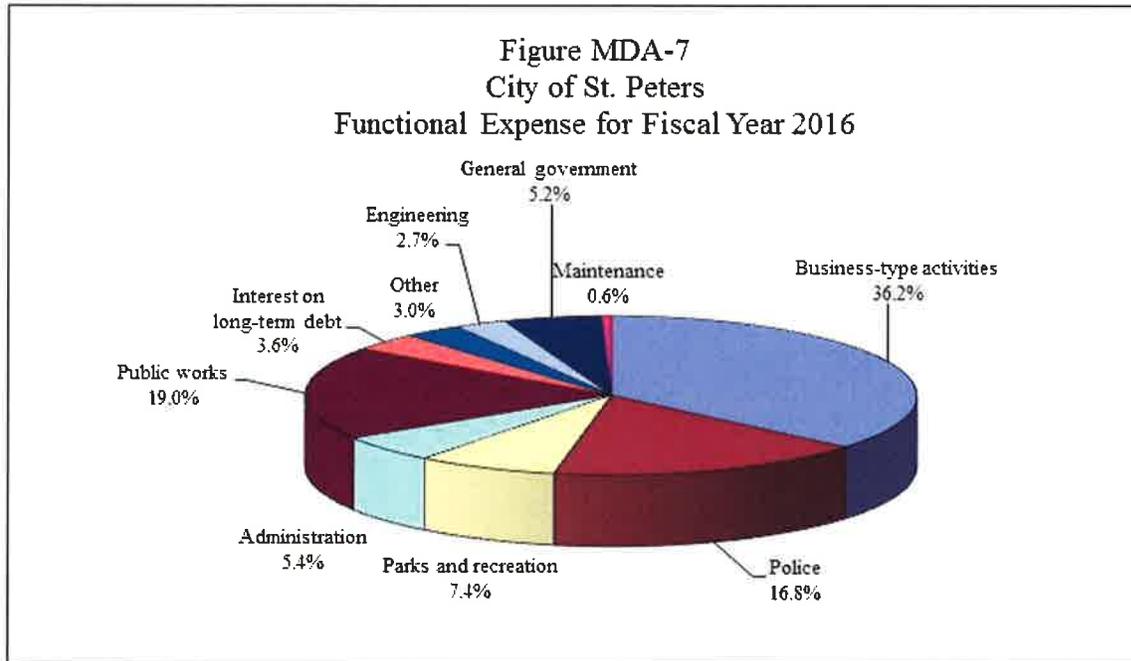
The second largest revenue source for the entire city is sales tax, which during the

2016 fiscal year equaled \$30.7 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 .5% 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.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

During fiscal year 2016 the total cost of all programs and services only increased by 1.1% or \$919,000 to a total of \$87.6 million. The City's expenses cover a range of services including parks and recreation, law enforcement, administration and public works. As seen below approximately 36% of all city expenses during the 2016 fiscal year are related to business-type activities. The majority of the decrease relates to decreased expenses in the general governmental due to the dissolution of City Centre TIF discussed previously and interest on long-term debt offset by increases in police pension and other post employment benefits and public works functions.



Governmental Activities

Revenues for the City's governmental activities total \$59.8 million, of which approximately 52% is sales tax, 17% is property tax and 22% is for program revenues such as charges for services and grants and contributions. Expenses for the City's governmental activities total \$55.9 million. These activities, combined with the transfers from governmental activities of approximately \$1.7 million result in an increase in net position for the fiscal year of \$2.2 million.

As stated earlier, the cost of all governmental activities this year was \$55.9 million; however, the amount that our taxpayers paid for these services through City taxes was \$42.6 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. The remaining cost was related to programs that charge those who directly benefit (\$4.5 million) and from grants and contributions (\$8.8 million). The City paid for the \$42.6 million "public benefit" portion with taxes, interest income and other revenues.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

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

	Total Cost of Services	Net Cost of Services
Administration	\$ 4,770,710	\$ 4,770,710
Engineering	2,399,379	2,399,379
General government	4,523,861	2,626,217
Interest on long-term debt	3,153,241	3,153,241
Other	3,138,531	2,856,942
Parks and recreation	6,499,501	5,915,170
Police	14,710,038	11,278,863
Public Works	16,658,928	9,567,122
	<u>\$ 55,854,189</u>	<u>\$ 42,567,644</u>

Charges for services related to governmental activities decreased \$267,000 or 6%. This change largely relates to decreased revenue from policing activities. Governmental capital and operating grants and contributions decreased by \$3.2 million primarily related to the decrease in grants received during the year for our public works function.

General governmental revenues decreased \$5.7 million due to the dissolution of the City Centre TIF offset by increases in overall gross sales within the City and increased assessed value in property within the City.

Governmental expense decreased by less than 1% or \$166,000 during fiscal year 2016. Some of the significant changes by governmental function are:

- A decrease of \$3.3 million in general governmental expense which is primarily composed of an increased transfer to the Other Post Employment Benefits Trust Fund of \$523,400 offset by decreased payments from the City Centre TIF discussed previously of \$3.6 million.
- A \$459,000 increase in administration from increased LAGERS and OPEB expense. LAGERS and OPEB expense on a government-wide basis are calculated by an actuary in accordance with parameters of applicable GASB statements.
- A \$2 million increase in police expense from increased LAGERS and OPEB expense.
- A \$1.1 million increase in public works expense for additional capital related activities including road projects and increased LAGERS and OPEB expense.
- A decrease in the cost of interest on long-term debt of \$1 million to account for the current year debt repayment schedule.

Business-Type Activities

Revenues (excluding transfers) of the City's business-type activities increased \$814,000 to \$28.5 million; expenses increased by \$1.1 million to a total of \$31.7 million; and transfers in during the current fiscal year increased by \$718,000, resulting in an overall decrease in net position for the fiscal year of \$1.6 million. (Refer to Table MDA-4.) Factors contributed to these results included:

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

- Overall business-type activity charges for services increased \$900,000 to a total of \$28.3 million. Even though we did not have a water and sewer rate increase, the prior year was an unusually wet year causing water sales to drop and we have increased our customer base during the year. The increased sales resulting in an overall increase in charges for services for this function of \$430,000. Additional customers combined with a rate increase resulted in increased revenue of \$145,000 for our solid waste function. The central materials processing facility function's revenue increased by \$451,000 from increased outside haulers disposing of their trash at the facility offset by decreased recycling revenue. Overall recreation charges for services decreased of \$125,000 from decreases in pass fees (\$112,000), indoor pool use (\$10,000), special events and rentals in our south facility (\$85,000), concession sales (\$130,000), offset by increased ice use (\$161,000), and increased Lakeside 370 park user fees (\$115,000) along with other increases and decreases in other functions.
- Capital grants and contributions decreased by \$92,000 due to fewer dedications in our water and sewer operations during the year.
- The general revenues of our Business-type activities showed a \$718,000 increase related to transfers.
- Overall the water and sewer function's expense increased by \$230,000 or about 1.8%. The increased expense is derived from depreciation expense and cost associated with the sale of assets of \$38,000; personnel costs of \$228,000; increased insurance including claims of \$150,000; purchased water of \$115,000 and miscellaneous expense of \$365,000. These increases are offset by decreased professional services of \$252,000 and repairs and maintenance to the sewer system of \$159,000; bond interest and fees of \$181,000 and \$90,000 decreases in utilities, office expense and fuel.
- There was a \$436,000 increase in solid waste's expense. The largest increase is due to personnel changes of \$388,000. The remaining \$48,000 is a combination of increases in depreciation, disposal fees offset by decreased fuel costs and repairs and maintenance.
- Expense for the central materials processing facility function increased during fiscal year 2016 by \$164,000. The significant change is an increase in disposal fees of \$140,000 due to increased tonnage processed. The remaining \$48,000 includes increased personnel costs offset by decreased contingency expenses.
- Total expense for recreation was \$8.9 million. There were various increases and decreases to the expense categories during the year ending in an overall increase of \$256,000 or 3%. This change can be attributed to increases in personnel costs of \$387,000 from raises and additional part-time hours offset by decreased utilities of \$48,000; depreciation expense and loss on sale of assets of \$49,000; and supplies (including concession) of \$56,000 and professional services of \$22,000.

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.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

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 position and a statement of changes in fiduciary net position. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance our activities.

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 thirteen individual governmental funds. Information is presented separately in the governmental fund statements for the general fund, the transportation trust fund, the local parks and storm water fund, the special allocation fund – City Centre, the debt service fund, and the capital projects fund all of which are considered major funds. Data from the other seven governmental funds are combined into a single, aggregated presentation.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

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 \$45,907,594, an increase of \$6.8 million from the prior fiscal year. Unassigned fund balance constitutes \$4,745,852 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 (\$985,527)
- Restricted for:
 - Transportation (\$6,705,990)
 - Sewer lateral projects (\$772,501)
 - Water line repair projects (\$192,280)
 - Special allocation projects (\$6,489,385)
 - Grants (\$764,961)
 - Debt service (\$1,944,421)
 - Local parks and storm water (\$4,919,396)
 - Police services (\$315,869)
 - Storm water projects (\$7,818,515)
- Committed for:
 - Contingency (\$3,500,000)
- Assigned for:
 - Capital projects (\$4,846,246)
 - Liquidation of contracts and purchase orders of the prior period (\$525,436)
 - Subsequent year budget (\$1,381,215)

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 2016, the General Fund's fund balance increased by \$2.4 million. 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. Unassigned fund balance represents 15% of the total general fund operating expenditures and total fund balance represents 43% of the total general fund operating expenditures.

Key factors for the change in the General Fund's fund balance include events discussed previously and the following:

- An additional \$500,000 appropriated to the Committed Reserve for Contingency bringing the total to \$3,500,000. In addition, the Board of Aldermen has committed to appropriate an additional \$500,000 each year until the Contingency Reserve reaches a targeted amount of \$5,000,000.
- Net transfers in/(out) of (\$947,000) (see Note 9 for details).

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

- Continued efforts to limit operating costs to the amount received in operating resources, not utilizing one-time windfalls to cover everyday expenditures.
- During the year the City issued 115 residential and 12 commercial building permits with estimated construction values of \$30.4 million and \$47.7 million, respectively. This compares to the prior year of 176 residential and 15 commercial building permits with estimated construction values of \$47.8 million and \$37.9 million, respectively.

The other major funds of the City are the Transportation Trust Fund, the Local Parks and Storm Water Fund, the Special Allocation Fund – City Centre, the Debt Service Fund, and the Capital Projects Fund. The fund balance in the Transportation Trust Fund decreased by \$1 million to \$7.4 million. The change in fund balance is attributed to expenditures for maintenance of our existing infrastructure and new infrastructure construction of \$10.5 million and debt service and related fees of \$764,000 offset by resources of \$12.3 million. 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 Local Parks and Storm Water Fund only increased by \$163,000 to \$5.1 million. This fund is used to account for revenues dedicated to park and storm water projects. This revenue from this fund comes from a dedicated sales tax and had \$7.6 million in revenue during the year. The ranger division had expenses of \$563,000, the parks department spent \$756,000 and the storm water department spent \$1.8 million. In addition there were \$166,000 in debt service costs and \$2 million was transferred to other funds. (See Note 9 for details on transfers).

As discussed earlier, the Special Allocation Fund – City Centre dissolved during fiscal year 2016. These funds were used to account for revenues generated in the City Center Tax Increment Financing (TIF) district and is was for the payment of debt service and other TIF related expenditures.

Fund balance in the Debt Service Fund increased by \$170,000 resulting in a total ending balance of \$1.1 million, all of which is available for debt service in future years. All expenditures in this fund related to debt service.

The Capital Projects Fund had a \$4.6 million increase in fund balance. The City issued \$8,000,000 of General Obligation bonds during the fiscal year to fund storm water projects and incurred \$3.6 million in expenditures for storm water projects offset by a small amount of interest revenue.

The other seven non-major governmental funds had a \$1.5 increase in fund balance to a total of \$8.2 million. Significant changes can be attributed to:

- A decrease of \$143,000 in the Sewer Lateral Repair Program Fund to repair our residents' sewer laterals.
- A slight decrease of \$2,000 in the Water Line Repair Program Fund to repair our residents' water lines.
- An increase of \$1.2 million in the Old Town TIF Fund from revenue in the area offset by infrastructure improvements and surplus distributions within the district.
- An increase of \$107,000 in the Lakeside TIF Fund.
- A decrease of \$195,000 in the Community Development Block Grant Fund "CDBG" as we change over to a sub-recipient from the County under the CDBG Sub-recipient Fund.
- An increase of \$201,000 in the CDBG Sub-Recipient Fund as we change over to a sub-recipient from the County under the CDBG Sub-recipient Fund.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund Budget Adjustments

Over the course of the fiscal year, the City of St. Peters' elected officials have revised the budget. 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 administration expense by \$63,400 to additional salary expense expected during the year; \$110,000 to fund tuck-pointing of City Hall; increased the Information Technology budget by \$60,000 for security upgrades and \$130,000 for the parks and recreation software upgrade.
- Increased reserves by \$850,000 for future maintenance to City Hall and \$750,000 for the possible purchase of a City animal control shelter.

Variations Between Final Budget and Actual Result of the General Fund

Overall the City ended the fiscal year \$3.4 million better than budget with unreserved fund balance \$3.4 million more than budget. The variations between final budget and actual amounts can be seen in Figure MDA-9. The significant variations between the original and final budget include:

- As we have discussed earlier sales tax revenue increased from the prior year and we ended up \$395,000 better than budget.
- We base the budget for property tax on the assessed valuations received from the County; however, if a resident does not turn in a declaration of property tax for personal property it is not included in our values. When the resident attempts to sell/transfer/license that property they must show proof of paid taxes which then increases the amount of revenue during the year. Also in fiscal year 2016 we received additional property tax revenue from the dissolution of the City Centre TIF discussed previously. We had a cold winter and hot summer resulting in an increase in our franchise tax revenue.
- There was \$195,000 less revenue than budget related to natural gas franchise tax due to a milder winter and the subsequent decreased bills of our residents.
- Several large building permits were issued during the year causing our license and permit revenue to exceed budget.
- Intergovernmental revenues exceeded budget by \$688,000 from grant revenue from police activities; FEMA revenue for the 2015 flood; and the motor vehicle fee passed through from the State of Missouri.
- Fines and forfeitures were under budget by \$257,000 from municipal court and policing activities during the year.
- The City conservatively budgets expenditures and did not make many adjustments during the year to reflect how actual results were coming in. Of the \$2.2 million better than budget in expenditures \$1.5 million relates to salary and benefits, due to vacant positions, market increases less than anticipated, a better than actual year in medical claims and a continued Citywide emphasis on controlling costs and \$458,000 was saved in professional services including legal fees and transportation services to supplement the Community Development Block Grant.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

Figure MDA-9
Variations from Final General Fund Budget To Actual Results

Revenues	\$ Change from Budget
Sales tax	\$ 395,309
Property tax	192,243
Utility franchise tax	(223,445)
Cigarette tax	3,218
Licenses and permits	299,794
Interest	51,247
Intergovernmental	687,545
Fines and forfeitures	(256,879)
Charges for services	(46,860)
Miscellaneous	(7,119)
Total Revenues	<u>1,095,053</u>
Expenditures	
General government	103,384
Administration	142,159
Police	908,631
Municipal court	51,755
Public works	4,905
Engineering	116,391
Maintenance	91,721
Health	47,161
Parks and recreation	432,019
Communications	44,176
Community and arts	11,136
Capital outlay	215,542
Debt service:	
Interest and fiscal charges	712
Total Expenditures	<u>2,169,692</u>
Revenues Over Expenditures	<u>3,264,745</u>
Other Financing Sources:	165,880
Revenues Over Expenditures and Other Financing Sources	3,430,625
Fund Balances	
Budget basis:	
Unreserved:	
Beginning of year	-
Transfer from (to) reserved	(50,474)
End of year	<u>3,380,151</u>
Reserved:	
Beginning of year	-
Transfer from (to) unreserved	50,474
End of Year	<u>50,474</u>
Budget basis, end of year	<u>\$ 3,430,625</u>

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

Long-Term Debt

At September 30, 2016, the City had a number of debt issues outstanding. Below is a summary of the City's debt:

Figure MDA-10
City of St. Peters' Outstanding Debt
September 30, 2016

	<u>2015</u>	<u>2016</u>
Governmental Activities		
General Obligation (G.O.) Bonds	\$ 42,245,000	\$ 48,785,000
Tax Increment Financing (TIF) Notes	1,642,000	-
Limited General Obligation (G.O.) Bonds	6,700	-
Certificate of Participation	9,360,000	8,535,000
Development Notes	13,305,000	13,305,000
TOTAL	<u>\$ 66,558,700</u>	<u>\$ 70,625,000</u>
Business-type Activities		
Water/Sewer Revenue Bonds (Net of Unaccrued Capital Appreciation)	\$ 42,810,000	\$ 40,825,000
Certificate of Participation	15,535,000	14,800,000
TOTAL	<u>\$ 58,345,000</u>	<u>\$ 55,625,000</u>
Total		
General Obligation (G.O.) Bonds	\$ 42,245,000	\$ 48,785,000
Tax Increment Financing (TIF) Notes	1,642,000	-
Limited General Obligation (G.O.) Bonds	6,700	-
Certificate of Participation	24,895,000	23,335,000
Development Notes	13,305,000	13,305,000
Water/Sewer Revenue Bonds (Net of Unaccrued Capital Appreciation)	42,810,000	40,825,000
TOTAL	<u>\$ 124,903,700</u>	<u>\$ 126,250,000</u>

As discussed previously, the City issued \$16,170,000 in General Obligation Bonds Refunding Bonds, Series 2016, with interest rates ranging from 2.0% to 3.0% and final maturity in 2035, to refund \$16,000,000 of outstanding principal on the General Obligation Bonds, Series 2008 and \$8,000,000 of General Obligation Bonds, Series 2016 with interest rates ranging from 2.0% to 3.0% and final maturity in 2036 to fund storm water projects in the City.

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, 2016, the City was well within this limit with a legal debt margin of \$60,315,145. 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 \$108,040,913 at September 30, 2016. Additional information about the City's long-term debt is presented in Note 6 to the financial statements.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2016, 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 2016 was \$3 million.

- \$21.4 million in new assets
- \$16.9 million in depreciation
- \$122,447 in retirements (net of accumulated depreciation)
- \$1.4 million decrease in construction in progress

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

- Governmental assets placed in service during the year include over \$322,000 of dedications the City accepted in dedicated streets, sidewalks, storm sewers and right-of-way from developers and subdivisions, and \$3.3 million of land and land improvement for storm water projects. Also included are \$8.9 million for major road maintenance such as concrete slab replacements, asphalt overlay and bridge replacement and \$813,000 for traffic signal replacement.
- We also added approximately \$672,000 in improvements to City buildings including the addition of a comfort station at the Sports Center; and \$1.7 million in police, parks and public works vehicles and equipment.

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:
 - \$316,000 for a Flocculator replacement.
 - \$2.8 million in water and sewer lines (including dedications).
 - \$415,000 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 four solid waste collection vehicles for \$879,000.
- The major change in the Central Materials Processing Fund was the purchase of a Volvo front-loader \$222,000.
- In the Recreation Fund we placed into service the following capital assets:
 - \$670,000 for RecPlex entry improvements.
 - \$231,000 for Lakeside 370 Park improvements.
 - \$241,000 in golf course and RecPlex equipment improvements.

Outstanding encumbrances for capital assets at the end of the fiscal year were \$7.3 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.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

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 focus while preparing the fiscal year 2017 budget was to maintain current service levels and begin making progress towards our new Vision 2025 strategic plan. The City is conservative when projecting and budgeting revenues and expenses, and this philosophy was followed during the fiscal year 2016/17 budget process to ensure that all commitments can be met.

Fiscal year 2016/17 is a non-reassessment year (reassessment occurs every two years), however, the City's assessed valuation is estimated to increase by roughly 5% due to new construction and the end of the City Centre TIF in fiscal year 2015/16. The proposed budget assumes the property tax will be kept at the same rate of 77 cents per \$100 of assessed valuation. Property tax revenue is based on an estimated tax rate of \$.6095 in the General Fund and \$.1605 in the Debt Service Fund. The limit on the rate that can be levied for the General Fund is set by state statutes and the Missouri Constitution. These rates are subject to change after we receive our final assessed valuation from the County, and we will calculate the tax rate ceiling based on the final valuation. The overall rate of \$.77 will not change; however, the General Fund and Debt Service Fund rates may change up or down based on the final valuation submitted to the State. Property tax generated will increase by \$52,600 citywide (a \$47,800 increase in the General Fund and a \$246,800 increase in the Debt Service Fund). Property tax generated in the tax increment financing (TIF) districts will decrease by \$242,000 due to anticipated changes in the Old Town TIF district.

Sales tax is budgeted to decrease by \$275,080 citywide (a \$316,200 increase in the General Fund, a \$151,800 increase in the Local Parks and Storm Water Fund, and a \$151,800 increase in the Transportation Trust Fund). Sales tax generated in the tax increment financing (TIF) districts is anticipated to decrease by \$907,480 due to anticipated changes in the Old Town TIF district and the end of the City Centre TIF during the prior fiscal year.

With the assistance of TIF and Chapter 100 economic incentives, major development is underway and planned for Premier 370 Business Park and in the Old Town St. Peters areas. Duke Realty is constructing a 715,000-square-foot distribution center for Reckitt Benckiser (RB) in Premier 370 and another 30-acre site is expected to be developed in 2017. GBT Realty is developing a 25-acre site in the Old Town Development area for a 145,000-square-foot retail center that will open in the fall of 2017. To remain conservative in our budgeting, we did not include any increase in revenue related to these developments.

While preparing the fiscal year 2017 budget, consideration was given to both the needs of the City of St. Peters during the 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 line with the City's aim to follow the City's Comprehensive Plan, 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. A summary of the current CIP can be found in the capital section of the budget document, and the full CIP can be found on the City's website at <http://www.stpetersmo.net/capital-improvement-plan.aspx>.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

Revenue generation opportunities are limited for municipalities and as we do every year we reviewed fees in all of our funds and proposed fee increases in our Enterprise Funds as needed to maintain balanced budgets. This budget document reflects a proposed rate increase of 8.5% in our Water and Sewer Fund and previously approved future annual increases for solid waste collection fees starting in 2013/14 of approximately 1.5% to keep up with inflationary costs. The Board of Aldermen also approved fee increases in our Central Materials Processing Facility Fund and our Recreation Fund for 2016/17.

In order to better manage the expanding facilities and services provided by the Parks & Recreation Services Group, a new organizational structure will be adopted in the FY17 Budget. The Parks & Recreation Services Group will be divided into two distinct operating groups beginning on October 1, 2016. One group (PGS) will be responsible for the Parks, Trails, and Golf Course Operations and the other group (RCS) will be responsible for the Recreation, Cultural Arts, and Senior Center Services.

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, Missouri 63376.

Basic Financial Statements

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF NET POSITION
SEPTEMBER 30, 2016**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Natatorium Foundation
Assets:				
Cash and investments	\$ 36,518,523	\$ 7,323,285	\$ 43,841,808	\$ 1,931,695
Receivables (net):				
Taxes	3,869,705	-	3,869,705	-
Services	-	2,602,378	2,602,378	-
Intergovernmental	1,471,005	-	1,471,005	-
Interest	25,781	-	25,781	-
Other	1,101,419	807,244	1,908,663	14
Internal balances	171,489	(171,489)	-	-
Inventory and prepaid items	985,527	124,168	1,109,695	-
Investment in joint venture	-	1,692,683	1,692,683	-
Restricted assets:				
Cash and investments	8,534,176	6,393,436	14,927,612	-
Held by trustees	169,528	-	169,528	-
Long-term receivables	620,931	-	620,931	-
Capital assets:				
Nondepreciable	175,465,332	2,240,679	177,706,011	-
Depreciable	151,207,099	88,017,142	239,224,241	-
Total Assets	380,140,515	109,029,526	489,170,041	1,931,709
Deferred Outflows of Resources:				
Deferred charge on refunding	1,514,971	847,760	2,362,731	-
Deferred amounts related to pensions	11,849,457	4,344,031	16,193,488	-
Total Deferred Outflows of Resources	13,364,428	5,191,791	18,556,219	-
Liabilities:				
Accounts payable	3,858,578	1,367,813	5,226,391	-
Accrued interest	4,015,564	433,332	4,448,896	-
Accrued payroll	531,533	138,194	669,727	-
Unearned revenue	580,890	251,009	831,899	-
Deposits	709,022	277,183	986,205	-
Claims payable	1,101,248	-	1,101,248	-
Other liabilities	-	13,374	13,374	-
Long-term liabilities:				
Due within one year	4,025,750	3,271,771	7,297,521	-
Due in more than one year	69,100,221	44,599,918	113,700,139	-
Due in more than one year - net pension obligation and OPEB	15,826,254	6,332,234	22,158,488	-
Total Liabilities	99,749,060	56,684,828	156,433,888	-
Deferred Inflows of Resources:				
Deferred amounts related to pensions	2,154,389	552,861	2,707,250	-
Deferred revenue - contributions	375,000	-	375,000	-
Total Deferred Inflows of Resources	2,529,389	552,861	3,082,250	-

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF NET POSITION (CONTINUED)
SEPTEMBER 30, 2016**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Natatorium Foundation
Net Position:				
Net investment in capital assets	264,195,696	46,625,435	310,821,131	-
Restricted for:				
Transportation	6,547,721	-	6,547,721	-
Sewer lateral projects	772,501	-	772,501	-
Water line repair projects	192,280	-	192,280	-
Special allocation projects	2,802,721	-	2,802,721	-
Grants	764,961	-	764,961	-
Debt service	1,878,130	2,053,499	3,931,629	-
Local parks and stormwater	4,909,948	-	4,909,948	-
Police services	315,869	-	315,869	-
Unrestricted	8,846,667	8,304,694	17,151,361	1,931,709
Total Net Position	\$ 291,226,494	\$ 56,983,628	\$ 348,210,122	\$ 1,931,709

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
Governmental Activities:								
General government	\$ 4,523,861	\$ 1,643,744	\$ 253,900	\$ -	\$ (2,626,217)	\$ -	\$ (2,626,217)	\$ -
Administration	4,770,710	-	-	-	(4,770,710)	-	(4,770,710)	-
Police	14,710,038	1,815,473	1,506,321	109,381	(11,278,863)	-	(11,278,863)	-
Municipal court	457,861	-	-	-	(457,861)	-	(457,861)	-
Public works	16,658,928	791,291	1,863,574	4,436,941	(9,567,122)	-	(9,567,122)	-
Engineering	2,399,379	-	-	-	(2,399,379)	-	(2,399,379)	-
Maintenance	490,325	-	-	-	(490,325)	-	(490,325)	-
Health	881,765	13,999	-	-	(867,766)	-	(867,766)	-
Parks and recreation	6,499,501	21,892	184,600	377,839	(5,915,170)	-	(5,915,170)	-
Communications	1,068,164	-	-	-	(1,068,164)	-	(1,068,164)	-
Community and arts	240,416	254,343	13,247	-	27,174	-	27,174	-
Interest on long-term debt and other	3,153,241	-	-	-	(3,153,241)	-	(3,153,241)	-
	<u>55,854,189</u>	<u>4,540,742</u>	<u>3,821,642</u>	<u>4,924,161</u>	<u>(42,567,644)</u>	<u>-</u>	<u>(42,567,644)</u>	<u>-</u>
Business-Type Activities:								
Waterworks/sanitary sewer	12,776,435	11,408,181	-	111,679	-	(1,256,575)	(1,256,575)	-
Solid waste	5,745,911	5,958,007	-	-	-	212,096	212,096	-
Central materials processing facility	4,257,057	4,297,226	-	-	-	40,169	40,169	-
Recreation	8,925,693	6,677,948	-	-	-	(2,247,745)	(2,247,745)	-
	<u>31,705,096</u>	<u>28,341,362</u>	<u>-</u>	<u>111,679</u>	<u>-</u>	<u>(3,252,055)</u>	<u>(3,252,055)</u>	<u>-</u>
Total Government	<u>\$ 87,559,285</u>	<u>\$ 32,882,104</u>	<u>\$ 3,821,642</u>	<u>\$ 5,035,840</u>	<u>(42,567,644)</u>	<u>(3,252,055)</u>	<u>(45,819,699)</u>	<u>-</u>
Component Unit								
Natatorium Foundation	\$ 163,195	\$ -	\$ -	\$ -				(163,195)
General Revenues:								
Property taxes levied for:								
					7,388,343	-	7,388,343	-
					1,837,236	-	1,837,236	-
					864,869	-	864,869	-
Sales tax levied for:								
					14,539,609	-	14,539,609	-
					7,269,803	-	7,269,803	-
					7,203,975	-	7,203,975	-
					1,671,728	-	1,671,728	-
					154,073	-	154,073	-
					4,561,196	-	4,561,196	-
					61,316	6,452	67,768	200,476
					948,759	-	948,759	-
					12,331	-	12,331	-
					(1,689,438)	1,689,438	-	-
					<u>44,823,800</u>	<u>1,695,890</u>	<u>46,519,690</u>	<u>200,476</u>
					<u>2,256,156</u>	<u>(1,556,165)</u>	<u>699,991</u>	<u>37,281</u>
					<u>288,970,338</u>	<u>58,539,793</u>	<u>347,510,131</u>	<u>1,894,428</u>
					\$ 291,226,494	\$ 56,983,628	\$ 348,210,122	\$ 1,931,709

CITY OF ST. PETERS, MISSOURI

**BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016**

	Major Funds					Nonmajor	Total
	General	Transportation Trust	Local Parks and Stormwater Fund	Debt Service	Capital Projects	Other Govern - mental Funds	
Assets:							
Cash and investments:							
Unrestricted	\$ 12,836,862	\$ 6,417,486	\$ 4,791,442	\$ 1,048,358	\$ 3,890,960	\$ 7,533,415	\$ 36,518,523
Restricted	87,005	628,656	-	-	7,818,515	-	8,534,176
Held by trustees	-	-	166,878	-	-	2,650	169,528
Receivables, net of allowances where applicable:							
Taxes	2,445,221	633,013	632,993	81,714	-	76,764	3,869,705
Intergovernmental	120,342	1,141,871	171,979	-	-	36,813	1,471,005
Interest	23,203	-	2,578	-	-	-	25,781
Other	458,411	21,509	409,231	8,737	-	148,137	1,046,025
Due from other funds	270,354	-	-	-	-	-	270,354
Long term receivables	-	-	-	-	-	620,931	620,931
Inventory and prepaid items	935,313	50,214	-	-	-	-	985,527
Total Assets	\$ 17,176,711	\$ 8,892,749	\$ 6,175,101	\$ 1,138,809	\$ 11,709,475	\$ 8,418,710	\$ 53,511,555
Liabilities, Deferred Inflows of Resources and Fund Balances:							
Liabilities:							
Accounts payable	\$ 990,195	\$ 892,396	\$ 687,314	\$ 2,034	\$ 1,122,864	\$ 163,775	\$ 3,858,578
Accrued liabilities	501,717	7,087	22,032	-	-	697	531,533
Deposits/guarantee bonds	708,122	-	-	-	-	900	709,022
Due to other funds	-	62,823	4,481	-	-	31,561	98,865
Unearned revenue	35,307	545,583	-	-	-	-	580,890
Claims payable	1,101,248	-	-	-	-	-	1,101,248
Total Liabilities	3,336,589	1,507,889	713,827	2,034	1,122,864	196,933	6,880,136
Deferred Inflows of Resources:							
Unavailable revenues - property taxes	271,282	-	-	77,543	-	-	348,825
Unavailable revenues - contributions	-	-	375,000	-	-	-	375,000
Total Deferred Inflows of Resources	271,282	-	375,000	77,543	-	-	723,825
Fund Balances:							
Nonspendable	935,313	50,214	-	-	-	-	985,527
Restricted for:							
Transportation	-	6,705,990	-	-	-	-	6,705,990
Sewer lateral projects	-	-	-	-	-	772,501	772,501
Water line repair projects	-	-	-	-	-	192,280	192,280
Special allocation projects	-	-	-	-	-	6,489,385	6,489,385
Grants	-	-	-	-	-	764,961	764,961
Debt service	87,005	628,656	166,878	1,059,232	-	2,650	1,944,421
Local parks and stormwater	-	-	4,919,396	-	-	-	4,919,396
Police services	315,869	-	-	-	-	-	315,869
Stormwater projects	-	-	-	-	7,818,515	-	7,818,515
Committed:							
Contingency reserve	3,500,000	-	-	-	-	-	3,500,000
Assigned for:							
Capital projects	2,078,150	-	-	-	2,768,096	-	4,846,246
Administration	303,307	-	-	-	-	-	303,307
Maintenance	76,859	-	-	-	-	-	76,859
Other	145,270	-	-	-	-	-	145,270
Subsequent year budget	1,381,215	-	-	-	-	-	1,381,215
Unassigned	4,745,852	-	-	-	-	-	4,745,852
Total Fund Balances	13,568,840	7,384,860	5,086,274	1,059,232	10,586,611	8,221,777	45,907,594
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 17,176,711	\$ 8,892,749	\$ 6,175,101	\$ 1,138,809	\$ 11,709,475	\$ 8,418,710	\$ 53,511,555

CITY OF ST. PETERS, MISSOURI

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2016**

Total Fund Balance - Governmental Funds \$ 45,907,594

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

Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds. The cost of the assets is \$497,021,247 and the accumulated depreciation is \$170,348,816. 326,672,431

Property taxes assessed by the City, but not collected within 60 days of year end, are deferred within the fund financial statements. However, revenue for this amount, net of a reserve for uncollectible accounts, is recognized in the government-wide statements. 348,825

To recognize federal interest subsidy which is not a current financial resource and therefore is not reported in the funds. 55,394

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as liabilities within the fund financial statements. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported on the government-wide statement of net position. Discounts, premiums and deferred amounts on refunding costs are reported in the governmental fund financial statements when the debt was issued whereas these amounts are deferred and amortized over the life of the debt as an adjustment to interest expense on the government-wide financial statements.

Balances as of September 30, 2016 are:

Accrued compensated absences, vacation	(1,315,750)
Accrued interest on outstanding debt	(4,015,564)
Other post employment benefit obligation	(7,449,431)
Net pension obligation	(8,376,823)
Pension related deferred outflows of resources	11,849,457
Pension related deferred inflows of resources	(2,154,389)
Bonds and notes payable	(70,625,000)
Unamortized bond discount	113,341
Unamortized bond premium	(1,298,562)
Unamortized deferred charge on refunding	1,514,971

Total Net Position - Governmental Activities \$ 291,226,494

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Major Funds						Nonmajor Funds	Total Governmental Funds
	General	Transportation Trust	Local Parks and Stormwater Fund	Special Allocation-City Centre	Debt Service	Capital Projects	Other Governmental Funds	
Revenues:								
Sales tax	\$ 14,539,609	\$ 7,269,803	\$ 7,203,975	\$ 533,655	\$ -	\$ -	\$ 1,138,073	\$ 30,685,115
Property tax	7,327,772	-	-	(89,538)	1,822,832	-	954,408	10,015,474
Utility franchise tax	4,376,655	-	-	1,322	-	-	-	4,377,977
Cigarette tax	183,218	-	-	-	-	-	-	183,218
Licenses and permits	1,396,294	-	-	-	-	-	-	1,396,294
Interest	33,152	2,605	9,354	327	721	3,379	11,778	61,316
Intergovernmental	3,901,676	3,971,389	173,368	-	-	-	253,900	8,300,333
Fines and forfeitures	1,569,621	-	-	-	-	-	-	1,569,621
Charges for services	678,140	-	21,892	-	-	-	790,191	1,490,223
Miscellaneous	495,271	487,252	238,671	-	8,606	-	6,975	1,236,775
Total Revenues	34,501,408	11,731,049	7,647,260	445,766	1,832,159	3,379	3,155,325	59,316,346
Expenditures:								
Current:								
General government	2,201,937	-	-	1,364,693	-	-	663,083	4,229,713
Administration	4,296,847	-	-	-	-	-	-	4,296,847
Police	11,964,091	-	563,477	-	-	-	-	12,527,568
Municipal court	430,355	-	-	-	-	-	-	430,355
Public works	2,104,395	4,069,717	1,826,663	-	-	-	831,955	8,832,730
Engineering	2,172,923	-	-	-	-	-	-	2,172,923
Maintenance	400,847	-	-	-	-	-	-	400,847
Health	678,597	-	-	-	-	-	-	678,597
Parks and recreation	4,738,564	-	755,547	-	-	-	-	5,494,111
Communications	957,504	-	-	-	-	-	-	957,504
Community and arts	187,796	-	-	-	-	-	-	187,796
Capital outlay	783,482	6,447,325	2,214,087	349,407	-	3,403,502	194,909	13,392,712
Debt service:								
Principal retirement	330,000	370,000	125,000	1,642,000	1,630,000	-	6,700	4,103,700
Interest	48,788	394,090	40,665	57,470	973,575	-	5,028	1,519,616
Payment to escrow agent	-	-	-	-	844,113	-	-	844,113
Other	-	795	1,282	1,060	271,389	151,995	292	426,813
Total Expenditures	31,296,126	11,281,927	5,526,721	3,414,630	3,719,077	3,555,497	1,701,967	60,495,945
Revenues Over (Under) Expenditures	3,205,282	449,122	2,120,539	(2,968,864)	(1,886,918)	(3,552,118)	1,453,358	(1,179,599)
Other Financing Sources (Uses):								
Transfers in	1,853	527,240	-	-	1,825,077	-	43,290	2,397,460
Transfers out	(949,073)	-	(1,957,317)	-	-	(1,252)	(43,891)	(2,951,533)
Proceeds from sale of capital assets	93,510	34,190	-	-	-	-	-	127,700
Issuance of debt	-	-	-	-	-	8,000,000	-	8,000,000
Refunding bonds	-	-	-	-	16,170,000	-	-	16,170,000
Bond premium	-	-	-	-	579,527	164,934	-	744,461
Payment to refunded bonds escrow agent	-	-	-	-	(16,517,710)	-	-	(16,517,710)
Total Other Financing Sources (Uses)	(853,710)	561,430	(1,957,317)	-	2,056,894	8,163,682	(601)	7,970,378
Net Changes in Fund Balances	2,351,572	1,010,552	163,222	(2,968,864)	169,976	4,611,564	1,452,757	6,790,779
Fund Balances:								
Beginning of Year	11,217,268	6,374,308	4,923,052	2,968,864	889,256	5,975,047	6,769,020	39,116,815
End of Year	\$ 13,568,840	\$ 7,384,860	\$ 5,086,274	\$ -	\$ 1,059,232	\$ 10,586,611	\$ 8,221,777	\$ 45,907,594

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 FISCAL YEAR ENDED SEPTEMBER 30, 2016**

Net change in fund balances - total governmental funds \$ 6,790,779

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 \$5,000 for general and \$25,000 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	14,385,251	
Proceeds from sale of capital assets	(127,700)	
Donated capital assets	404,084	
Net transfer of assets between the proprietary and governmental activities	(1,135,365)	
Depreciation expense	<u>(11,236,307)</u>	2,289,963

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. 12,331

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.

Issuance of debt and refunding bonds	(24,170,000)	
Principal payment to escrow agent	16,000,000	
Repayment of bond and note principal	<u>4,103,700</u>	(4,066,300)

Under the modified accrual basis of accounting used in governmental funds the effect of 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	(865,569)	
Compensated absences	65,059	
Other post employment benefits	(180,654)	
Pension expense	(2,132,594)	
Premium on debt issuances, net of amortization	(665,930)	
Discount on debt issuances, net of amortization	(84,532)	
Deferred charge on refunding, net of amortization	<u>1,026,581</u>	(2,837,639)

Property tax revenues received prior to the year for which they are being levied are reported as deferred inflows in the governmental funds. They are, however, recorded as revenues in the statement of activities. Deferred property tax revenues decreased this year. 74,974

Special assessments levied by the City, not due until future years are reported as deferred inflows in the governmental funds. In the statement of activities, the special assessments were recognized as revenues in the year they were levied. Deferred special assessment revenues increased this year. (5,875)

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. (2,077)

Change in net position of governmental activities \$ 2,256,156

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2016**

	Major Enterprise Funds				Total Enterprise Funds
	Waterworks/ Sanitary Sewer	Solid Waste	Central Materials Processing Facility	Recreation	
Assets:					
Current Assets:					
Cash and investments:					
Unrestricted	\$ 3,763,732	\$ 1,360,597	\$ 748,379	\$ 1,450,577	\$ 7,323,285
Restricted	6,393,436	-	-	-	6,393,436
Receivables, net allowances:					
Services	1,732,618	795,441	74,319	-	2,602,378
Grants	-	-	-	-	-
Other	208,961	181,864	208,036	208,383	807,244
Inventory/prepays	460	-	93,219	30,489	124,168
Total Current Assets	12,099,207	2,337,902	1,123,953	1,689,449	17,250,511
Noncurrent Assets:					
Investment in joint venture	1,692,683	-	-	-	1,692,683
Capital assets	116,225,063	7,570,136	6,872,563	53,396,424	184,064,186
Less: Accumulated depreciation	56,625,455	5,684,645	4,927,211	26,569,054	93,806,365
Capital assets - net	59,599,608	1,885,491	1,945,352	26,827,370	90,257,821
Total Noncurrent Assets	61,292,291	1,885,491	1,945,352	26,827,370	91,950,504
Total Assets	73,391,498	4,223,393	3,069,305	28,516,819	109,201,015
Deferred Outflows of Resources:					
Deferred charge on refunding	-	-	-	847,760	847,760
Deferred amounts related to pensions	1,721,675	1,047,479	634,913	939,964	4,344,031
Total Deferred Outflows of Resources	1,721,675	1,047,479	634,913	1,787,724	5,191,791
Liabilities:					
Current Liabilities:					
Accounts payable	1,059,964	6,380	220,738	80,731	1,367,813
Accrued payroll	42,910	27,454	18,625	49,205	138,194
Accrued compensated absences	185,683	111,463	62,018	117,607	476,771
Accrued interest	190,415	-	-	242,917	433,332
Deposits held for others	174,685	-	-	102,498	277,183
Due to other funds	138,093	13,601	3,733	16,062	171,489
Unearned revenue	1,367	-	-	249,642	251,009
Current portion of revenue bonds payable	2,035,000 *	-	-	760,000	2,795,000
Other	410	-	-	12,964	13,374
Total Current Liabilities	3,828,527	158,898	305,114	1,631,626	5,924,165
Noncurrent Liabilities:					
Long-term portion of revenue bonds payable	30,262,633	-	-	14,337,285	44,599,918
Other long-term liabilities	2,479,216	1,435,342	1,055,348	1,362,328	6,332,234
Total Liabilities	36,570,376	1,594,240	1,360,462	17,331,239	56,856,317
Deferred Inflows of Resources:					
Deferred amounts related to pensions	219,116	133,312	80,805	119,628	552,861
Net Position:					
Net investment in capital assets	31,064,507	1,885,491	1,945,352	11,730,085	46,625,435
Restricted for debt service	2,053,499	-	-	-	2,053,499
Unrestricted	5,205,675	1,657,829	317,599	1,123,591	8,304,694
Total Net Position	\$ 38,323,681	\$ 3,543,320	\$ 2,262,951	\$ 12,853,676	\$ 56,983,628

* Payable from restricted assets

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Major Enterprise Funds				Total Enterprise Funds
	Waterworks/ Sanitary Sewer	Solid Waste	Central Materials Processing Facility	Recreation	
Operating Revenues:					
Water	\$ 5,213,507	\$ -	\$ -	\$ -	\$ 5,213,507
Sewer	4,543,181	-	-	-	4,543,181
Solid waste	-	5,787,606	-	-	5,787,606
Tap on fees	336,050	-	-	-	336,050
Tipping fees	-	-	2,601,596	-	2,601,596
Recycling income	-	-	1,169,548	-	1,169,548
Earth Centre	-	-	513,132	-	513,132
Intergovernmental	-	-	1,252	-	1,252
Recreation	-	-	-	6,677,948	6,677,948
Miscellaneous	1,315,443	170,401	11,698	-	1,497,542
Total Operating Revenues	11,408,181	5,958,007	4,297,226	6,677,948	28,341,362
Operating Expenses:					
Personnel costs	4,144,491	2,560,995	1,818,957	4,064,249	12,588,692
Depreciation	2,740,919	640,167	276,420	2,049,362	5,706,868
Utilities	681,057	46,048	49,481	866,582	1,643,168
Purchased water	856,540	-	-	-	856,540
Wastewater treatment costs	122,897	-	-	-	122,897
Disposal fees	-	1,198,505	1,344,769	-	2,543,274
Repairs and maintenance	729,870	274,463	99,681	251,556	1,355,570
Chemicals and supplies	377,944	2,336	50	74,122	454,452
Professional services	330,873	19,937	42,725	122,946	516,481
Office expense	225,631	69,349	189,091	376,917	860,988
Insurance	111,132	29,170	20,223	47,707	208,232
Gasoline and fuel	64,897	151,705	20,451	15,479	252,532
Rent	12,147	1,016	4,998	-	18,161
Concessions	-	-	-	218,019	218,019
Miscellaneous	1,086,555	756,839	390,211	190,402	2,424,007
Total Operating Expenses	11,484,953	5,750,530	4,257,057	8,277,341	29,769,881
Operating Income (Loss)	(76,772)	207,477	40,169	(1,599,393)	(1,428,519)
Nonoperating Revenues (Expenses):					
Interest on investments	4,836	821	348	447	6,452
Bond interest and fees	(1,235,253)	-	-	(645,305)	(1,880,558)
Gain (loss) on disposal of capital assets	-	4,619	-	(3,047)	1,572
Equity loss in joint venture	(56,229)	-	-	-	(56,229)
Total Nonoperating Revenues (Expenses)	(1,286,646)	5,440	348	(647,905)	(1,928,763)
Loss Before Capital					
Contributions and Transfers	(1,363,418)	212,917	40,517	(2,247,298)	(3,357,282)
Capital contributions	111,679	-	-	1,135,365	1,247,044
Transfers in	-	-	-	554,073	554,073
Changes In Net Position	(1,251,739)	212,917	40,517	(557,860)	(1,556,165)
Net Position - Beginning of Year	39,575,420	3,330,403	2,222,434	13,411,536	58,539,793
Net Position - End of Year	\$ 38,323,681	\$ 3,543,320	\$ 2,262,951	\$ 12,853,676	\$ 56,983,628

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Major Enterprise Funds				Total Enterprise Funds
	Waterworks/ Sanitary Sewer	Solid Waste	Central Materials Processing Facility	Recreation	
Cash Flows From Operating Activities:					
Receipts from customers	\$ 9,991,018	\$ 5,786,207	\$ 4,285,232	\$ 6,691,610	\$ 26,754,067
Payments to suppliers	(4,244,005)	(7,762,735)	(2,248,962)	(2,214,175)	(16,469,877)
Payment to employees	(4,019,993)	2,636,440	(1,766,123)	(4,044,122)	(7,193,798)
Other receipts	1,374,043	155,501	(60,990)	3,538	1,472,092
Net Cash Provided By (Used In) Operating Activities	3,101,063	815,413	209,157	436,851	4,562,484
Cash Flows Provided By (Used In) Noncapital Financing Activities:					
Transfers in	-	-	-	554,073	554,073
Advances on (repayments of) internal balances	47,553	9,144	(93)	(2,220)	54,384
Net Cash Provided By (Used In) Noncapital Financing Activities	47,553	9,144	(93)	551,853	608,457
Cash Flows From Capital and Related Financing Activities:					
Acquisition and construction of capital assets, net	(3,938,965)	(806,116)	-	(8,198)	(4,753,279)
Proceeds from sale of capital assets	-	8,650	(222,006)	-	(213,356)
Principal paid on bonds	(1,985,000)	-	-	(735,000)	(2,720,000)
Interest and fees paid on bonds	(361,614)	-	-	(619,808)	(981,422)
Net Cash Used In Capital and Related Financing Activities	(6,285,579)	(797,466)	(222,006)	(1,363,006)	(8,668,057)
Cash Flows Provided By Investing Activities:					
Interest received on investments	4,836	821	348	447	6,452
Net Increase (Decrease) In Cash And Cash Equivalents	(3,132,127)	27,912	(12,594)	(373,855)	(3,490,664)
Cash and Cash Equivalents - Beginning of Year	13,289,295	1,332,685	760,973	1,824,432	17,207,385
Cash and Cash Equivalents - End of Year	\$ 10,157,168	\$ 1,360,597	\$ 748,379	\$ 1,450,577	\$ 13,716,721
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:					
Operating income (loss)	\$ (76,772)	\$ 207,477	\$ 40,169	\$ (1,599,393)	\$ (1,428,519)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation expense	2,740,919	640,167	276,420	2,049,362	5,706,868
(Increase) decrease in assets:					
Services receivable	(84,079)	(1,399)	956	-	(84,522)
Miscellaneous receivable	64,339	(14,900)	(73,940)	(1,219)	(25,720)
Inventory	2,110	836	(26,352)	6,108	(17,298)
Increase (decrease) in liabilities:					
Accounts payable	353,428	(92,213)	(60,930)	(56,553)	143,732
Accrued payroll	(124,378)	(59,364)	402,429	(105,910)	112,777
Accrued vacation	3,455	8,367	(2,863)	18,046	27,005
Deposits held for others	(6,149)	-	-	3,323	(2,826)
Other liabilities	228,190	126,442	(346,732)	123,087	130,987
Total Adjustments	3,177,835	607,936	168,988	2,036,244	5,991,003
Net Cash Provided By (Used In) Operating Activities	\$ 3,101,063	\$ 815,413	\$ 209,157	\$ 436,851	\$ 4,562,484

Noncash Investing, Capital and Financing Activities:

During fiscal year 2016, the Waterworks/Sanitary Sewer Fund received \$111,679 in contributed water and sewer lines from developers and incurred a \$56,229 equity loss in joint venture. The Recreation Fund received \$1,135,365 in contributed capital from governmental activities.

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF FIDUCIARY NET POSITION -
OTHER POST EMPLOYMENT BENEFITS TRUST FUND
SEPTEMBER 30, 2016**

ASSETS:

Cash and investments:

Held by trustees:

Money market mutual funds \$ 32,359

Domestic equity investments:

Exchange traded funds 948,150

Mutual funds 4,824,710

International equities:

Exchange traded funds 315,986

Mutual funds 1,127,469

Fixed income investments:

Credit 722,100

Diversified taxable mutual funds 3,998,549

Other 52,382

Alternative investments:

Hedge funds 487,909

Infrastructure 352,906

Traded real estate 136,698

Receivables, net of allowances:

Interest 7,140

Total Assets

13,006,358

LIABILITIES:

Accounts payable 76,577

Unearned revenue 11,555

Total Liabilities

88,132

NET POSITION:

Restricted for other post employment benefits \$ 12,918,226

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
OTHER POST EMPLOYMENT BENEFITS TRUST FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

ADDITIONS:

Contributions:

City of St. Peters	\$ 1,175,900
Plan members	144,368
Total Contributions	<u>1,320,268</u>

Investment income:

Interest and dividends	589,134
Net depreciation in the fair value of plan investments	541,492
Total Investment Income	<u>1,130,626</u>

Total Additions

2,450,894

DEDUCTIONS:

Benefit payments	<u>957,158</u>
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Administrative and general expenses:

Insurance, taxes and other premiums	272,368
Professional fees	49,534
Total administrative and general expenses	<u>321,902</u>

Total Deductions

1,279,060

CHANGE IN NET POSITION

1,171,834

**NET POSITION RESTRICTED FOR OTHER
POST EMPLOYMENT BENEFITS:**

BEGINNING OF YEAR	<u>11,746,392</u>
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END OF YEAR	<u><u>\$ 12,918,226</u></u>
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CITY OF ST. PETERS, MISSOURI

**NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2016**

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 or closely related. The City's financial reporting entity consists of the City and its component units.

Discretely Presented Component Units: The component unit column in the statement of net position 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.

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 natatorium. The Foundation is discretely presented since the entire purpose of the Foundation is to benefit the City's natatorium; therefore, exclusion from the City's financial report would render the financial statements incomplete or misleading. 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

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

(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 10.

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 position 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.

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 position 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 position for governmental activities as shown on the statement of net position. The net change in fund balance for all governmental funds is reconciled to the total change in net position as shown on the statement of activities in the government-wide financial statements.

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.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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.

Local Parks And Stormwater - The local parks and stormwater fund is used to account for one-tenth sales tax revenue and grant proceeds to be used for park and stormwater projects.

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 four 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.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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.

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.

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

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, deferred outflows/inflows of resources and all liabilities associated with the operation of the City are included on the statement of net position.

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, deferred outflows/inflows of resources and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are 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, deferred outflows/inflows of resources and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. 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 unearned and 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.

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.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Unearned Revenues

Unearned 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.

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 are stated at fair value. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year end are recorded as prepaid items. The cost of governmental fund-type prepaid items is recorded as expenditures when consumed rather than when purchased.

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.

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.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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 \$5,000 or more for general capital assets and \$25,000 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 acquisition 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 lapse 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 or the respective fund from which the employee is paid.

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 was not required to and 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 12. The obligation is typically liquidated by the general fund or the respective fund from which the employee is paid.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Long-Term Liabilities

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

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

Deferred Outflows/Inflows Of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government reports a deferred charge on refunding reported in the government-wide-statement and proprietary fund statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues from three sources: property taxes, contributions and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

In the government-wide and proprietary fund financial statements, components of pension expense that are recognized over a period of time are classified as either deferred outflows of resources (using plan assets that are applicable to a future reporting period) or deferred inflows of resources (acquiring plan assets that are applicable to a future reporting period). Employer contributions subsequent to the measurement date of the net pension liability are required to be reported as deferred outflows of resources.

Pensions

The City records a net pension (asset) liability in the government-wide and proprietary fund financial statements for its defined benefit plan. The (asset) liability is calculated as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Missouri Local Government Employees Retirement System (LAGERS) and additions to/deductions from LAGERS fiduciary net position have been determined on the same basis as they are reported by LAGERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The pension obligation is typically liquidated by the general fund or the respective fund from which the employee is paid. Details of the City's defined benefit plan are provided in Note 5.

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.

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

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, water line repair projects, grants, police services, tourism, TIF projects, stormwater 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's committed fund balance consists of the contingency reserve as outlined below.

Assigned - This consists of the governmental fund balances that are intended to be used for specific purposes by the Board of Aldermen. The City's assigned fund balance includes capital projects, monies budgeted in the subsequent year and general fund contractual obligations (encumbrances) not previously accounted for.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Assigned encumbrances by function are as follows:

Function	Amount
General government	\$ 15,152
Administration	303,307
Police	24,773
Engineering	46,247
Maintenance	76,859
Health	6,592
Parks and recreation	49,020
Communications	3,486
Total	<u><u>\$ 525,436</u></u>

Unassigned - This consists of the governmental funds that do not meet the definition of “nonspendable,” “restricted,” “committed,” or “assigned.” The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

General Fund Contingency Reserve Policy

During fiscal year 2013 the City utilized tools provided by the Government Finance Officers Association of the United States and Canada (GFOA) to determine the appropriate level of Contingency Reserve for the City’s General Fund. The City completed the GFOA Risk Evaluation Tool, and based upon the results of the assessment; the City has determined the targeted General Fund Contingency Reserve to be two months regular, ongoing operating expenses. The Board of Alderman then adopted an ordinance establishing a General Fund Contingency Reserve Policy of two months regular, ongoing operating expenses (which at the time amounted to approximately \$5,000,000). The ordinance requires the City to create a Contingency Reserve within the General Fund. The City transferred \$2,500,000 into the Contingency Reserve during Fiscal Year 2014 and the Contingency Reserve will be increased by \$500,000 in each subsequent Fiscal Year until the targeted amount of \$5,000,000 is reached. The City’s additional funding of the Contingency Reserve will be incorporated into the Five Year Capital Improvement Plan adopted by the Mayor and Board of Aldermen as part of the City’s long-range planning process. After the initial target of \$5,000,000 is reached, the City Administrator will reevaluate the Contingency Reserve level necessary to cover two months operating expenses in future years and incorporate the funding of the Contingency Reserve into the draft Five Year Capital Improvement Plan and draft Budget documents submitted to the Mayor and Board of Aldermen each year. It is the intent of the City to limit use of the Contingency Reserve to address unanticipated, non-recurring needs. The Contingency reserve shall not normally be applied to recurring annual operating expenditures. However, it may be used to allow time for the City to restructure its operations in a deliberate manner (as might be required in an economic downturn), but such use will only take place

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

pursuant to an appropriation in the Annual Budget. In addition, the Contingency Reserve may be spent in the event of an emergency or a fiscal crisis for the following purposes:

- To correct revenue cash-flow shortfalls
- To correct unforeseen annual revenue budgetary shortfalls
- To the extent permitted by law, to make temporary or emergency operating transfers to any other City Fund
- For emergency repairs, replacements or expenditures

In the event that the Contingency Reserve is used as provided above, a plan will be developed and included in the Five Year Capital Plan adopted by the Mayor and Board of Aldermen for the years subsequent to the Contingency Reserve draw to replenish the Contingency Reserve to the targeted level.

The City Administrator is directed to submit future draft Annual Budget and Five Year Capital Improvement Plan documents that reach the goals established by this policy.

Any modifications made to this policy must be approved by the Board of Aldermen.

Net Position

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

Net Investment In Capital Assets - 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 position that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted - This consists of net position 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 position), 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.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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.

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, 2016, 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, 2016, the City's deposit and investment balances were as follows:

<u>Deposit/Investment Type</u>	<u>Carrying Value</u>
Deposits	\$53,046,827
Money market mutual funds	885,196
U.S. government security	<u>5,006,925</u>
	<u>\$58,938,948</u>

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

As of September 30, 2016, the discretely presented component unit's investment balances were as follows:

Discretely Presented Component Unit

Money market funds	\$ 31,229
Stocks - domestic	503,743
Stocks - foreign	57,336
Mutual funds - domestic	296,533
Mutual funds - international	354,355
Fixed income mutual funds (domestic)	543,471
Fixed income mutual funds (international)	145,028
	<u>\$ 1,931,695</u>

The discretely presented component unit is not required to adopt the provision of GASB 40, as amended by GASB 72.

Fiduciary Trust Investments

Money market mutual funds	\$ 32,359
Exchange traded funds - domestic	948,150
Mutual funds - domestic	4,824,710
Exchange traded funds - foreign	315,986
Mutual funds - international	1,127,469
Fixed income investments - credit	722,100
Fixed income investments - diversified taxable mutual funds	3,998,549
Fixed income investments - emerging markets	52,382
Hedge funds	487,909
Infrastructure	352,906
Traded real estate	136,698
	<u>\$ 12,999,218</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.

The City has the following recurring fair value measurements as of June 30, 2016:

- Money market mutual funds are valued using quoted market prices (Level 1 inputs).
- Government securities are valued using a matrix pricing model (Level 2 inputs).
- The discretely presented component unit investments and fiduciary trust investments are valued using quoted market prices (Level 1 inputs).

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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, 2016, the City had the following investments and maturities:

<u>Investment</u>	<u>Carrying Value</u>	<u>Investment Maturities (In Years)</u>	
		<u>Less than 1</u>	<u>1 - 5</u>
City:			
Money market mutual funds	\$ 885,196	\$ 885,196	\$ -
U.S. government security	5,006,925	5,006,925	-
	<u>\$ 5,892,121</u>	<u>\$ 5,892,121</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.

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

All repurchase agreements shall have a maturity of no 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

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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	AAA
U.S. government security	AA

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, 2016, the City had \$5,006,925 invested in a U.S. government security that was 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.

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.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Interest Rate Risk

As of September 30, 2016, the Trust had the following investments and maturities:

Investment Type	Carrying Value	Investment Maturities (In Years)		
		Not Applicable	Less Than 1	1 - 5
Fiduciary Trust:				
Money Market Mutual Funds	\$ 32,359	\$ -	\$ 32,359	\$ -
Exchange Traded Funds - Domestic	948,150	948,150	-	-
Exchange Traded Funds - Foreign	315,986	315,986	-	-
Mutual Funds:				
Domestic	4,824,710	4,824,710	-	-
International	1,127,469	1,127,469	-	-
Fixed Income - Diversified Taxable	3,998,549	-	3,998,549	-
Fixed Income Investments - Credit	722,100	-	722,100	-
Fixed Income Investments - Emerging Markets	52,382	-	52,382	-
Hedge Funds	487,909	487,909	-	-
Infrastructure	352,906	352,906	-	-
Traded Real Estate	136,698	136,698	-	-
	\$ 12,999,218	\$ 8,193,828	\$ 4,805,390	\$ -

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	Fixed Income Mutual Funds	Fixed Income Investments - Emerging Markets	Fixed Income - Credit	Infrastructure	Unrated
AAA	\$ 32,359	\$ 3,998,549	\$ -	\$ -	\$ -	\$ -
A	-	-	-	722,100	352,906	-
BBB	-	-	52,382	-	-	-
Unrated	-	-	-	-	-	7,840,922
	\$ 32,359	\$ 3,998,549	\$ 52,382	\$ 722,100	\$ 352,906	\$ 7,840,922

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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, 2016, the Fiduciary Trust Fund's investments were not subject to concentration of credit risk.

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 \$.6095 is for general revenue purposes and \$.1605 is for the payment of principal and interest on general obligation bonds. Taxes 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, 2016:

	Balance October 1, 2015	Additions and transfers	Retirements and transfers	Balance September 30, 2016
Governmental Activities:				
Capital assets, not being depreciated:				
Land and land improvements	\$ 165,378,600	\$ 3,096,812	\$ -	\$ 168,475,412
Construction in progress	8,962,506	4,732,109	6,704,695	6,989,920
Total capital assets not being depreciated	174,341,106	7,828,921	6,704,695	175,465,332
Capital assets, being depreciated:				
Structures and improvements	54,751,846	494,388	400,649	54,845,585
Machinery and equipment	13,897,206	425,134	2,900,200	11,422,140
Furniture and fixtures	318,362	-	86,697	231,665
Vehicles	6,822,644	1,310,897	408,306	7,725,235
Infrastructure	240,943,233	10,299,325	3,911,268	247,331,290
Total capital assets being depreciated	316,733,291	12,529,744	7,707,120	321,555,915
Less - accumulated depreciation for:				
Structures and improvements	23,431,398	1,856,979	378,641	24,909,736
Machinery and equipment	11,938,032	724,866	2,854,393	9,808,505
Furniture and fixtures	251,357	22,951	85,725	188,583
Vehicles	4,989,889	707,238	405,879	5,291,248
Infrastructure	126,093,584	7,924,273	3,867,113	130,150,744
Total accumulated depreciation	166,704,260	11,236,307	7,591,751	170,348,816
Total capital assets being depreciated, net	150,029,031	1,293,437	115,369	151,207,099
Governmental activities, capital assets, net	\$ 324,370,137	\$ 9,122,358	\$ 6,820,064	\$ 326,672,431

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

	Balance October 1, 2015	Additions and Transfers	Retirements and Transfers	Balance September 30, 2016
Business-Type Activities:				
Waterworks/Sanitary Sewer:				
Capital assets, not being depreciated:				
Land and land rights	\$ 1,289,356	\$ -	\$ -	\$ 1,289,356
Construction in progress	333,846	972,559	355,082	951,323
Total capital assets not being depreciated	1,623,202	972,559	355,082	2,240,679
Capital assets, being depreciated:				
Structures and improvements	58,152,211	316,000	-	58,468,211
Water lines	24,127,370	259,434	-	24,386,804
Sewer lines	22,685,522	2,605,325	-	25,290,847
Machinery, equipment and vehicles	5,624,978	415,285	201,741	5,838,522
Total capital assets being depreciated	110,590,081	3,596,044	201,741	113,984,384
Less: Accumulated depreciation for:				
Structures and improvements	32,480,538	1,307,381	-	33,787,919
Water lines	8,823,591	511,764	-	9,335,355
Sewer lines	8,595,645	479,764	-	9,075,409
Machinery, equipment and vehicles	4,186,503	442,010	201,741	4,426,772
Total accumulated depreciation	54,086,277	2,740,919	201,741	56,625,455
Total capital assets being depreciated, net Waterworks/sanitary sewer capital assets, net	\$ 56,503,804	855,125	-	\$ 57,358,929
	\$ 58,127,006	\$ 1,827,684	\$ 355,082	\$ 59,599,608
Solid Waste:				
Capital assets, not being depreciated:				
Land and land rights	\$ -	\$ -	\$ -	\$ -
Construction in progress	72,490	-	72,490	-
Total capital assets not being depreciated	72,490	-	72,490	-
Capital assets, being depreciated:				
Structures and improvements	703,617	-	-	703,617
Machinery and equipment	1,082,721	-	879,700	203,021
Vehicles	5,822,208	878,606	37,316	6,663,498
Total capital assets being depreciated	7,608,546	878,606	917,016	7,570,136
Less: Accumulated depreciation for:				
Structures and improvements	592,752	20,267	-	613,019
Machinery and equipment	1,038,480	27,172	875,669	189,983
Vehicles	4,326,231	592,728	37,316	4,881,643
Total accumulated depreciation	5,957,463	640,167	912,985	5,684,645
Total capital assets being depreciated, net	1,651,083	238,439	4,031	1,885,491
Solid waste capital assets, net	\$ 1,723,573	\$ 238,439	\$ 76,521	\$ 1,885,491

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

	Balance October 1, 2015	Additions and Transfers	Retirements and Transfers	Balance September 30, 2016
Business-Type Activities (continued):				
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	4,685,224	-	-	4,685,224
Machinery and equipment	1,923,167	222,006	119,742	2,025,431
Vehicles	161,908	-	-	161,908
Total capital assets being depreciated	6,770,299	222,006	119,742	6,872,563
Less: Accumulated depreciation for:				
Structures and improvements	2,970,058	169,264	-	3,139,322
Machinery and equipment	1,638,567	107,156	119,742	1,625,981
Vehicles	161,908	-	-	161,908
Total accumulated depreciation	4,770,533	276,420	119,742	4,927,211
Total capital assets being depreciated, net	1,999,766	(54,414)	-	1,945,352
Central Materials Processing Facility capital assets, net	\$ 1,999,766	\$ (54,414)	\$ -	\$ 1,945,352
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	50,418,876	901,604	58,430	51,262,050
Machinery and equipment	1,929,406	241,960	125,672	2,045,694
Furniture and fixtures	16,540	-	-	16,540
Vehicles	72,140	-	-	72,140
Total capital assets being depreciated	52,436,962	1,143,564	184,102	53,396,424
Less: Accumulated depreciation for:				
Structures and improvements	23,321,435	1,897,396	55,383	25,163,448
Machinery and equipment	1,296,450	146,147	125,672	1,316,925
Furniture and fixtures	16,540	-	-	16,540
Vehicles	66,322	5,819	-	72,141
Total accumulated depreciation	24,700,747	2,049,362	181,055	26,569,054
Total capital assets being depreciated, net	27,736,215	(905,798)	3,047	26,827,370
Recreation capital assets, net	\$ 27,736,215	\$ (905,798)	\$ 3,047	\$ 26,827,370

Capitalized interest totaling \$1,489,114 and \$1,506,631 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	\$ 283,098
Administration	222,384
Police	924,735
Public works	8,463,989
Engineering	95,933
Maintenance	15,406
Health	170,395
Parks and recreation	949,630
Communications	63,423
Community and arts	47,314

**Total depreciation expense -
governmental-type activities**

\$ 11,236,307

Business-Type Activities:

Waterworks/sanitary sewer	\$ 2,740,919
Solid waste	640,167
Central materials processing facilities	276,420
Recreation	2,049,362

**Total depreciation expense -
business-type activities**

\$ 5,706,868

5. EMPLOYEES' RETIREMENT SYSTEM

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

Benefits provided. LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police and fire) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police and fire) and receive a reduced allowance.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

	<u>2016 Valuation</u>
Benefit Multiplier	2.00%
Final Average Salary	3 Years
Member Contributions	4.00%

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

Employees covered by benefit terms. At September 30, 2016, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	179
Inactive employees entitled to but not yet receiving benefits	69
Active employees	<u>397</u>
	<u>645</u>

Contributions. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer contribute 4% of their gross pay to the pension plan. Employer contribution rates are 14.1% (General) and 13.9% (Police) of annual covered payroll.

Net Pension Liability. The employer's net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 29, 2016.

Actuarial assumptions. The total pension liability in the February 29, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25% wage inflation; 2.50% price inflation
Salary Increase	3.25% to 6.55% including wage inflation
Investment rate of return	7.25%, net of investment expenses

The healthy retiree mortality tables, for post-retirement mortality, were the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables, for post-retirement mortality, were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees mortality table for both males and females.

Both the post-retirement and pre-retirements tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

The actuarial assumptions used in the February 29, 2016 valuation were based on the results of an actuarial experience study for the period March 1, 2010 through February 28, 2015.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	43.00%	5.29%
Fixed Income	26.00%	2.23%
Real Assets	21.00%	3.31%
Strategic Assets	10.00%	5.73%

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

Changes in the Net Pension Liability

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balances at September 30, 2015	\$ 129,032,361	\$ 128,713,715	\$ 318,646
Changes for the year:			
Service cost	3,228,465	-	3,228,465
Interest	9,329,666	-	9,329,666
Difference between expected and actual experience	(2,000,550)	-	(2,000,550)
Changes in assumptions	4,255,947	-	4,255,947
Contributions - employer	-	3,694,805	(3,694,805)
Contributions - employee	-	1,030,281	(1,030,281)
Net investment income	-	(348,467)	348,467
Benefit payments, including refunds	(3,935,468)	(3,935,468)	-
Administrative expense	-	(53,004)	53,004
Other changes	-	(772,351)	772,351
Net changes	10,878,060	(384,204)	11,262,264
Balances at September 30, 2016	\$ 139,910,421	\$ 128,329,511	\$ 11,580,910

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Sensitivity of the net pension liability to changes in the discount rate. The following presents the Net Pension Liability of the employer, calculated using the discount rate of 7.25%, as well as what the employer's Net Pension Liability would be using a discount rate that is 1 percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate.

	Current Single Discount		
1% Decrease	Rate Assumption	1% Increase	
6.25%	7.25%	8.25%	
\$ 33,147,218	\$ 11,580,910	\$ (6,097,760)	

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

For the year ended September 30, 2016 the employer recognized government-wide pension expense of \$6,340,191. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ -	\$ 2,707,250
Differences in assumptions	3,557,541	-
Excess (deficit) investment returns	11,677,288	-
Contributions subsequent to the measurement date*	895,258	-
Total	<u>\$ 16,130,087</u>	<u>\$ 2,707,250</u>

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability for the year ending September 30, 2016.

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

Year Ending September 30,	Net Deferred Outflows of Resources
2016	\$ 3,380,859
2017	3,380,859
2018	3,380,856
2019	2,069,482
2020	324,220
Thereafter	(8,697)
	<u>\$ 12,527,579</u>

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Payable to the Pension Plan

At September 30, 2016, the City reported a payable of \$529,508 for the outstanding amount of required contributions to the pension plan for the year ended September 30, 2016.

6. LONG-TERM LIABILITIES

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

	<u>Original Authorized/ Issued Amount</u>	<u>Date of Maturity</u>
General Obligation:		
Series 2010A Refunding	2,520,000	March 2021
Series 2010B	3,790,000	September 2030
Series 2012	4,000,000	September 2032
Series 2014	9,675,000	September 2034
Series 2015 Refunding	7,050,000	March 2027
Series 2016	8,000,000	March 2036
Series 2016 Refunding	16,170,000	March 2035
Tax Increment Revenue:		
Series 2001	9,900,000	December 2015
Revenue Bonds:		
Series 2003	12,970,000	May 2023
Series 2007	21,445,000	May 2032
Series 2009	5,000,000	May 2029
Series 2015	7,500,000	May 2040
Certificates of Participation:		
Series 2010A	870,000	May 2019
Series 2010B	8,805,000	May 2030
Series 2010C Refunding	1,725,000	June 2024
Series 2013 Refunding	18,540,000	May 2031
Development Notes (Premier 370 Project):		
Series 2008A	17,500,000	September 2028

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

	Balance - October 1, 2015		Additions	Balance - September 30, 2016		Current Portion
Governmental Activities:						
General Obligation Bonds:						
Series 2008	\$ 16,000,000		\$ -	\$ 16,000,000	\$ -	\$ -
Series 2010A Refunding	1,890,000		-	295,000	1,595,000	300,000
Series 2010B Refunding	3,790,000		-	-	3,790,000	-
Series 2011 Refunding	730,000		-	730,000	-	-
Series 2012	3,495,000		-	175,000	3,320,000	180,000
Series 2014	9,290,000		-	380,000	8,910,000	385,000
Series 2015 Refunding	7,050,000		-	50,000	7,000,000	550,000
Series 2016	-		8,000,000	-	8,000,000	275,000
Series 2016 Refunding	-		16,170,000	-	16,170,000	170,000
Neighborhood Improvement District						
Limited General Obligation Bonds:						
Series 2006	6,700		-	6,700	-	-
Annual Appropriation Bonds:						
Tax Increment Revenue Notes:						
Tax-exempt - Series 2001	1,642,000		-	1,642,000	-	-
Certificates of Participation:						
Series 2010A - Refunding portion	190,000		-	55,000	135,000	55,000
Series 2010B - Build America Bonds	7,050,000		-	370,000	6,680,000	380,000
Series 2010C - Refunding portion	1,255,000		-	125,000	1,130,000	125,000
Series 2013 - Refunding	865,000		-	275,000	590,000	290,000
Development Notes, Series A	13,305,000		-	-	13,305,000	-
Compensated absences	1,380,810	2,078,681		2,143,741	1,315,750	1,315,750
	<u>\$ 67,939,510</u>	<u>\$ 26,248,681</u>		<u>\$ 22,247,441</u>	<u>71,940,750</u>	<u>\$ 4,025,750</u>
Add: Unamortized premium					1,298,562	
Less: Unamortized discount					(113,341)	
Total Governmental Activities					<u>\$ 73,125,971</u>	
Business -Type Activities:						
Water/Sewer Revenue Bonds:						
Capital Appreciation Series 2003	\$ 10,880,000		\$ -	\$ 1,360,000	\$ 9,520,000	\$ 1,360,000
Capital Appreciation Series 2007	19,505,000		-	500,000	19,005,000	500,000
Revenue Bonds Series 2009	4,925,000		-	125,000	4,800,000	175,000
Revenue Bonds Series 2015	7,500,000		-	-	7,500,000	-
Annual Appropriation Bonds:						
Certificates of Participation:						
Series 2013 - Refunding	15,535,000		-	735,000	14,800,000	760,000
Compensated absences	449,766	700,686		673,681	476,771	476,771
	<u>\$ 58,794,766</u>	<u>\$ 700,686</u>		<u>\$ 3,393,681</u>	<u>56,101,771</u>	<u>\$ 3,271,771</u>
Add: Unamortized premium					297,285	
Less: Unamortized discount					(214,098)	
Unaccreted capital appreciation on bonds					(8,313,268)	
Total Business-Type Activities					<u>\$ 47,871,690</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, 2016, 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	
	General Obligation and Special Assessment		Annual Appropriation		Revenue Bonds		Annual Appropriation		Service Requirements To Maturity	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2017	1,860,000	1,369,527	850,000	453,400	2,035,000	456,995	760,000	588,873	5,505,000	2,868,795
2018	1,930,000	1,295,165	880,000	419,236	2,090,000	451,745	790,000	558,895	5,690,000	2,725,041
2019	1,980,000	1,245,795	560,000	375,354	2,140,000	443,870	810,000	534,518	5,490,000	2,599,537
2020	2,035,000	1,192,485	555,000	350,165	2,165,000	434,245	845,000	502,118	5,600,000	2,479,013
2021	2,420,000	1,134,290	570,000	324,173	2,190,000	423,745	880,000	468,318	6,060,000	2,350,526
2022-2026	13,125,000	4,622,010	2,850,000	1,175,313	10,885,000	1,912,069	4,850,000	1,861,113	31,710,000	9,570,505
2027-2031	14,600,000	2,709,668	2,270,000	361,563	10,105,000	1,460,916	5,865,000	811,460	32,840,000	5,343,607
2032-2036	10,835,000	674,259	-	-	5,205,000	1,154,306	-	-	16,040,000	1,828,565
2037-2040	-	-	-	-	4,010,000	369,751	-	-	4,010,000	369,751
	\$ 48,785,000	\$ 14,243,199	\$ 8,535,000	\$ 3,459,204	\$ 40,825,000	\$ 7,107,642	\$ 14,800,000	\$ 5,325,295	\$ 112,945,000	\$ 30,135,340

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 position, were issued to finance various capital projects. \$1,073,636 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 3.60% and mature through 2036.

Revenue Bonds

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 6. These bonds bear interest at rates ranging from 3.3% to 5.25% and mature through 2040.

The City has pledged future water customer revenues, net of specified operating expenses, to repay \$42.8 million in water system revenue bonds, Series 2003, Series 2007, Series 2009, and Series 2015. Proceeds from the bonds provided financing for the Waterworks and Sewerage System. The bonds are payable solely from water customer net revenues and are payable through May 2040. The total principal and interest remaining to be paid on the bonds is \$47,932,642. Principal and interest paid for the current year and total customer net revenues were \$2,345,480 and \$3,132,897 respectively.

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

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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 up 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 September 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.

The purpose of the Series 2013 Certificates is to refund \$20,045,000 principal amount of the outstanding Series 2006A. The Series 2013 Certificates bear interest at rates ranging from 2.0% to 4.6% and mature May 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 and was subsequently reduced to \$18 million and ultimately \$17.5 million. As of September 30, 2016, the City has issued \$15,945,000 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.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

For the current year, principal and interest paid and pledged revenues were \$4,871 and \$7,521, respectively.

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 - 2015 tax year	\$ 1,080,409,127
Debt limit - 10% of assessed valuation	108,040,913
Amount of debt applicable to debt limit:	
Total general obligation bonded debt	48,785,000
Less: Amount available in debt service fund	(1,059,232)
Bond indebtedness applicable to debt limit	<u>47,725,768</u>
Legal debt margin	<u>\$ 60,315,145</u>

7. DEBT DEFEASANCE

On February 4, 2016, the City issued \$16,170,000 in General Obligation Refunding Bonds, Series 2016 with interest rates ranging between 2.0% and 3.0%. The City issued the bonds to advance refund the remaining \$16,000,000 of outstanding principal on the General Obligation Bonds, Series 2008. The net proceeds of \$16,517,710 (after bond premium of \$579,527 and issuance cost of \$231,817) plus an additional \$844,113 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 Series 2008 bonds. As a result, the Series 2008 bonds are considered defeased, and the City has removed that liability from the governmental activities statement of net position. At September 30, 2016, the outstanding balance of the Series 2008 defeased debt is \$15,495,000.

The advance refunding results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$505,000.

On May 6, 2015, the City issued \$7,050,000 in General Obligation Refunding Bonds, Series 2015 with interest rates ranging between 2.0% and 3.0%. The City issued the bonds to advance refund the remaining \$7,000,000 of outstanding principal on the General Obligation Bonds, Series 2007. The Series 2007 bonds are considered defeased, and the City has removed the liability from the governmental activities statement of net position. At September 30, 2016, the outstanding balance of the Series 2007 defeased debt is \$7,000,000. The defeased bonds will be redeemed on March 1, 2017.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

8. ENTERPRISE FUNDS DEBT REQUIREMENTS

Cash and cash equivalents and investments restricted at September 30, 2016 are as follows:

Revenue Fund	\$ 85,567
Depreciation Fund	225,000
Interest Reserve Fund	500,000
Series 2003 Waterworks and Sewage Bond Debt Service Fund	680,000
Series 2007 Waterworks and Sewage Bond Debt Service Fund	250,000
Series 2009 Waterworks and Sewage Bond Debt Service Fund	183,294
Series 2015 Waterworks and Sewage Bond Debt Service Fund	<u>129,638</u>
Subtotal restricted for debt service	2,053,499
Series 2015 Waterworks and Sewage Bond Proceeds	<u>4,339,937</u>
Total restricted cash and investments	<u><u>\$ 6,393,436</u></u>

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 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.

Series 2015 Waterworks and Sewage Revenue Bonds Debt Service Fund

Requirements - monthly credit (1/6) of the amount of interest that will come due on the next succeeding interest payment date. Beginning in 2032, the monthly credit will be (1/12) of the debt service payment due on the next succeeding maturity date.

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.

As of September 30, 2016, the City met all related debt reserve requirements.

9. INTERFUND BALANCES AND TRANSFERS

The following represents a reconciliation of transfers between individual funds for the fiscal year ended September 30, 2016:

	Transfers From	Transfers To	Net Transfers
Major Governmental Funds:			
General	\$ 949,073	\$ 1,853	\$ (947,220)
Transportation Trust	-	527,240	527,240
Local Parks and Stormwater	1,957,317	-	(1,957,317)
Debt Service	-	1,825,077	1,825,077
Capital Projects	1,252	-	(1,252)
Nonmajor Governmental Funds:			
Neighborhood Improvement District	601	-	(601)
Community Development Block Grant	43,290	-	(43,290)
Community Development Block Grant - Subrecipient	-	43,290	43,290
Major Enterprise Funds:			
Recreation	-	554,073	554,073
	<u>\$ 2,951,533</u>	<u>\$ 2,951,533</u>	<u>\$ -</u>

Interfund transfers of \$795,000 from the General Fund and \$1,030,077 from the Local Parks and Stormwater Fund were made to the Debt Service Fund for debt payments.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

An interfund transfer of \$527,240 was made from the Local Parks and Stormwater Fund to the Transportation Trust Fund for stormwater expenses associated with the Mexico Road Pedestrian Bridge Project.

An interfund transfer of \$400,000 was made from the Local Parks and Stormwater Fund to the Recreation Fund for operating support.

An interfund transfer of \$154,073 was made from the General Fund to the Recreation Fund for tourism activities.

An interfund transfer of \$1,252 was made from the Capital Projects Fund to the General Fund upon completion of the Justice Center.

An interfund transfer of \$601 was made from the Neighborhood Improvement District Fund to the General Fund to close the Fund.

An interfund transfer of \$43,290 was made from the Community Development Block Grant Fund to the Community Development Block Grant Subrecipient Fund to close the Fund.

Individual fund interfund receivable and payable balances as of September 30, 2016 are as follows:

	Interfund Receivable	Interfund Payable
Major Governmental Funds:		
General	\$ 270,354	\$ -
Transportation Trust	-	62,823
Local Parks and Stormwater	-	4,481
Nonmajor Governmental Funds:		
Sewer Lateral Repair Program	-	58
Water Service Line Repair Program	-	37
Community Development Block Grant - Subrecipient	-	31,466
Major Enterprise Funds:		
Waterworks/Sanitary Sewer	-	138,093
Solid Waste	-	13,601
Central Materials Processing Facility	-	3,733
Recreation	-	16,062
	<u>\$ 270,354</u>	<u>\$ 270,354</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.

Interfund payables at September 30, 2016 include \$16,062 in the Recreation Fund, \$62,823 in the Transportation Trust Fund, \$4,481 in the Local Parks and Stormwater Fund, \$58 in the Sewer Lateral Repair Program Fund, \$37 in the Water Service Line Repair Program Fund, \$13,601 in the Solid Waste Fund, \$138,093 in the Waterworks/Sanitary Sewer Fund and \$3,733 in the Central Materials Processing Facility Fund are for reimbursement to the General Fund for insurance expense.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Interfund payables of \$31,466 in the CDBG - Subrecipient Fund are due to the elimination of negative cash balances.

10. 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, 2016 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 2016, the City of St. Peters, Missouri purchased water from the Joint Venture and paid related pumping charges totaling \$856,540. These costs are included as operating expenses of the City's waterworks/sanitary sewer enterprise fund.

Condensed summary of financial information for the Joint Venture as of and for its fiscal year ended September 30, 2016 is as follows:

Assets	<u>\$ 5,611,866</u>
Liabilities	<u>\$ 592,630</u>
Partnership capital:	
St. Peters	2,903,699
St. Charles	6,227,431
Accumulated deficit:	
St. Peters	(1,307,586)
St. Charles	<u>(2,804,308)</u>
	<u>\$ 5,611,866</u>
Operating revenue	\$ 2,139,634
Operating expenses	(2,303,206)
Nonoperating revenue	1,216
Net Loss	<u>\$ (162,356)</u>

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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.

11. 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, 2016, 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 \$1,101,248.

Changes in the self-insured claims liabilities at September 30, 2016 and 2015 were as follows:

	Workers'		
	Compensation/		
	General	Medical	Total
Balance - September 30, 2014	\$ 615,226	\$ 600,000	\$ 1,215,226
Add: Current Year Claims And Changes in Estimate	426,528	4,707,686	5,134,214
Less: Claim Payments	455,287	4,707,686	5,162,973
Balance - September 30, 2015	586,467	600,000	1,186,467
Add: Current Year Claims And Changes in Estimate	562,943	5,008,101	5,571,044
Less: Claim Payments	648,162	5,008,101	5,656,263
Balance - September 30, 2016	\$ 501,248	\$ 600,000	\$ 1,101,248

12. 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

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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, 2014, the date of the latest actuarial valuation:

Active plan members	407
Retirees and beneficiaries	96
Terminated plan members entitled to but not yet receiving benefits	<u>- -</u>
Total	<u>503</u>

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 2016, the City contributed \$1,175,900 to the Plan. Plan members receiving benefits contributed approximately \$144,368 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)	\$ 1,779,000
2. Interest on net OPEB obligation (NOO)	723,000
3. Adjustment to ARC (Amortization of NOO)	<u>(535,000)</u>
4. Annual OPEB cost (expense), (1) + (2) + (3)	1,967,000
5. Employer contributions made	<u>(1,713,000)</u>
6. Change in net OPEB obligation, (4) + (5)	254,000
7. New OPEB obligation - beginning of year	10,323,577
8. Net OPEB obligation - end of year, (6) + (7)	<u><u>\$ 10,577,577</u></u>

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2016 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 2,220,000	52.7%	\$ 9,930,577
2015	\$ 1,872,000	79.0%	\$ 10,323,577
2016	\$ 1,967,000	87.1%	\$ 10,577,577

Funded Status and Funding Progress

As of October 1, 2014, the most recent actuarial valuation date, the plan was 49.2% funded. The actuarial accrual liability for benefits was \$24.8 million, and the actuarial value of assets was \$12.2 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$12.6 million. For the year ended September 30, 2016, the covered payroll (annual payroll of active employees covered by the plan) was \$25.9 million, and the ratio of the UAAL to the covered payroll was 48.8%.

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, 2014 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 8% initially for pre 65 retirees and 7.0% initially for post 65 retirees, reduced by .5% each year to an ultimate rate of 4.5%. The health consumer price index is assumed to increase at a rate of 3% each year. Salaries include a 3.5% inflation assumption. The actuarial value of assets was set equal to the market value of assets. The UAAL is

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at September 30, 2016, was 23 years.

13. COMMITMENTS AND CONTINGENCIES

Litigation

The City is a defendant in a number of 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.

14. CONDUIT DEBT

During the year ended September 30, 2010, the City authorized the issuance of \$26,500,000, Series 2010, Taxable Industrial Development Revenue Bonds to finance an industrial development project at 9 Cermak Boulevard 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 personal property included in the project. At the same time, the City leased the personal property 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, 2016, \$14,978,218 of these Taxable Industrial Revenue Bonds have been issued and remain outstanding. As part of the agreement, the Company has agreed to create and maintain quality jobs for specified periods and the City has agreed to extend tax abatements to the Company in proportion to the jobs create for the years 2011-2017.

During the year ended September 30, 2013, the City authorized the issuance of \$26,500,000, Series 2012 Taxable Industrial Development Revenue Bonds for the same company to provide funds to acquire and improve an additional facility at 1 Gerber Industrial Court and to acquire and install additional project equipment at the Company's facilities in the City. Subsequently, the City increased the maximum amount of the 2012 Series Bonds to \$38,500,000 to provide funds to acquire and improve an additional facility located at 13-15 Arrowhead Industrial Boulevard and to acquire and install additional project equipment at the Company's facilities in the City. Under the Series 2012 Bonds, the Company acquired and constructed real and personal property improvements. The company conveyed to the City title to the site and the personal property

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

included in the project. At the same time, the City leased the project site, improvements, there on and the personal property back to the Company pursuant to a lease agreement. At September 30, 2016, \$38,105,237 of these Taxable Industrial Revenue Bonds have been issued and remain outstanding.

The City authorized the issuance of \$31.5 million Taxable Industrial Revenue Bonds (Reckitt Benckiser LLC Logistics Center Project), Series 2016 for the purpose of acquiring certain real property and constructing an approximately 715,000 square foot facility to be used for warehousing, custom manufacturing and repackaging operations purposes. At September 30, 2016, the aggregate outstanding amount is \$5,545,988. The City has no obligation for repayment of this debt.

15. ENCUMBRANCES

The following encumbrances were outstanding as of September 30, 2016:

Fund	Amount
Major Governmental Funds:	
General	\$ 525,436
Transportation Trust	5,005,527
Local Parks and Stormwater	1,905,009
Capital Projects	3,983,631
	<u>11,419,603</u>
Nonmajor Governmental Funds	<u>2,782,781</u>
Major Enterprise Funds:	
Waterworks/Sanitary Sewer	1,974,668
Solid Waste	19,908
Central Materials Processing Facility	45,944
Recreation	81,892
	<u>2,122,412</u>
Total	<u><u>\$ 16,324,796</u></u>

16. SUBSEQUENT EVENTS

Subsequent to September 30, 2016, the City issued \$12,000,000 Series 2017 General Obligation Bonds in connection with the acquisition, construction, renovation installation and equipping of park and recreational facility improvements. The Series 2016 Bonds bear interest at rates ranging from 3.0% to 3.25% and mature February 1, 2037.

Subsequent to September 30, 2016, the City authorized the issuance of Taxable Industrial Revenue Bonds (2000 Premier Parkway Project), Series 2016, in the maximum principal amount of \$18,000,000, for the purpose of acquiring certain real property located at 2000 Premier Parkway in the City and constructing an approximately 252,000 square foot facility thereon to be used for warehousing purposes.

17. 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 Governmental Accounting Standards Board (GASB) is responsible for establishing generally accepted accounting principles (GAAP) for state and local governments.

In June 2015, the GASB approved Statement No. 74 “Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans” and Statement No. 75 “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.” The objective of these Statements is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) and establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB. The requirements of Statement No. 74 are effective for financial statements for fiscal years beginning after June 15, 2016, and the requirements of Statement No.75 are effective for fiscal years beginning after June 15, 2017.

In August 2015, the GASB approved Statement No. 77 “Tax Abatement Disclosures.” Although many governments offer tax abatements and provide information to the public about them, they do not always provide the information necessary to assess how tax abatements affect their financial position and results of operations, including their ability to raise resources in the future. This statement requires disclosures of tax abatement information about (1) a reporting government’s own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government’s tax revenues. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015.

In January 2016, the GASB approved Statement No. 80, “Blending Requirements for Certain Component Units (an amendment of GASB Statement No. 14).” This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The requirements of the Statement are effective for reporting period beginning after June 15, 2016.

In April 2016, the GASB approved Statement No. 82, “Pension Issues (an amendment of GASB Statement No. 67, No. 68, and No. 73).” This Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information; (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes; and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements regarding the selection of assumptions in a circumstance in which an employer’s pension liability is measured as of a date other than the employer’s most recent fiscal year-end. In that case, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

In November 2016, the GASB approved Statement No. 83, "Certain Asset Retirement Obligations." This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

In January 2017, the GASB approved Statement No. 84, "Fiduciary Activities." This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria is generally on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

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

Required Supplementary Information

CITY OF ST. PETERS, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON INFORMATION - BUDGET BASIS - GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original Budget	Revised Final Budget	Actual	
Revenues:				
Sales tax	\$ 14,144,300	\$ 14,144,300	\$ 14,539,609	\$ 395,309
Property tax	7,196,100	7,196,100	7,388,343	192,243
Utility franchise tax	4,600,100	4,600,100	4,376,655	(223,445)
Cigarette tax	180,000	180,000	183,218	3,218
Licenses and permits	1,096,500	1,096,500	1,396,294	299,794
Interest	5,000	5,000	56,247	51,247
Intergovernmental	3,210,000	3,210,000	3,897,545	687,545
Fines and forfeitures	1,857,200	1,826,500	1,569,621	(287,679)
Charges for services	725,000	725,000	678,140	(46,860)
Miscellaneous	595,900	595,900	588,781	(7,119)
Total Revenues	33,610,100	33,579,400	34,674,453	1,095,053
Expenditures:				
General government	1,810,550	2,310,550	2,207,166	103,384
Administration	4,382,925	4,446,325	4,304,166	142,159
Police	12,877,065	12,877,065	11,968,434	908,631
Municipal court	482,110	482,110	430,355	51,755
Public works	2,109,300	2,109,300	2,104,395	4,905
Engineering	2,302,360	2,302,360	2,185,969	116,391
Maintenance	496,105	496,105	404,384	91,721
Health	725,655	725,655	678,494	47,161
Parks and recreation	5,197,015	5,197,015	4,764,996	432,019
Communications	1,003,900	1,003,900	959,724	44,176
Community and arts	201,275	201,275	190,139	11,136
Capital outlay	818,370	1,123,870	908,328	215,542
Debt service:				
Principal	330,000	330,000	330,000	-
Interest and fiscal charges	49,500	49,500	48,788	712
Total Expenditures	32,786,130	33,655,030	31,485,338	2,169,692
Revenues Over (Under) Expenditures	823,970	(75,630)	3,189,115	3,264,745
Other Financing Sources (Uses):				
Transfers in	-	-	1,853	1,853
Transfers out	(1,113,100)	(1,113,100)	(949,073)	164,027
Total Other Financing Sources (Uses)	(1,113,100)	(1,113,100)	(947,220)	165,880
Net Changes in Fund Balance	(289,130)	(1,188,730)	2,241,895	3,430,625
Fund Balances:				
Budget basis:				
Unreserved:				
Beginning of year	6,664,641	6,664,641	6,664,641	-
Transfer from (to) reserved	(379,760)	(1,890,259)	(1,940,733)	(50,474)
End of year	5,995,751	3,585,652	6,965,803	3,380,151
Reserved:				
Beginning of year	4,442,703	4,442,703	4,442,703	-
Transfer from (to) unreserved	379,760	1,890,259	1,940,733	50,474
End of Year	4,822,463	6,332,962	6,383,436	50,474
Budget basis, end of year	\$ 10,818,214	\$ 9,918,614	13,349,239	\$ 3,430,625
Budget basis receivable			(8,687)	
Budget basis prepaid item			(2,771)	
Encumbrances, end of year			525,436	
Property tax - deferred revenue, end of year			(271,282)	
Market value adjustment, end of year			(23,095)	
GAAP basis, end of year			\$ 13,568,840	

CITY OF ST. PETERS, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON INFORMATION
BUDGET BASIS - TRANSPORTATION TRUST FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	Original Budget	Revised	Actual	
		Final Budget		
Revenues:				
Sales tax	\$ 7,072,150	\$ 7,072,150	\$ 7,269,803	\$ 197,653
Interest	2,000	2,000	2,605	605
Intergovernmental	6,035,095	3,026,540	2,843,898	(182,642)
Miscellaneous	210,000	210,000	521,442	311,442
Total Revenues	<u>13,319,245</u>	<u>10,310,690</u>	<u>10,637,748</u>	<u>327,058</u>
Expenditures:				
Public works	5,657,555	5,657,555	5,297,562	359,993
Capital outlay	9,105,885	6,421,845	5,762,682	659,163
Debt service	765,500	765,500	764,885	615
Total Expenditures	<u>15,528,940</u>	<u>12,844,900</u>	<u>11,825,129</u>	<u>1,019,771</u>
Revenues Under Expenditures	(2,209,695)	(2,534,210)	(1,187,381)	1,346,829
Other Financing Sources:				
Transfers in	378,675	632,725	527,240	(105,485)
Net Changes In Fund Balance	(2,003,520)	(1,901,485)	(660,141)	1,241,344
Fund Balances:				
Budget basis:				
Unreserved:				
Beginning of year	4,267,324	4,267,324	4,267,324	-
Transfer from (to) reserved	-	-	(1)	(1)
End of year	<u>2,263,804</u>	<u>2,365,839</u>	<u>3,607,182</u>	<u>1,241,343</u>
Reserved:				
Beginning of year	628,655	628,655	628,655	-
Transfer from (to) reserved	-	-	1	1
End of year	<u>628,655</u>	<u>628,655</u>	<u>628,656</u>	<u>1</u>
Budget basis, end of year	<u>\$ 2,892,459</u>	<u>\$ 2,994,494</u>	4,235,838	<u>\$ 1,241,344</u>
Budget basis receivable			(1,741,005)	
Budget basis prepaid item			(115,500)	
Encumbrances, end of year			<u>5,005,527</u>	
GAAP basis, end of year			<u>\$ 7,384,860</u>	

CITY OF ST. PETERS, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON INFORMATION
BUDGET BASIS – LOCAL PARKS AND STORMWATER FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original Budget	Revised Final Budget		
Revenues:				
Sales tax	\$ 7,072,150	\$ 7,072,150	\$ 7,203,975	\$ 131,825
Interest	2,000	2,000	9,354	7,354
Intergovernmental	-	-	173,368	173,368
Charges for services	11,000	11,000	21,892	10,892
Miscellaneous	232,500	232,500	238,671	6,171
Total Revenues	7,317,650	7,317,650	7,647,260	329,610
Expenditures:				
Police	587,800	587,800	563,477	24,323
Public works	2,188,100	2,188,100	2,056,219	131,881
Parks and recreation	501,650	851,650	827,469	24,181
Capital outlay	3,394,300	3,761,624	3,378,558	383,066
Debt service	167,500	167,500	166,947	553
Total Expenditures	6,839,350	7,556,674	6,992,670	564,004
Revenues Over (Under) Expenditures	478,300	(239,024)	654,590	893,614
Other Financing Uses:				
Transfers out	(2,777,255)	(1,964,005)	(1,957,317)	6,688
Net Changes in Fund Balance	(2,298,955)	(2,203,029)	(1,302,727)	900,302
Fund Balances:				
Budget basis:				
Unreserved:				
Beginning of year	2,317,114	2,317,114	2,317,114	-
Transfers from (to) reserved	1,101,000	1,001,000	1,001,000	-
End of year	1,119,159	1,115,085	2,015,387	900,302
Reserved:				
Beginning of year	2,166,878	2,166,878	2,166,878	-
Transfers from (to) reserved	(1,101,000)	(1,001,000)	(1,001,000)	-
End of year	1,065,878	1,165,878	1,165,878	-
Budget basis, end of year	\$ 2,185,037	\$ 2,280,963	3,181,265	\$ 900,302
GAAP basis receivable				
Encumbrances, end of year			1,905,009	
GAAP basis, end of year			\$ 5,086,274	

CITY OF ST. PETERS, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON INFORMATION
BUDGET BASIS - SPECIAL ALLOCATION FUND - CITY CENTRE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	Original Budget	Revised Final Budget	Actual	
Revenues:				
Sales tax	\$ 218,700	\$ 533,660	\$ 533,655	\$ (5)
Property tax	81,600	-	(89,538)	(89,538)
Utility franchise tax	-	1,320	1,322	2
Interest	100	330	327	(3)
Total Revenues	300,400	535,310	445,766	(89,544)
Expenditures:				
General government	5,300	1,454,234	1,364,693	89,541
Capital outlay	-	349,410	349,407	3
Debt service	1,534,300	1,700,530	1,700,530	-
Total Expenditures	1,539,600	3,504,174	3,414,630	89,544
Net Changes In Fund Balance	(1,239,200)	(2,968,864)	(2,968,864)	-
Fund Balances:				
Budget basis:				
Unreserved:				
Beginning of year	1,268,601	1,268,601	1,268,601	-
Transfers from (to) reserved	1,223,736	1,700,263	1,700,263	-
End of year	1,253,137	-	-	-
Reserved:				
Beginning of year	1,700,263	1,700,263	1,700,263	-
Transfers from (to) reserved	(1,223,736)	(1,700,263)	(1,700,263)	-
End of year	476,527	-	-	-
Budget basis, end of year	<u>\$ 1,729,664</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Encumbrances, end of year			<u>-</u>	
GAAP basis, end of year			<u>\$ -</u>	

CITY OF ST. PETERS, MISSOURI

**NOTES TO BUDGETARY COMPARISON INFORMATION
SEPTEMBER 30, 2016**

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 a deferred inflow of resources. Property tax revenue is recognized on a budget basis at the point in time that the tax is levied.

CITY OF ST. PETERS, MISSOURI

**EMPLOYEES' RETIREMENT SYSTEM –
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2016**

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

**Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Fiscal Years**

<i>Fiscal year ending September 30,</i>	2016	2015
Total Pension Liability		
Service cost	\$ 3,228,465	\$ 3,138,201
Interest on the total pension liability	9,329,666	8,844,697
Benefit changes	-	-
Difference between expected and actual experience	(2,000,550)	(1,517,411)
Assumption changes	4,255,947	-
Benefit payments, including refunds	(3,935,468)	(3,709,697)
Net Change in Total Pension Liability	10,878,060	6,755,790
Total Pension Liability Beginning	129,032,361	122,276,571
Total Pension Liability Ending	\$ 139,910,421	\$ 129,032,361
Plan Fiduciary Net Position		
Contributions-employer	\$ 3,694,805	\$ 3,962,002
Contributions-employee	1,030,281	1,023,984
Pension plan net investment income	(348,467)	2,516,940
Benefit payments, including refunds	(3,935,468)	(3,709,697)
Pension plan administrative expense	(53,004)	(57,042)
Other	(772,351)	825,771
Net Change in Plan Fiduciary Net Position	(384,204)	4,561,958
Plan Fiduciary Net Position Beginning	128,713,715	124,151,757
Plan Fiduciary Net Position Ending	\$ 128,329,511	\$ 128,713,715
Employer Net Pension Liability	\$ 11,580,910	\$ 318,646
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	91.72%	99.75%
Covered Employee Payroll	\$ 25,802,519	\$ 25,347,479
Employer's Net Pension Liability as a percentage of covered employee payroll	44.88%	1.26%

Notes to schedule:

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

CITY OF ST. PETERS, MISSOURI

**EMPLOYEES' RETIREMENT SYSTEM – SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2016**

SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Actuarially determined contribution	\$3,758,208	\$3,931,857	\$4,012,044	\$4,093,859	\$3,772,678	\$3,696,433	\$2,764,227	\$2,645,769	\$2,622,949	\$2,560,018
Contributions in relation to the actuarially determined contribution	3,758,208	3,931,858	3,957,591	3,629,022	3,277,500	2,996,125	2,764,226	2,645,769	2,622,950	2,560,017
Contribution deficiency (excess)	\$0	(\$1)	\$54,453	\$464,837	\$495,178	\$700,308	\$1	\$0	(\$1)	\$1
Covered-employee payroll	\$26,757,662	\$25,580,737	\$24,990,193	\$24,230,840	\$23,449,756	\$23,075,203	\$23,072,006	\$22,304,334	\$21,420,367	\$20,480,141
Contributions as a percentage of covered-employee payroll	14.05%	15.37%	15.84%	14.98%	13.98%	12.98%	11.98%	11.86%	12.25%	12.50%

Notes to Schedule:

Methods and assumptions used to determine contribution rates for the most recent year include:

Valuation date	February 28/29 of each year
Notes	The roll-forward of total pension liability from February 29, 2016 to June 30, 2016 (measurement date) reflects expected service cost and interest reduced by actual benefit payments.
Actuarial cost method	Entry age normal cost and modified terminal funding
Amortization method	Level percentage of payroll, closed
Remaining amortization period	Multiple bases from 13 to 15 years
Asset valuation method	5-year smoothed market; 20% corridor
General inflation	3.25% wage inflation; 2.50% price inflation
Salary increases	3.25% to 6.55% including wage inflation
Investment rate of return	7.25%, net of investment expenses
Retirement age	Experience-based tables of rates that are specific to the type of eligibility condition.
Mortality	The healthy retiree mortality tables, for post-retirement mortality, were the RP-2014 Healthy Annuitant mortality table for males and females. The disabled retiree mortality tables, for post-retirement mortality, were the RP-2014 disabled mortality table for males and females. The pre-retirement mortality tables used were the RP-2014 employees mortality table for males and females. Both the post retirement and pre-retirement tables were adjusted for mortality improvement back to the observation period base year of 2006. The base year for males was then established to be 2017. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Other information:

New assumptions adopted based on the 5-year experience study for the period March 1, 2010 through February 28, 2015.

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF FUNDING PROGRESS AND CONTRIBUTIONS –
OTHER POST-EMPLOYMENT BENEFIT PLAN
SEPTEMBER 30, 2016**

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

Schedule of Funding Progress:

Fiscal Year	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
09/30/14	10/01/12	\$ 9,924,000	\$ 25,156,000	\$ 15,232,000	39.4%	\$25,049,887	60.81%
09/30/15	10/01/14	\$12,231,000	\$ 24,872,000	\$ 12,641,000	49.2%	\$25,503,199	49.57%
09/30/16	10/01/14	\$12,231,000	\$ 24,872,000	\$ 12,641,000	49.2%	\$25,884,521	48.84%

Schedule of Employer Contributions:

Year Ended September 30,	Annual Required Contribution	Percentage Contributed
2014	\$ 2,059,000	56.87%
2015	\$ 1,692,000	87.41%
2016	\$ 1,779,000	96.29%

Note: The results shown above are based on plan provisions and long-term assumptions and methods summarized in Note 12.

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.

Water Service Line Repair Program Fund - Used to account for revenues received from a voter approved special property assessment used to assist in the repair of water 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 Subrecipient Fund - Used to account for federal grant proceeds passed through St. Charles County to provide 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.

CITY OF ST. PETERS, MISSOURI

**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2016**

	Sewer Lateral Repair Program Fund	Water Service Line Repair Program Fund	Special Allocation Funds		Community Development Block Grant Sub- recipient Fund	Total
			Old Town	Lakeside Redevelopment		
Assets:						
Cash and cash investments:						
Unrestricted	\$ 849,471	\$ 248,196	\$ 5,868,388	\$ 567,360	\$ -	\$ 7,533,415
Held by trustees	-	-	-	2,650	-	2,650
Receivables, net of allowances where applicable:						
Taxes	-	-	71,976	4,788	-	76,764
Intergovernmental	-	-	-	-	36,813	36,813
Other	2,775	1,102	5,185	-	139,075	148,137
Long-term receivables	-	-	-	-	620,931	620,931
Total Assets	\$ 852,246	\$ 249,298	\$ 5,945,549	\$ 574,798	\$ 796,819	\$ 8,418,710
Liabilities and Fund Balances:						
Liabilities:						
Accounts payable	\$ 78,363	\$ 56,708	\$ 5,979	\$ 22,333	\$ 392	\$ 163,775
Accrued liabilities	424	273	-	-	-	697
Deposits/guarantee bonds	900	-	-	-	-	900
Due to other funds	58	37	-	-	31,466	31,561
Total Liabilities	79,745	57,018	5,979	22,333	31,858	196,933
Fund Balances:						
Restricted for:						
Sewer lateral projects	772,501	-	-	-	-	772,501
Special allocation projects	-	-	5,939,570	549,815	-	6,489,385
Grants	-	-	-	-	764,961	764,961
Debt service	-	-	-	2,650	-	2,650
Water line repair projects	-	192,280	-	-	-	192,280
Total Fund Balances	772,501	192,280	5,939,570	552,465	764,961	8,221,777
Total Liabilities and Fund Balances	\$ 852,246	\$ 249,298	\$ 5,945,549	\$ 574,798	\$ 796,819	\$ 8,418,710

CITY OF ST. PETERS, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Sewer Lateral Repair Program Fund	Water Service Line Repair Program Fund	Special Allocation Funds		Community Development Block Grant Fund	Community Development Block Grant Sub- recipient Fund	Neighborhood Improvement District Fund	Total
			Old Town	Lakeside Redevelop- ment				
Revenues:								
Sales tax	\$ -	\$ -	\$ 1,137,935	\$ 138	\$ -	\$ -	\$ -	\$ 1,138,073
Property tax	-	-	839,287	115,121	-	-	-	954,408
Utility franchise tax	-	-	-	-	-	-	-	-
Special assessment	-	-	-	-	-	-	-	-
Cigarette tax	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Interest	402	120	11,033	223	-	-	-	11,778
Intergovernmental	-	-	-	-	-	253,900	-	253,900
Charges for services	565,846	224,345	-	-	-	-	-	790,191
Miscellaneous	-	-	-	-	-	-	6,975	6,975
Total Revenues	566,248	224,465	1,988,255	115,482	-	253,900	6,975	3,155,325
Expenditures:								
General government	-	-	412,212	3,430	151,302	96,139	-	663,083
Public works	423,511	222,726	185,718	-	-	-	-	831,955
Capital outlay	-	-	194,909	-	-	-	-	194,909
Debt service:								
Principal retirement	-	-	-	-	-	-	6,700	6,700
Interest	-	-	-	4,871	-	-	157	5,028
Other	-	-	-	-	-	-	292	292
Total Expenditures	423,511	222,726	792,839	8,301	151,302	96,139	7,149	1,701,967
Revenues (Under) Over Expenditures	142,737	1,739	1,195,416	107,181	(151,302)	157,761	(174)	1,453,358
Other Financing Uses:								
Transfers in	-	-	-	-	-	43,290	-	43,290
Transfers out	-	-	-	-	(43,290)	-	(601)	(43,891)
Total Other Financing Sources (Uses)	-	-	-	-	(43,290)	43,290	(601)	(601)
Net Changes In Fund Balance	142,737	1,739	1,195,416	107,181	(194,592)	201,051	(775)	1,452,757
Fund Balances:								
Beginning of year	629,764	190,541	4,744,154	445,284	194,592	563,910	775	6,769,020
End of year	\$ 772,501	\$ 192,280	\$ 5,939,570	\$ 552,465	\$ -	\$ 764,961	\$ -	\$ 8,221,777

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 FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Sewer Lateral Repair Program Fund			Water Service Line 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)	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:									
Sales tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,077,000	\$ 1,137,935	\$ 60,935
Property tax	-	-	-	-	-	-	815,000	839,287	24,287
Interest	5,000	402	(4,598)	-	120	120	5,000	11,033	6,033
Charges for services	525,000	565,846	40,846	223,000	224,345	1,345	-	-	-
Total Revenues	530,000	566,248	36,248	223,000	224,465	1,465	1,897,000	1,988,255	91,255
Expenditures:									
General government	-	-	-	-	-	-	413,067	412,212	855
Public works	735,000	521,341	213,659	308,000	225,442	82,558	-	-	-
Capital outlay	-	-	-	-	-	-	5,823,720	2,734,909	3,088,811
Total Expenditures	735,000	521,341	213,659	308,000	225,442	82,558	6,236,787	3,147,121	3,089,666
Net Changes in Fund Balance	(205,000)	44,907	249,907	(85,000)	(977)	84,023	(4,339,787)	(1,158,866)	3,180,921
Fund Balances:									
Budget basis:									
Unreserved:									
Beginning of year	597,384	597,384	-	179,032	179,032	-	4,261,800	4,261,800	-
Transfers from (to) reserved	-	-	-	-	-	-	200,000	200,000	-
End of year	392,384	642,291	249,907	94,032	178,055	84,023	122,013	3,302,934	3,180,921
Reserved:									
Beginning of year	-	-	-	-	-	-	200,000	200,000	-
Transfers from (to) reserved	-	-	-	-	-	-	(200,000)	(200,000)	-
End of year	-	-	-	-	-	-	-	-	-
Budget basis, end of year	\$ 392,384	642,291	\$ 249,907	\$ 94,032	178,055	\$ 84,023	\$ 122,013	3,302,934	\$ 3,180,921
Budget basis receivable		(650)			(1,060)				
Encumbrances, end of year		130,860			15,285			2,636,636	
GAAP basis, end of year		\$ 772,501			\$ 192,280			\$ 5,939,570	

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 FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Special Allocation Fund - Lakeside Redevelopment			Community Development Block Grant Subrecipient Fund		
	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:						
Sales tax	\$ -	\$ 138	\$ 138	\$ -	\$ -	\$ -
Property tax	147,000	115,121	(31,879)	-	-	-
Interest	-	223	223	-	-	-
Intergovernmental	-	-	-	350,852	253,900	(96,952)
Total Revenues	147,000	115,482	(31,518)	350,852	253,900	(96,952)
Expenditures:						
General government	6,000	3,430	2,570	350,852	248,945	101,907
Capital outlay	-	-	-	-	-	-
Debt service	5,000	4,871	129	-	-	-
Total Expenditures	11,000	8,301	2,699	350,852	248,945	101,907
Net Changes in Fund Balance	136,000	107,181	(28,819)	-	4,955	4,955
Fund Balances:						
Budget basis:						
Unreserved:						
Beginning of year	442,634	442,634	-	-	-	-
Transfers from (to) reserved	-	-	-	-	-	-
End of year	578,634	549,815	(28,819)	-	4,955	4,955
Reserved:						
Beginning of year	2,650	2,650	-	-	-	-
Transfers from (to) reserved	-	-	-	-	-	-
End of year	2,650	2,650	-	-	-	-
Budget basis, end of year	\$ 581,284	552,465	\$ (28,819)	\$ -	4,955	\$ 4,955
Budget basis receivable					760,006	
Encumbrances, end of year						
GAAP basis, end of year		\$ 552,465			\$ 764,961	

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - BUDGET BASIS - DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Debt Service Fund		
	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Property tax	\$ 1,544,900	\$ 1,837,236	\$ 292,336
Interest	10,000	721	(9,279)
Miscellaneous	3,000	8,606	5,606
Total Revenues	1,557,900	1,846,563	288,663
Expenditures:			
Debt service	3,506,000	3,487,261	18,739
Total Expenditures	3,506,000	3,487,261	18,739
Revenues Under Expenditures	(1,948,100)	(1,640,698)	307,402
Other Financing Sources:			
Transfers in	1,998,100	1,825,077	(173,023)
Net Changes in Fund Balance	50,000	184,379	134,379
Fund Balances:			
Budget basis:			
Unreserved:			
Beginning of year	952,396	952,396	-
End of year	1,002,396	1,136,775	134,379
Budget basis, end of year	\$ 1,002,396	1,136,775	\$ 134,379
Property tax - deferred revenue, end of year		(77,543)	
GAAP basis, end of year		\$ 1,059,232	

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 FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Water and sewer	\$ 10,033,900	\$ 9,768,197	\$ (265,703)
Interest	1,000	1,713	713
Miscellaneous	1,509,300	1,425,872	(83,428)
Total Revenues	11,544,200	11,195,782	(348,418)
Expenses:			
Personnel costs	4,259,260	3,899,070	360,190
Utilities	766,600	681,057	85,543
Purchased water	822,000	856,540	(34,540)
Wastewater treatment costs	110,000	122,897	(12,897)
Repairs and maintenance	727,315	635,866	91,449
Chemicals and supplies	403,450	377,944	25,506
Professional services	415,850	238,125	177,725
Supplies and other	310,225	239,679	70,546
Insurance	47,500	111,132	(63,632)
Gasoline and fuel	141,500	64,897	76,603
Rent	13,000	12,147	853
Miscellaneous	800,700	813,475	(12,775)
Total Expenses	8,817,400	8,052,829	764,571
Net Revenues Before Capital Revenues (Expenditures) and (Debt Service and Fees)	2,726,800	3,142,953	416,153
Capital Expenditures	(606,705)	(446,555)	160,150
Debt Service and Fees	(2,349,250)	(2,346,615)	2,635
Net Changes in Net Position	(229,155)	349,783	578,938
Net Position:			
Budget basis:			
Unreserved:			
Beginning of year	1,023,026	1,023,026	-
Transfers from (to) reserved	(155,828)	(152,763)	3,065
End of year	638,043	1,220,046	582,003
Reserved:			
Beginning of year	1,817,958	1,817,958	-
Transfers from (to) reserved	155,828	152,763	(3,065)
End of year	1,973,786	1,970,721	(3,065)
Budget basis, end of year	\$ 2,611,829	\$ 3,190,767	\$ 578,938

* 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 FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Trash collection	\$ 5,671,500	\$ 5,800,074	\$ 128,574
Miscellaneous	164,000	179,051	15,051
Interest	500	821	321
Total Revenues	5,836,000	5,979,946	143,946
Expenses:			
Personnel costs	2,480,455	2,434,553	45,902
Utilities	53,400	46,048	7,352
Disposal fees	1,105,500	1,198,505	(93,005)
Repairs and maintenance	311,000	274,119	36,881
Capital expenditures	673,000	595,929	77,071
Chemicals and supplies	5,000	2,336	2,664
Professional services	23,100	20,372	2,728
Supplies and other	64,220	70,618	(6,398)
Insurance	27,700	29,170	(1,470)
Gasoline and fuel	301,500	151,705	149,795
Rent	1,800	914	886
Miscellaneous	692,200	688,186	4,014
Total Expenses	5,738,875	5,512,455	226,420
Net Changes in Net Position	97,125	467,491	370,366
Net Position:			
Budget basis:			
Unreserved:			
Beginning of year	1,422,387	1,422,387	-
Transfers from (to) reserved	-	-	-
End of year	<u>1,519,512</u>	<u>1,889,878</u>	<u>370,366</u>
Reserved:			
Beginning of year	250,000	250,000	-
Transfers from (to) reserved	-	-	-
End of year	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Budget basis, end of year	\$ 1,769,512	\$ 2,139,878	\$ 370,366

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL -
BUDGET BASIS - ENTERPRISE FUND -
CENTRAL MATERIALS PROCESSING FACILITY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Tipping fees	\$ 2,647,000	\$ 2,603,041	\$ (43,959)
Recycling fees	1,465,600	1,169,548	(296,052)
Earth Centre	382,500	513,132	130,632
Intergovernmental	-	1,252	1,252
Interest	500	348	(152)
Miscellaneous	35,900	11,698	(24,202)
Total Revenues	4,531,500	4,299,019	(232,481)
Expenses:			
Personnel costs	1,932,080	1,712,671	219,409
Disposal fees	1,386,400	1,344,769	41,631
Utilities	58,600	49,481	9,119
Capital expenditures	278,800	252,693	26,107
Professional services	46,100	45,818	282
Repairs and maintenance	113,400	102,314	11,086
Insurance	22,500	20,223	2,277
Gasoline and fuel	48,600	20,451	28,149
Supplies and other	653,140	593,954	59,186
Total Expenses	4,539,620	4,142,374	397,246
Net Changes in Net Position	(8,120)	156,645	164,765
Net Position:			
Budget basis:			
Unreserved:			
Beginning of year	441,645	441,645	-
End of year	433,525	598,290	164,765
Reserved:			
Beginning of year	175,000	175,000	-
End of year	175,000	175,000	-
Budget basis, end of year	\$ 608,525	\$ 773,290	\$ 164,765

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL -
BUDGET BASIS - ENTERPRISE FUND - RECREATION FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016**

	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Recreation	\$ 7,153,400	\$ 6,677,948	\$ (475,452)
Interest	500	447	(53)
Total Revenues	7,153,900	6,678,395	(475,505)
Expenses:			
Personnel costs	4,057,575	3,956,258	101,317
Utilities	1,014,300	866,582	147,718
Repairs and maintenance	214,350	252,633	(38,283)
Capital expenditures	198,200	163,547	34,653
Chemicals and supplies	77,000	77,042	(42)
Professional services	161,990	127,091	34,899
Supplies and other	389,950	377,459	12,491
Concessions	238,500	218,019	20,481
Insurance	51,700	47,707	3,993
Gasoline and fuel	33,550	15,479	18,071
Miscellaneous	75,600	80,436	(4,836)
Total Expenses	6,512,715	6,182,253	330,462
Net Revenues Before Debt Service and Fees	641,185	496,142	(145,043)
Debt Service and fees	1,356,500	1,354,808	1,692
Revenues Under Expenses	(715,315)	(858,666)	(143,351)
Other Financing Sources:			
Transfers in	550,000	554,073	4,073
Net Changes in Net Position	(165,315)	(304,593)	(139,278)
Net Position:			
Budget basis:			
Unreserved:			
Beginning of year	372,375	372,375	-
Transfers from (to) reserved	(5,000)	38,252	43,252
End of year	202,060	106,034	(96,026)
Reserved:			
Beginning of year	792,799	792,799	-
Transfers from (to) reserved	5,000	(38,252)	(43,252)
End of year	797,799	754,547	(43,252)
Budget basis, end of year	\$ 999,859	\$ 860,581	\$ (139,278)

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.

93-98

Revenue Capacity

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

99-104

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.

105-109

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.

110-111

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.

112-114

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

CITY OF ST. PETERS, MISSOURI

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
 (accrual basis of accounting)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities										
Net investment in capital assets	\$ 239,665,381	\$ 220,878,960	\$ 240,140,438	\$ 258,630,627	\$ 259,323,155	\$ 262,479,439	\$ 259,697,165	\$ 257,684,628	\$ 259,507,068	\$ 264,195,696
Restricted for capital projects	8,176,260	8,502,836	5,922,228	6,768,629	-	-	-	-	-	-
Restricted for debt service	2,436,832	8,897,412	6,100,691	7,209,265	4,331,436	4,648,531	4,012,669	4,040,752	3,363,434	1,878,130
Restricted for other purposes	-	-	-	-	12,934,040	11,327,525	14,321,977	15,062,285	15,904,747	16,306,001
Unrestricted	17,868,604	21,207,143	13,523,667	5,101,854	(6,982,701)	(7,896,119)	(4,396,314)	(2,053,870)	10,195,089	8,846,667
Total governmental activities net position	\$ 268,147,077	\$ 259,486,351	\$ 265,687,024	\$ 277,710,375	\$ 269,605,930	\$ 270,559,376	\$ 273,635,497	\$ 274,733,795	\$ 288,970,338	\$ 291,226,494
Business-type activities										
Net investment in capital assets	\$ 29,209,873	\$ 39,970,976	\$ 37,818,296	\$ 37,202,278	\$ 51,062,078	\$ 51,195,406	\$ 50,083,741	\$ 48,590,611	\$ 40,399,392	\$ 46,625,435
Restricted for capital projects	3,363,721	-	-	-	-	-	-	-	-	-
Restricted for debt service	9,394,406	7,233,632	3,759,580	4,041,857	3,058,197	787,071	854,833	852,012	1,907,719	2,053,499
Unrestricted	11,604,597	17,159,930	20,468,117	12,609,854	10,844,666	11,404,920	10,223,021	10,332,116	16,232,682	8,304,694
Total business-type activities net position	\$ 53,572,597	\$ 64,364,538	\$ 62,045,993	\$ 53,853,989	\$ 64,964,941	\$ 63,387,397	\$ 61,161,595	\$ 59,774,739	\$ 58,539,793	\$ 56,983,628
Primary government										
Net investment in capital assets	\$ 268,875,254	\$ 260,849,936	\$ 277,958,734	\$ 295,832,905	\$ 310,385,233	\$ 313,674,845	\$ 309,780,906	\$ 306,275,239	\$ 299,906,460	\$ 310,821,131
Restricted for capital projects	11,539,981	8,502,836	5,922,228	6,768,629	-	-	-	-	-	-
Restricted for debt service	11,831,238	16,131,044	9,860,271	11,251,122	7,389,633	5,435,602	4,867,502	4,892,764	5,271,153	3,931,629
Restricted for other purposes	-	-	-	-	12,934,040	11,327,525	14,321,977	15,062,285	15,904,747	16,306,001
Unrestricted	29,473,201	38,367,073	33,991,784	17,711,708	3,861,965	3,508,801	5,826,707	8,278,246	26,427,771	17,151,361
Total primary government net position	\$ 321,719,674	\$ 323,850,889	\$ 327,733,017	\$ 331,564,364	\$ 334,570,871	\$ 333,946,773	\$ 334,797,092	\$ 334,508,534	\$ 347,510,131	\$ 348,210,122

Notes: 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 POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)**

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities:										
General government	\$ 4,101,069	\$ 10,605,639	\$ 4,936,885	\$ 3,988,945	\$ 6,412,147	\$ 7,279,425	\$ 6,698,790	\$ 8,086,574	\$ 7,815,960	\$ 4,523,861
Administration	4,440,371	4,439,076	4,413,440	4,465,717	4,642,420	4,116,344	4,199,160	4,566,965	4,312,392	4,770,710
Police	9,814,498	10,358,838	10,758,075	11,487,848	12,883,901	12,828,392	12,986,440	13,217,760	12,728,527	14,710,038
Municipal court	369,667	417,285	443,602	469,464	451,384	420,486	436,179	463,094	417,289	457,861
Public works	17,293,048	10,321,657	11,894,996	9,721,254	22,109,038	14,559,364	15,085,756	18,345,680	15,574,017	16,658,928
Engineering	2,469,174	2,630,888	2,552,615	2,571,574	2,572,899	2,243,654	2,269,573	2,274,286	2,240,612	2,399,379
Maintenance	756,069	727,250	749,630	788,172	465,034	254,551	331,483	391,037	379,588	490,325
Health	581,024	709,702	602,498	615,783	731,504	764,863	755,145	806,137	807,978	881,765
Parks and Recreation	5,517,854	5,279,526	5,507,748	5,893,725	6,092,722	6,011,172	6,338,658	6,609,149	6,606,600	6,499,501
Community Relations	960,770	962,461	1,009,804	1,007,998	983,171	1,010,835	996,207	969,256	990,599	1,068,164
Community & Arts	268,835	277,631	280,512	290,368	243,961	265,196	263,590	265,679	259,914	240,416
Community Development	-	-	-	963,000	-	-	-	-	-	-
Interest on long term debt	2,117,537	2,258,848	3,536,569	3,484,084	3,321,526	3,333,056	3,247,811	2,536,740	3,886,941	3,153,241
Total governmental activities expenses	48,689,916	48,988,801	46,686,374	45,747,932	60,909,707	53,087,338	53,608,792	58,532,357	56,020,417	55,854,189
Business-type activities:										
Waterworks/Sanitary Sewer	8,782,669	9,857,448	9,625,487	11,297,498	12,069,159	12,263,810	12,231,505	12,098,460	12,546,331	12,776,435
Solid Waste	4,043,387	4,182,408	4,399,270	7,126,274	5,203,218	5,070,099	5,141,961	6,073,236	5,310,401	5,745,911
Public improvement corporation	840,568	608,613	529,810	503,638	157,303	-	-	-	-	-
Central Materials Processing Facility	3,408,096	3,411,717	3,677,814	3,932,005	3,622,194	3,797,178	3,754,701	3,933,581	4,093,146	4,257,057
Recreation	6,122,627	6,453,216	7,038,214	7,884,369	8,121,280	8,387,854	8,012,989	8,484,246	8,669,871	8,925,693
Total business-type activities expenses	23,197,347	24,513,402	25,270,595	30,743,784	29,173,154	29,518,941	29,141,156	30,589,523	30,619,749	31,705,096
Total primary government expenses	\$ 71,887,263	\$ 73,502,203	\$ 71,956,969	\$ 76,491,716	\$ 90,082,861	\$ 82,606,279	\$ 82,749,948	\$ 89,121,880	\$ 86,640,166	\$ 87,559,285
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,819,527	\$ 1,709,498	\$ 908,725	\$ 1,181,701	\$ 1,052,200	\$ 1,156,407	\$ 1,436,786	\$ 1,764,671	\$ 1,669,806	\$ 1,643,744
Police	1,768,839	2,562,532	2,930,923	2,778,995	2,817,623	2,664,576	2,642,981	2,076,717	2,037,068	1,815,473
Public works	524,412	540,181	544,287	522,200	527,210	541,192	776,759	789,557	785,074	791,291
Health	20,359	22,425	21,314	20,182	18,477	14,923	17,244	16,882	16,035	13,999
Parks and recreation	26,730	25,851	25,585	8,640	9,113	9,715	8,433	9,234	8,908	21,892
Community relations	92,471	72,887	-	-	-	-	-	-	-	-
Community & Arts	114,390	177,196	172,413	176,380	208,539	255,755	254,325	240,879	290,812	254,343
Operating grants and contributions	3,813,207	3,496,262	4,024,801	3,597,950	3,680,124	3,450,856	3,631,928	3,763,445	3,954,906	3,821,642
Capital grants and contributions	5,767,781	4,000,088	6,557,930	10,759,472	15,176,082	8,227,484	2,919,675	5,207,464	8,038,757	4,924,161
Total governmental activities program revenues	13,947,716	12,606,920	15,185,978	19,045,520	23,489,368	16,320,908	11,688,131	13,868,849	16,801,366	13,286,545
Business-type activities:										
Charges for services:										
Waterworks/Sanitary sewer	9,728,781	9,370,782	8,649,448	9,675,873	10,420,961	11,248,180	10,888,293	11,892,010	10,978,093	11,408,181
Solid waste	4,325,591	4,622,677	3,374,042	3,540,501	3,693,198	3,891,333	4,146,914	4,940,437	5,813,449	5,958,007
Public improvement corporation	844,102	819,785	849,680	555,071	-	-	-	-	-	-
Central materials processing facility	3,399,577	3,703,035	3,326,266	3,394,464	3,444,502	3,391,388	3,492,866	3,593,729	3,846,377	4,297,226
Recreation	3,656,297	4,608,748	5,147,064	5,896,515	6,092,237	6,384,230	6,356,701	6,385,330	6,803,164	6,677,948
Capital grants and contributions	559,515	137,719	719,510	588,320	3,659,979	1,547,224	614,710	95,307	203,588	111,679
Total business-type activities program revenues	22,513,863	23,262,746	22,066,010	23,650,744	27,310,877	26,462,355	25,499,484	26,906,813	27,644,671	28,453,041
Total primary government program revenues	\$ 36,461,579	\$ 35,869,666	\$ 37,251,988	\$ 42,696,264	\$ 50,800,245	\$ 42,783,263	\$ 37,187,615	\$ 40,775,662	\$ 44,446,037	\$ 41,739,586

Note: 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 POSITION (CONTINUED)
LAST TEN FISCAL YEARS
 (accrual basis of accounting)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net (Expense)/Revenue										
Governmental activities	\$ (34,742,200)	\$ (36,381,881)	\$ (31,500,396)	\$ (26,702,412)	\$ (37,420,339)	\$ (36,766,430)	\$ (41,920,661)	\$ (44,663,508)	\$ (39,219,051)	\$ (42,567,644)
Business-type activities	(683,484)	(1,250,656)	(3,204,585)	(7,093,040)	(1,862,277)	(3,056,586)	(3,641,672)	(3,682,710)	(2,975,078)	(3,252,055)
Total primary government net expense	<u>\$ (35,425,684)</u>	<u>\$ (37,632,537)</u>	<u>\$ (34,704,981)</u>	<u>\$ (33,795,452)</u>	<u>\$ (39,282,616)</u>	<u>\$ (39,823,016)</u>	<u>\$ (45,562,333)</u>	<u>\$ (48,346,218)</u>	<u>\$ (42,194,129)</u>	<u>\$ (45,819,699)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes levied for general purposes	\$ 5,972,329	\$ 6,152,614	\$ 6,392,363	\$ 5,993,141	\$ 6,705,073	\$ 6,484,144	\$ 6,983,760	\$ 7,062,295	\$ 7,360,015	\$ 7,388,343
Property taxes levied for debt service	2,563,201	2,633,533	2,636,371	2,495,335	2,137,731	2,086,067	1,854,973	1,524,502	1,553,343	1,837,236
Property taxes levied for tax increment financing districts	2,915,222	3,154,963	3,455,420	3,747,632	3,821,189	3,499,837	3,947,675	3,974,877	4,205,844	864,869
Sales taxes levied for general purposes	11,344,811	11,566,809	11,088,916	11,106,737	11,777,602	12,266,784	12,600,822	13,087,001	13,711,848	14,539,609
Sales taxes levied for transportation purposes	5,673,491	5,783,416	5,544,419	5,553,379	5,888,803	6,133,393	6,300,411	6,543,499	6,855,926	7,269,803
Sales taxes levied for park and storm water purposes	1,120,066	1,142,294	1,094,341	1,096,321	1,164,594	1,213,515	4,420,066	6,487,198	6,784,761	7,203,975
Sales taxes levied for tax increment financing districts	2,840,130	2,793,140	3,625,574	3,278,082	2,869,664	2,966,675	4,127,716	4,499,798	6,340,070	1,671,728
Tourism	-	-	-	-	-	32,224	121,487	123,374	125,329	154,073
Franchise and public service taxes	3,364,976	3,415,948	3,457,259	3,603,717	4,188,158	4,069,136	4,390,460	4,576,446	4,741,751	4,561,196
Earnings on investments	2,095,392	1,488,010	286,808	110,734	55,642	22,164	35,882	70,805	26,613	61,316
Other revenue	2,388,254	514,882	912,057	553,445	3,571,682	398,845	538,000	918,616	498,732	948,759
Gain on sale of capital assets	66,490	-	17,541	20,981	69,326	-	103,457	65,068	-	12,331
Transfers	238,193	(10,924,454)	(810,000)	1,166,259	(12,933,570)	(1,452,908)	(427,927)	(2,801,711)	(971,668)	(1,689,438)
Total governmental activities	<u>40,582,555</u>	<u>27,721,155</u>	<u>37,701,069</u>	<u>38,725,763</u>	<u>29,315,894</u>	<u>37,719,876</u>	<u>44,996,782</u>	<u>46,131,768</u>	<u>51,232,564</u>	<u>44,823,800</u>
Business-type activities:										
Earnings on investments	1,462,516	763,109	134,044	35,355	35,074	12,824	1,188	3,298	1,085	6,452
Other revenue	-	-	-	-	-	-	907,278	-	-	-
Gain (loss) on sale of capital assets	58,019	355,034	5,964	31,940	(28,696)	13,310	79,477	5,501	-	-
Transfers	(238,193)	10,924,454	810,000	(1,166,259)	6,063,303	1,452,908	427,927	2,801,711	971,668	1,689,438
Total business-type activities	<u>1,282,342</u>	<u>12,042,597</u>	<u>950,008</u>	<u>(1,098,964)</u>	<u>6,069,681</u>	<u>1,479,042</u>	<u>1,415,870</u>	<u>2,810,510</u>	<u>972,753</u>	<u>1,695,890</u>
Total primary government	<u>\$ 6,439,213</u>	<u>\$ 2,131,215</u>	<u>\$ 3,946,096</u>	<u>\$ 3,831,347</u>	<u>\$ (3,897,041)</u>	<u>\$ (624,098)</u>	<u>\$ 850,319</u>	<u>\$ 596,060</u>	<u>\$ 10,011,188</u>	<u>\$ 699,991</u>
Change in Net Position										
Governmental activities	\$ 5,840,355	\$ (8,660,726)	\$ 6,200,673	\$ 12,023,351	\$ (8,104,445)	\$ 953,446	\$ 3,076,121	\$ 1,468,260	\$ 12,013,513	\$ 2,256,156
Business-type activities	598,858	10,791,941	(2,254,577)	(8,192,004)	4,207,404	(1,577,544)	(2,225,802)	(872,200)	(2,002,325)	(1,556,165)
Total primary government	<u>\$ 6,439,213</u>	<u>\$ 2,131,215</u>	<u>\$ 3,946,096</u>	<u>\$ 3,831,347</u>	<u>\$ (3,897,041)</u>	<u>\$ (624,098)</u>	<u>\$ 850,319</u>	<u>\$ 596,060</u>	<u>\$ 10,011,188</u>	<u>\$ 699,991</u>

Note: Prior period adjustments are related to - fiscal year 2006 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, fiscal year 2014 the City implemented GASB 65.

Source: Basic financial statements.

CITY OF ST. PETERS, MISSOURI

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Reserved for encumbrances	\$ 346,284	\$ 733,673	\$ 1,724,906	\$ 754,166	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserved for capital improvements	2,867,207	2,100,000	620,259	379,110	-	-	-	-	-	-
Reserved for debt service	-	-	-	545,582	-	-	-	-	-	-
Reserved for storm water management	110,267	163,783	183,839	187,529	-	-	-	-	-	-
Reserved for inventory/prepaid	725,590	799,721	846,257	828,933	-	-	-	-	-	-
Reserved for other projects	694,980	479,904	2,160,448	389,628	-	-	-	-	-	-
Unreserved	7,861,281	12,480,457	7,737,594	3,442,769	-	-	-	-	-	-
Nonspendable	-	-	-	-	914,407	949,553	877,270	999,339	910,729	935,313
Restricted for:										
Debt service	-	-	-	-	545,587	545,587	87,005	87,004	87,004	87,005
Police services	-	-	-	-	227,169	226,656	230,348	380,048	325,280	315,869
Tourism	-	-	-	-	-	32,224	-	-	-	-
Committed:										
Contingency Reserve	-	-	-	-	-	-	-	2,500,000	3,000,000	3,500,000
Assigned for:										
Encumbrances	-	-	-	-	384,335	404,714	334,787	436,714	339,410	-
Administration	-	-	-	-	-	-	-	-	-	303,307
Maintenance	-	-	-	-	-	-	-	-	-	76,859
Other	-	-	-	-	-	-	-	-	-	145,270
Subsequent year budget	-	-	-	-	1,597,435	952,890	398,775	479,140	289,130	1,381,215
Capital projects	-	-	-	-	541,388	499,663	564,291	660,236	610,547	2,078,150
Unassigned	-	-	-	-	683,136	1,111,573	5,014,095	3,799,230	5,655,168	4,745,852
Total General Fund	\$ 12,605,609	\$ 16,757,538	\$ 13,273,303	\$ 6,527,717	\$ 4,893,457	\$ 4,722,860	\$ 7,506,571	\$ 9,341,711	\$ 11,217,268	\$ 13,568,840

Notes: During fiscal year 2007 the City changed the accounting for the Recreation Fund from a government fund to an enterprise fund.
GASB 54 was implemented in fiscal year 2011.

Source: Basic financial statements.

CITY OF ST. PETERS, MISSOURI

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
All Other Governmental Funds										
Reserved for encumbrances	\$ 3,559,764	\$ 7,938,066	\$ 4,109,188	\$ 8,490,996	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserved for capital improvements	320,000	4,980,000	-	-	-	-	-	-	-	-
Reserved for debt service	-	5,349,325	4,424,325	5,705,895	-	-	-	-	-	-
Reserved for inventory/prepaid	2,602	3,300	38,036	3,800	-	-	-	-	-	-
Reserved for long-term receivables	1,001,353	806,132	700,569	695,926	-	-	-	-	-	-
Reserved for other projects	3,276,765	-	-	-	-	-	-	-	-	-
Unreserved, reported in										
Special revenue funds	16,492,467	9,311,290	10,894,991	4,437,401	-	-	-	-	-	-
Debt service funds	2,396,237	3,458,563	3,669,646	3,197,773	-	-	-	-	-	-
Capital projects funds	280,116	20,915,453	16,635,365	10,209,589	-	-	-	-	-	-
Nonspendable	-	-	-	-	3,800	19,200	26,445	49,302	10,243	50,214
Restricted for:										
Transportation	-	-	-	-	7,015,173	6,125,178	6,843,476	7,000,039	5,735,624	6,705,990
Capital projects	-	-	-	-	2,028,013	225,942	-	-	-	-
Sewer lateral projects	-	-	-	-	1,285,630	1,092,775	999,105	753,912	629,753	772,501
Water line repair projects	-	-	-	-	-	-	137,581	189,006	190,541	192,280
Special allocation projects	-	-	-	-	2,050,275	1,695,473	3,390,546	3,658,366	6,458,038	6,489,385
Grants	-	-	-	-	857,750	795,955	795,838	820,958	758,502	764,961
Debt service	-	-	-	-	4,037,106	4,278,422	4,071,799	4,056,946	3,218,950	1,857,416
Local parks and stormwater	-	-	-	-	1,818,695	1,856,340	3,193,945	3,723,505	4,922,849	4,919,396
Stormwater projects	-	-	-	-	-	-	3,470,173	9,904,668	-	7,818,515
Assigned for capital projects	-	-	-	-	1,135,470	954,362	639,110	892,285	5,975,047	2,768,096
Total all other governmental funds	\$ 27,329,304	\$ 52,762,129	\$ 40,472,120	\$ 32,741,380	\$ 20,231,912	\$ 17,043,647	\$ 23,568,018	\$ 31,048,987	\$ 27,899,547	\$ 32,338,754

Notes: During fiscal year 2007 the City changed the accounting for the Recreation Fund from a government fund to an 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)**

	Fiscal Years									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Sales tax (1)	\$ 20,978,501	\$ 21,285,659	\$ 20,655,597	\$ 20,719,476	\$ 21,700,665	\$ 22,580,369	\$ 27,449,016	\$ 30,617,497	\$ 33,692,605	\$ 30,685,115
Property tax (2)	11,431,916	11,783,275	12,606,100	12,217,710	12,698,014	11,874,878	12,780,606	12,582,607	13,176,609	10,015,474
Utility franchise tax	3,364,976	3,415,948	3,457,259	3,603,717	3,972,708	3,864,326	4,201,312	4,394,595	4,553,149	4,377,977
Cigarette tax	231,216	254,592	230,091	223,484	215,450	204,810	189,148	181,852	188,601	183,218
Licenses and permits	1,660,469	1,526,797	826,625	1,092,659	948,635	1,042,314	1,241,499	1,534,587	1,443,080	1,396,294
Interest	2,095,392	1,488,010	286,808	110,734	55,643	22,163	35,883	70,803	26,613	61,316
Intergovernmental	6,821,731	6,155,149	7,647,291	9,978,781	11,669,898	6,423,040	4,990,943	4,536,347	10,361,168	8,300,333
Fines and forfeitures	1,600,896	2,298,424	2,618,034	2,521,997	2,551,634	2,391,164	2,366,601	1,802,296	1,799,379	1,569,621
Charges for services	933,779	1,176,669	1,174,004	1,080,991	1,134,782	1,213,843	1,454,093	1,471,238	1,485,716	1,490,223
Miscellaneous	2,322,571	451,120	773,329	367,352	3,834,808	530,021	815,047	1,156,036	732,240	1,236,775
Total revenues	51,441,447	49,835,643	50,275,138	51,916,901	58,782,237	50,146,928	55,524,148	58,347,858	67,459,160	59,316,346
Expenditures										
General government	3,862,364	11,156,412	2,953,949	2,929,663	6,109,343	6,197,000	6,374,897	7,763,595	7,445,684	4,229,713
Administration	3,869,357	4,025,933	3,964,072	4,025,538	4,020,331	3,555,977	3,724,140	4,124,185	4,155,519	4,296,847
Police	9,407,345	9,924,110	10,309,193	10,756,677	11,062,800	11,144,650	11,658,421	11,963,592	12,379,373	12,527,568
Municipal court	366,373	413,865	439,981	463,630	425,757	393,393	414,265	443,018	431,073	430,355
Public works	8,418,877	8,074,152	8,319,193	7,879,484	8,685,647	7,083,746	7,051,909	8,571,245	9,101,062	8,832,730
Engineering	2,422,063	2,599,668	2,501,915	2,509,843	2,354,444	2,029,515	2,082,349	2,092,877	2,181,945	2,172,923
Maintenance	703,345	710,878	729,093	771,310	411,353	191,244	284,120	346,799	386,533	400,847
Health	555,176	681,640	588,106	586,799	517,257	552,634	556,075	618,089	654,199	678,597
Parks and recreation	4,613,547	4,577,817	4,796,454	4,965,617	4,961,281	4,894,888	5,284,614	5,618,086	5,780,053	5,494,111
Communications	787,641	889,931	945,554	925,874	822,657	846,632	854,999	823,337	920,607	957,504
Community & arts	187,634	198,067	200,287	212,144	161,354	182,730	185,330	184,880	213,475	187,796
Community development	-	-	-	963,000	-	-	-	-	-	-
Capital outlay	12,924,502	15,656,104	27,579,699	28,937,644	23,635,682	9,429,095	6,351,740	9,407,725	16,719,113	13,392,712
Debt service										
Principal retirement	1,554,000	2,644,000	4,720,000	7,595,000	6,730,000	3,235,000	3,596,000	4,103,000	5,336,000	4,103,700
Interest and arbitrage rebate	1,992,456	2,166,782	3,284,645	3,147,203	3,323,236	2,922,142	2,283,799	2,149,680	2,145,779	1,519,616
Payment to escrow agent	-	-	-	141,255	197,604	-	-	-	363,273	844,113
Other	74,425	59,837	60,693	174,914	209,418	56,433	103,864	136,911	172,923	426,813
Total expenditures	51,739,105	63,780,196	71,392,834	76,985,595	73,628,176	52,715,079	50,806,522	58,347,019	68,386,611	60,495,945
Excess of revenues over (under) expenditures	(297,658)	(13,944,553)	(21,117,696)	(25,068,694)	(14,845,939)	(2,568,151)	4,717,626	839	(927,451)	(1,179,599)
Other Financing Sources (Uses)										
Transfers in	847,275	7,212,077	7,964,523	7,756,444	2,711,733	504,624	2,105,409	1,193,681	2,018,039	2,397,460
Transfers out	(3,491,361)	(18,136,531)	(8,774,523)	(9,455,886)	(8,775,036)	(1,504,624)	(2,014,939)	(1,967,055)	(2,693,368)	(2,951,533)
Proceeds from sale of capital assets	156,395	25,013,532	3,452	34,357	140,360	24,289	185,659	89,428	201,607	127,700
Issuance of debt	3,275,000	29,630,000	6,150,000	14,898,000	11,720,000	185,000	5,885,000	9,675,000	7,050,000	8,000,000
Payments to escrow agent	-	-	-	(168,207)	(5,094,651)	-	(1,700,000)	-	(7,141,596)	(16,517,710)
Refunding bonds	-	-	-	-	-	-	-	-	-	16,170,000
Bond premium	-	-	-	-	8,990	-	-	-	-	744,461
Bond discount	(60,637)	(189,771)	-	(2,472,340)	(9,185)	-	-	-	-	-
Total other financing sources (uses)	726,672	43,529,307	5,343,452	10,592,368	702,211	(790,711)	4,590,456	9,315,270	(346,433)	7,970,378
Net change in fund balances	\$ 429,014	\$ 29,584,754	\$ (15,774,244)	\$ (14,476,326)	\$ (14,143,728)	\$ (3,358,862)	\$ 9,308,082	\$ 9,316,109	\$ (1,273,883)	\$ 6,790,779
Total expenditures	51,739,105	63,780,196	71,392,834	76,985,595	73,628,176	52,715,079	50,806,522	58,347,019	68,386,611	60,495,945
Debt service	3,546,456	4,810,782	8,004,645	10,742,203	10,053,236	6,157,142	5,879,799	6,252,680	7,481,779	5,623,316
Capital outlay	(9,640,700)	(15,656,104)	(27,579,699)	(28,937,644)	(23,635,682)	(9,429,095)	(6,351,740)	(9,407,725)	(16,719,113)	(13,392,712)
Capital expenditures from functional categories	-	(4,189,580)	(2,908,965)	(5,098,067)	(5,707,407)	(314,903)	(291,335)	1,804,969	(1,645,268)	(992,539)
Debt service as a percentage of noncapital expenditures	8.4%	10.9%	19.6%	25.0%	18.0%	14.3%	13.3%	12.4%	13.0%	12.2%

(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
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%
2012	595,449,460	277,465,894	583,300	141,090,290	1,014,588,944	4,429,157,148	0.7700	22.91%
2013	600,713,947	278,019,167	507,399	158,825,112	1,038,065,625	4,511,165,911	0.7700	23.01%
2014	572,625,150	270,341,208	496,077	164,687,681	1,008,150,116	4,356,829,872	0.7700	23.14%
2015	587,132,555	271,697,850	494,761	164,926,725	1,024,251,891	4,438,130,307	0.7700	23.08%
2016	631,588,834	276,863,553	480,269	171,476,471	1,080,409,127	4,707,782,016	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			
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
2012	0.5759	0.1941	0.7700	4.7611	4.8419	5.1352	0.2041	0.2196	1.4197
2013	0.6010	0.1690	0.7700	4.7936	4.9849	5.1829	0.2041	0.2196	1.4430
2014	0.6282	0.1418	0.7700	4.8438	5.1359	5.3848	0.2041	0.2196	1.4834
2015	0.6282	0.1418	0.7700	4.8438	5.5820	5.1930	0.2041	0.2196	1.5852
2016	0.6095	0.1605	0.7700	4.7446	5.5227	5.0203	0.1962	0.2140	1.5659

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	2016			2007		
	Assessed Value	Rank	Percentage of Total Assessed Valuation(1)	Assessed Value	Rank	Percentage of Total Assessed Valuation(2)
Mid Rivers Mall LLC	\$ 18,017,494	1	1.67%	\$ 3,231,310	7	0.32%
Airwick Industries, Inc.	14,422,006	2	1.33%	8,763,609	2	0.88%
Turnberry Apartments LLC	5,801,920	3	0.54%	5,415,810	3	0.54%
SSM Properties, Inc.	4,030,251	4	0.37%	3,861,140	5	0.39%
Walmart Real Estate Business Trust	3,591,869	5	0.33%	-	-	-
Grewe Limited Partnership	3,564,395	6	0.33%	3,004,830	10	0.30%
Jungs Station Association	3,512,176	7	0.33%	3,034,160	9	0.30%
79 Crossing LLC	3,164,290	8	0.29%	4,018,183	4	0.40%
HCP Senior Housing Properties Trust	2,997,393	9	0.28%	-	-	-
94 Crossing LLC	2,966,210	10	0.27%	3,289,943	6	0.33%
May Development Co of Oregon	-	-	-	22,631,270	1	2.27%
KRVC Corporation	-	-	-	3,049,390	8	0.31%

Notes:

(1) Based on calendar year 2015 assessed valuation equal to \$1,080,409,127

(2) Based on calendar year 2006 assessed valuation equal to \$998,541,542

Note: The table excludes properties located in tax increment financing areas.

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
2007	\$ 8,080	\$ 7,961	98.53%	\$ 108	\$ 8,069	99.86%
2008	8,384	8,110	96.73%	265	8,375	99.89%
2009	8,561	8,401	98.13%	147	8,548	99.85%
2010	8,074	7,912	97.99%	152	8,064	99.88%
2011	8,099	7,937	98.00%	155	8,092	99.91%
2012	7,955	7,690	96.67%	256	7,946	99.89%
2013	7,982	7,822	98.00%	148	7,970	99.85%
2014	7,851	7,645	97.38%	194	7,839	99.85%
2015	8,013	7,914	98.76%	83	7,997	99.80%
2016	8,748	8,534	97.55%	-	8,534	97.55%

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**

	Fiscal Years									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Sales Tax Collected For General Purposes	\$ 11,344,811	\$ 11,566,809	\$ 11,088,916	\$ 11,106,737	\$ 11,777,602	\$ 12,266,784	\$ 12,600,822	\$ 13,087,001	\$ 13,711,848	\$ 14,359,609
Sales Tax Collected For Transportation Purposes	5,673,491	5,783,416	5,544,419	5,553,379	5,888,805	6,133,395	6,300,412	6,543,500	6,855,926	7,269,803
Sales Tax Collected For Park and Storm Water Purposes	1,120,066	1,142,294	1,094,341	1,096,321	1,164,594	1,213,515	4,420,066	6,487,198	6,784,761	7,203,975
Total Direct Sales Tax Collected	18,138,368	18,492,519	17,727,676	17,756,437	18,831,001	19,613,694	23,321,300	26,117,699	27,352,535	28,833,387
City direct sales tax rate	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%	2.00%	2.00%	2.00%	2.00%
Sales Tax Collected For Tax Increment Financing - City Centre	2,421,767	2,481,415	2,630,751	2,676,608	2,561,893	2,661,219	3,267,374	3,585,002	5,313,882	533,655
Sales Tax Collected For Tax Increment Financing - Old Town	412,015	305,890	293,800	352,787	307,763	305,410	860,268	914,687	1,026,073	1,137,935
Sales Tax Collected For Tax Increment Financing - Lakeside 370	6,350	5,835	3,370	79	8	46	74	109	115	138
Total Tax Collected for Tax Increment Financing	2,840,132	2,793,140	2,927,921	3,029,474	2,869,664	2,966,675	4,127,716	4,499,798	6,340,070	1,671,728
Total Sales Tax Collected	\$ 20,978,500	\$ 21,285,659	\$ 20,655,597	\$ 20,785,911	\$ 21,700,665	\$ 22,580,369	\$ 27,449,016	\$ 30,617,497	\$ 33,692,605	\$ 30,505,115

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
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%
2012	1.60%	1.50%	0.10%	0.125%	4.225%	7.550%
2013	2.00%	1.50%	0.10%	0.125%	4.225%	7.950%
2014	2.00%	1.50%	0.10%	0.125%	4.225%	7.950%
2015	2.00%	1.50%	0.10%	0.125%	4.225%	7.950%
2016	2.00%	1.50%	0.10%	0.125%	4.225%	7.950%

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		
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	2,491
2012	34,320,000	24,700	6,519,000	13,120,000	12,015,000	40,730,000	18,975,000	-	125,703,700	2,391
2013	36,830,000	18,700	5,184,000	13,305,000	11,250,000	39,035,000	16,840,000	-	122,462,700	2,329
2014	44,655,000	12,700	3,717,000	13,305,000	10,155,000	37,240,000	16,250,000	-	125,334,700	2,384
2015	42,798,022	6,700	1,642,000	13,305,000	9,241,737	42,580,492	15,852,670	-	125,426,621	2,386
2016	50,079,414	-	-	13,305,000	8,425,808	32,297,634	15,097,285	-	119,205,141	2,267

Notes:

- (1) Total and per capita personal income are unavailable for the City.
- (2) See table 16 for population data.
- (3) Personal income information is currently unavailable.
- (4) As of 2015, values are adjusted for bond premiums and discounts

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)
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	2,710,903	32,933,797	0.72%	626.42
2012	34,344,700	2,282,878	32,061,822	0.72%	609.83
2013	36,848,700	2,156,101	34,692,599	0.77%	659.87
2014	44,667,700	1,634,428	43,033,272	0.77%	818.51
2015	42,804,722	889,256	41,915,466	0.77%	797.25
2016	50,079,414	1,059,232	49,020,182	0.77%	932.39

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, 2016**

Jurisdiction	Debt Outstanding	Percentage Applicable to St. Peters	Share of Debt Applicable to St. Peters
Debt repaid with property taxes:			
St. Charles County*	\$ 3,455,000	14.40%	\$ -
St. Charles County Ambulance District	4,695,000	14.40%	676,080
Central County Fire and Rescue	13,375,000	69.23%	9,259,513
St. Charles County Community College	25,620,000	14.49%	3,712,338
St. Charles School District R-VI	20,060,000	6.80%	1,364,080
Fort Zumwalt School District R-II	147,064,907	25.15%	36,986,824
Francis Howell School District	143,268,000	20.02%	28,682,254
Other Debt:			
St. Charles County	34,920,000	14.40%	5,028,480
St. Charles School District R-VI	4,156,911	6.80%	282,670
Subtotal Overlapping Debt	\$ 396,614,818		\$ 85,992,239
City's direct debt			71,810,222
Total direct and overlapping debt			\$ 157,802,461

* 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**

	City Purposes Basic Limit	Streets And Sewer Additional Limit
Assessed Valuation	\$ 1,080,409,127	\$ 1,080,409,127
Debt Limit - 10% off assessed valuation	108,040,913	108,040,913
Amount of debt applicable to debt limit		
Total general obligation debt	48,785,000	-
Less: Amount available in debt service fund	(1,059,232)	-
Net bond indebtedness applicable to debt limit	47,725,768	-
Legal debt margin	\$ 60,315,145	\$ 108,040,913

City Purposes Basic Limit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
	Debt Limit	\$ 99,854,154	\$ 108,080,317	\$ 110,303,293	\$ 104,596,961	\$ 101,458,894	\$ 101,458,894	\$ 103,806,563	\$ 100,815,012	\$ 102,425,189
Total net debt applicable to limit	21,277,463	40,891,137	38,135,054	31,561,927	32,949,221	32,061,822	34,691,554	43,033,272	41,362,444	47,725,768
Legal Debt Margin	\$ 78,576,691	\$ 67,189,180	\$ 72,168,239	\$ 73,035,034	\$ 68,509,673	\$ 69,397,072	\$ 69,115,009	\$ 57,781,740	\$ 61,062,745	\$ 60,315,145
Total net debt applicable to the limit as a % of debt limit	21.31%	37.83%	34.57%	30.17%	32.48%	31.60%	33.42%	42.69%	40.38%	44.17%

Street and Sewer Additional Limit	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
	Debt Limit	\$ 99,854,154	\$ 108,080,317	\$ 110,303,293	\$ 104,596,961	\$ 104,501,701	\$ 101,458,894	\$ 103,806,563	\$ 100,815,012	\$ 102,425,189
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	\$ 99,854,154	\$ 108,080,317	\$ 110,303,293	\$ 104,596,961	\$ 104,501,701	\$ 101,458,894	\$ 103,806,563	\$ 100,815,012	\$ 102,425,189	\$ 108,040,913
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

**PLEDGED-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	
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	10,420,961	(7,447,829)	2,973,132	1,500,000	197,589	1.75	6,975	5,000	1,513	1.07
2012	11,248,180	(8,100,861)	3,147,319	1,590,000	198,819	1.76	6,976	5,000	1,278	1.11
2013	10,888,293	(7,919,218)	2,969,075	1,695,000	198,087	1.57	6,976	6,000	1,020	0.99
2014	11,892,010	(8,253,530)	3,638,480	1,795,000	197,589	1.83	6,976	6,000	738	1.04
2015	10,978,093	(8,348,266)	2,629,827	1,930,000	197,589	1.24	6,975	6,000	456	1.08
2016	11,408,181	(8,744,034)	2,664,147	1,985,000	360,480	1.14	6,975	6,700	157	1.02

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
2007	52,000	42,480	3.10%
2008	52,000	41,906	4.20%
2009	52,000	41,494	7.90%
2010	52,575	41,405	7.90%
2011	52,575	41,010	7.10%
2012	52,575	40,739	5.70%
2013	52,575	40,841	5.40%
2014	52,575	40,856	4.60%
2015	52,575	40,162	3.70%
2016	52,575	40,050	3.10%

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

Personal income information was not available.

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, 2016

	2016			2007		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Fort Zumwalt School District R-11	991	1	3.0%	981	1	2.8%
Barnes St. Peters Hospital	970	2	2.9%	612	2	1.7%
City of St. Peters	573	3	1.7%	495	4	1.4%
Francis Howell School District R-III	347	4	1.0%	279	5	0.8%
Alpla Inc.	218	5	0.7%	-	-	-
Wal-mart Stores Inc.	210	6	0.6%	176	10	0.5%
Boone Center Inc.	210	7	0.6%	200	8	0.6%
Seyer Industries, Inc.	202	8	0.6%	-	-	-
RB Manufacturing (formerly Reckett & Benchkiser)	200	9	0.6%	497	3	1.4%
St, Charles Ambulance District	180	10	0.5%	-	-	-
Continental Sprayers	-	-	-	247	6	0.7%
Schnucks Markets	-	-	-	201	7	0.6%
United Services Inc	-	-	-	197	9	0.6%
	4,101		12.4%	3,885		11.0%

Note: Percentage of Total City Employment was based on the employed labor force of 33,077 for September 2016 and 35,386 for September 2007. Labor force statistics are unofficial estimates from the Missouri Economic Research and Information Center.

Source: St. Peters Business License Office.

Should be noted that some business do not complete the number of employee section of their application.

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

	Fiscal Years									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<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	47.40	44.30	47.30	47.30	46.30	46.79	46.79	47.79	48.79	50.15
Police	110.00	111.50	113.20	114.50	116.20	115.50	115.50	115.05	116.05	121.05
Municipal Court	5.40	5.40	5.40	5.40	5.40	6.44	6.44	6.44	6.44	6.44
Public Works	36.45	40.20	40.20	41.00	41.50	32.88	40.38	41.58	44.88	47.88
Engineering	33.00	32.70	32.00	31.70	29.50	32.22	23.02	22.66	22.66	22.66
Maintenance	9.60	9.60	9.60	9.60	9.10	9.20	8.86	8.86	9.20	9.20
Health	8.40	8.90	8.15	8.15	8.30	8.88	8.58	8.13	8.13	8.41
Parks and Recreation	58.40	65.20	66.20	66.10	70.00	69.68	70.40	72.69	72.69	68.62
Communications	9.00	9.00	9.70	9.70	9.70	10.70	10.97	10.97	10.97	10.97
Community & Arts	3.80	2.40	2.40	2.40	2.40	2.44	2.44	2.44	3.88	3.88
Business-Type Activities:										
Waterworks/Sanitary Sewer	43.50	46.40	46.90	47.20	47.90	46.80	46.80	46.80	46.50	46.50
Solid Waste	26.70	26.60	26.85	27.20	27.50	26.05	26.55	26.55	27.55	28.55
Central Materials Processing Facility	24.30	25.20	25.45	25.50	25.10	24.61	24.61	26.41	29.93	26.93
Recreation	78.40	80.10	80.80	90.40	106.00	105.45	105.45	107.17	116.01	114.63
Total	502.25	515.40	522.05	534.05	552.80	545.54	544.69	551.44	571.58	573.77

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**

Functions/Program	Fiscal Years									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental Activities:										
Administration										
Citizen Concerns Received	1,226	1,189	784	802	302	262	350	335	253	242
No. of Concerns Responses within 72 hours	98%	98%	99%	99%	100%	100%	100%	100%	100%	100%
Police										
Average number of physical arrests per month	240	291	264	285	260	274	189	209	225	191
Average number of calls for service per month	2,608	3,570	2,404	2,543	2,682	2,700	2,639	2,224	2,414	2,937
Citizen Concerns Received	379	316	256	230	307	296	217	269	346	349
No. of Concerns Responses with 72 hours	97%	93%	96%	100%	100%	100%	99%	100%	100%	100%
Municipal court										
Average Number of Court Sessions per year	33	32	32	32	34	35	34	34	34	36
No. of tickets processed	15,410	24,438	25,783	26,244	22,999	22,783	22,911	19,728	15,134	11,959
Public Works										
Slab Replacement (Square Yards)	32,400	38,732	21,439	123,765	39,917	5,460	5,200	23,937	63,325	40,318
Asphalt overlay (Square Yards)	96,045	88,645	93,230	101,966	87,529	97,733	104,399	83,650	173,904	86,038
Curb Replacement (Lineal Feet)	15,705	30,413	20,747	19,550	17,607	8,891	7,500	12,352	18,555	415
Crackseal (Lineal Feet)	51,677	25,357	82,697	105,347	75,000	90,744	131,250	104,762	-	129,444
Sidewalk (Square Feet)	25,348	15,130	12,910	13,420	13,125	3,671	7,755	9,000	14,270	21,997
Citizen Concerns Received	719	949	775	909	1,145	649	749	999	1,115	957
No. of Concerns Responses with 72 hours	97%	98%	91%	94%	97%	99%	97%	97%	98%	98%
Engineering										
New Commercial Construction Unit Permits Issued	35	24	8	11	7	19	11	13	15	12
Value of New Commercial Construction Units	\$ 78,167,652	\$ 38,550,900	\$ 11,630,703	\$ 13,238,381	\$ 7,200,340	\$ 23,038,108	\$ 15,211,039	\$ 17,543,967	\$ 37,933,869	\$ 47,714,602
New Residential Construction Unit Permits Issued	232	217	261	309	347	238	526	274	176	115
Value of New Residential Construction Units	\$ 25,380,724	\$ 24,780,106	\$ 29,580,527	\$ 33,073,423	\$ 33,762,198	\$ 33,809,533	\$ 70,304,798	\$ 90,142,303	\$ 47,800,120	\$ 30,399,329
Citizen Concerns Received	1031	1042	910	1,034	1,103	1,007	1,203	990	1,172	1,127
No. of Concerns Responses with 72 hours	98%	98%	98%	98%	98%	96%	97%	95%	96%	96%
Health										
Citizen Concerns Received	219	173	186	188	132	129	203	168	175	163
No. of Concerns Responses with 72 hours	100%	99%	100%	100%	100%	100%	99%	100%	100%	100%
Animal Control										
Citizen Concerns Received	32	42	60	46	61	66	59	48	38	21
No. of Concerns Responses with 72 hours	100%	100%	98%	100%	100%	100%	99%	94%	100%	100%
Parks and Recreation										
REC-PLEX Annual Passes	2,066	2,619	2,784	3,201	3,335	3,413	3,324	3,671	4,003	4,322
Citizen Concerns Received	186	201	165	181	195	201	199	215	194	172
No. of Concerns Responses with 72 hours	100%	100%	100%	100%	99%	100%	99%	100%	100%	100%
Business-type activities:										
Waterworks/Sanitary Sewer										
Number of water service connections	16,768	17,458	17,790	17,803	17,994	18,233	18,534	18,821	18,972	19,069
Daily average water consumption in gallons	5,365,233	5,250,000	5,276,983	5,083,645	5,278,322	5,590,995	5,560,000	5,553,000	5,514,000	5,702,000
Number of sanitary sewer service connections	17,913	18,078	18,211	18,427	18,607	18,603	18,998	19,180	19,391	19,612
Daily average sanitary sewer treatment in gallons	6,227,156	6,990,000	7,600,000	5,490,918	5,290,000	4,970,000	5,370,000	5,220,000	5,895,000	5,915,000
Citizen Concerns Received	1,049	1,225	944	1,019	1,152	853	1,084	1,093	1,048	1,004
No. of Concerns Responses with 72 hours	100%	100%	100%	100%	99%	100%	99%	99%	99%	99%
Solid Waste										
Citizen Concerns Received	108	99	69	75	88	70	59	72	55	51
No. of Concerns Responses with 72 hours	100%	100%	100%	100%	100%	100%	100%	99%	100%	100%

Sources: Various city departments.

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

CITY OF ST. PETERS, MISSOURI**CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Functions/Program	Fiscal Years									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
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)	225	225	230	230	243	297	297	297	297	297
Streetlights	2,483	2,483	2,652	2,652	3,103	3,235	3,215	3,268	3,295	3,295
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	20	21	21	21	21	21	21	21	21	21
Park acreage	986	1,190	1,286	1,286	1,284	1,284	1,284	1,284	1,284	1,284
Golf Courses	1	1	1	1	1	1	1	1	1	1
Outdoor swimming Pools	3	3	3	3	3	3	2	2	2	1
Tennis Courts	7	7	7	7	7	7	7	7	7	7
Miles of hiking/biking trails	10	10	14.1	14.6	21.5	22.4	22.6	22.6	22.6	22.6
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)	261	261	276	276	276	284.4	292.6	292.6	303.7	304.0
Fire hydrants	1,989	1,831	1,895	1,927	1,948	1,953	1,968	1,976	2,048	2,066
Wastewater										
Sanitary sewers (miles)	239	239	243	243	243	257	258	258	260	260
Storm Sewers (miles)	161	161	161	161	175	186	214	214	230	250
Treatment capacity (thousands of gallons)	6,900,000	6,900,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000
Solid Waste										
Customers - Residential	16,172	16,317	16,438	16,631	16,871	16,855	17,214	17,446	17,693	17,982
Central Materials Processing Facility Facilities	1	1	1	1	1	1	1	1	1	1

* Information is not available for this time period

Sources: Various City departments.

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