
CITY OF ST. PETERS, MISSOURI
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2018



Submitted By:

Beth A. French
Director of Finance

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Introductory Section

**City of
St. Peters**



February 25, 2019

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, 2018, 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's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

The City, 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, 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 580 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 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 370 Lakeside Park Fund, Central Materials Processing, Golf and Banquet Center Fund, 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 the City, Mid Rivers Mall (the "Mall"), is also the largest shopping center in the County. The Mall opened in 1987. The Mall contains approximately 1,000,000 square feet with a food court, a 14-screen Marcus Theater, and approximately 120 stores including the following anchors: J.C. Penney, Sears, Macy's and Dillard's.

In addition, a 245,000 square foot retail development, "The Shoppes At Mid Rivers" began opening stores in calendar year 2017 on 25 acres near I-70 and the Mid Rivers Mall Drive. Other major retailers in the City include Costco, Menards, Great Central Lumber, Dick's Sporting Goods, Brunswick Zone, Hobby Lobby, two Walmart Markets, and a Walmart among others. Newer retail businesses to the area include: Academy Sports + Outdoor, Burlington, Ross Dress for Less, Ulta Beauty, and an additional Famous Footwear.

Due to these factors, the City was able to gradually reduce the property tax rate from \$1.85 per hundred dollars of valuation in 1970 to a current rate of 77 cents per hundred dollars of valuation (60.95 cents in the General Fund and 16.05 cents in the Debt Service Fund) without cutting any City services. The assessed valuation for the City during the 2018 fiscal year was \$1,232,425,383.

With the assistance of Chapter 100 economic incentives, major development is underway and planned for Premier 370 Business Park. Duke Realty completed a 350,000-square-foot distribution center for Best Buy and a 300,000-square-foot speculative building in 2017. The speculative building was fully leased seven months after completion by RB and the Grove Collaborative. SAIA, LTD constructed a 50,000-square-foot cross dock distribution center on a 30 acre parcel in Premier 370 that opened in the fall of 2017. Scannell started construction of a 500,000-square-foot distribution station for FedEx in the Premier 370 Business Park on a 100-acre site. Projects under construction in the Premier 370 Business Park by Duke Realty include an 850,000-square-foot Amazon fulfillment center and a 375,000-square-foot speculative building, which will both be completed in early 2019. The real estate market continues to be strong with over 1,200 units of multi-family housing developments under construction or approved for construction.

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

According to the United States Bureau of Census, 2016-2017 American Community Survey 5-Year Estimates, the City's civilian labor force was 32,910. The total number of people that were unemployed was 1,353, which was an unemployment rate of 4.1%.

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 for the Comprehensive Annual Financial Report for the fiscal year ended September 30, 2017. The City 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

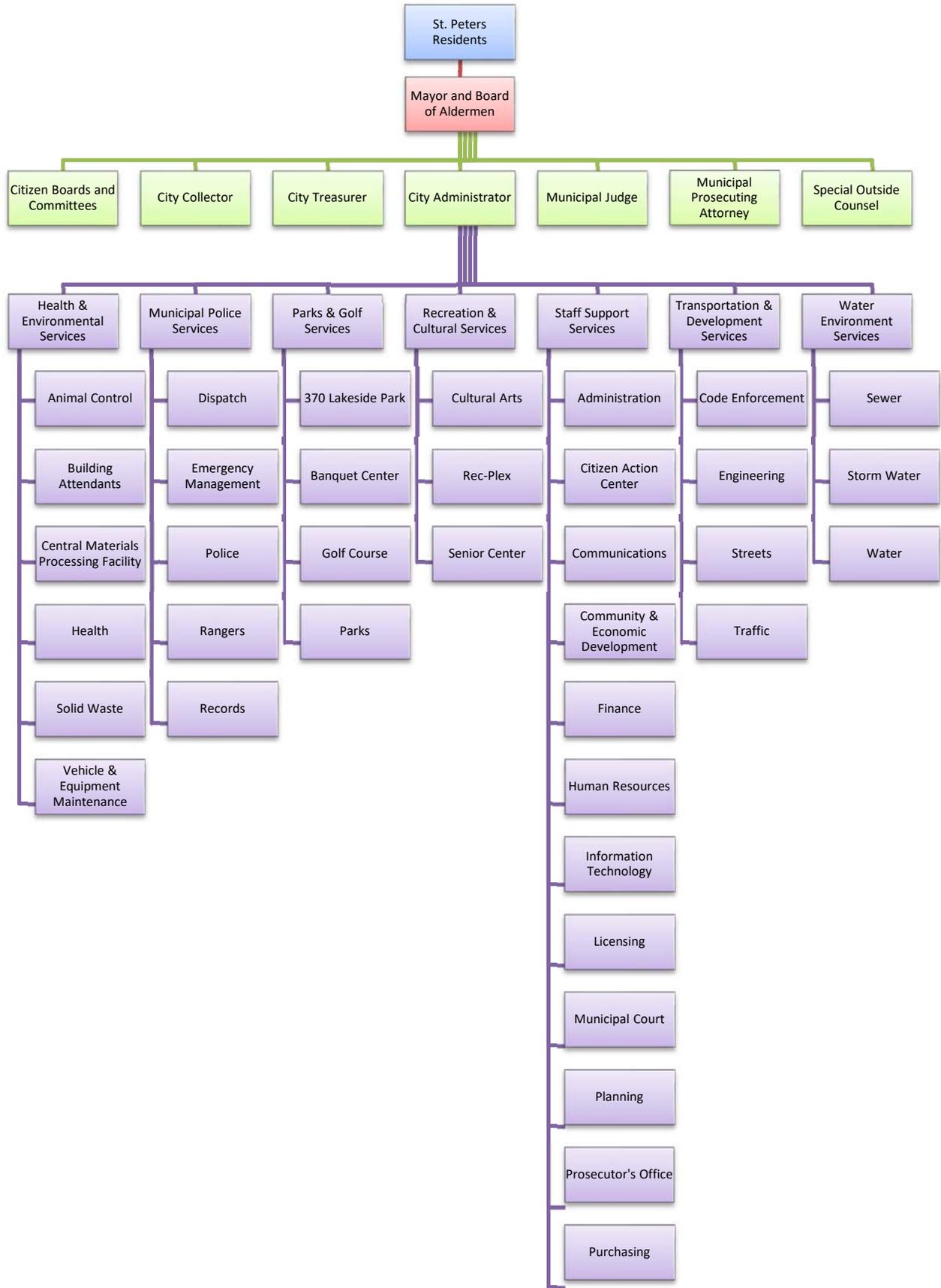
Melissa Reimer
Terri Violet

Ward IV

Patrick Barclay
Don Aytes

City Administrator

Russell W. Batzel





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of St. Peters
Missouri

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morill

Executive Director/CEO

Financial Section

**City of
St. Peters**



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, 2018, 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.

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, 2018, 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 – 23, the budgetary comparison information and related notes on pages 80 – 83, and the pension and other post-employment benefit plan related information on pages 84 – 88 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 25, 2019, 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 & JABOURI, P.C.

St. Louis, Missouri
February 25, 2019

Management's Discussion and Analysis

CITY OF ST. PETERS, MISSOURI

**MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2018**

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, 2018. Please read this section in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets of the City exceed its liabilities (net position) at the end of the fiscal year by approximately \$342.4 million. Net position is comprised of: \$320.3 million net investment in capital assets; \$4.7 million restricted for debt service; \$5.8 million restricted for transportation; \$3.4 million for special allocation projects; \$2.9 million for park and storm water; \$2.3 million restricted for other purposes; \$7.0 million unrestricted and available for the City's business-type activities; and (\$4.0 million) unrestricted for governmental purposes.
- Total net position decreased approximately \$569,000 over the course of this year's operations. Governmental activities decreased by approximately \$4 million, and business-type activities increased by \$3.4 million. Explanations for these changes will be discussed in more detail throughout this report.
- In fiscal year 2017 the City adopted GASB 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 revise and establish new financial reporting requirements for most governments whose employees are provided with OPEB. The current year impact of the new guidance decreased net position by \$5.7 million of which \$4.0 million is in governmental activities and \$1.7 million is in business-type activities.
- The City retained the same property tax rate that we have had since 2007 of 77 cents per \$100 of assessed valuation.
- Every other year the value of all real property located within the City is reassessed by the County Assessor. Fiscal year 2018 was a reassessment year and overall property values in the City increased by 7.17%. Existing property increased by 5.62% and the City gained 1.55% from new property and annexations.
- Sales tax for general, transportation, and local parks increased by (4.4%) which can be attributed to the elimination of a tax increment financing district in FY17 and just an overall increase in consumer spending. Increased economic growth related to tax increment financing activities resulted in an increase in sales tax for that function of 43%.
- The City issued \$4,000,000 Series 2018 General Obligation Bonds for the purpose of construction/reconstruction and professional services for projects related to storm water pollution control, storm water management and creek bank stabilization. The Series 2018 Bonds bear interest at rates ranging from 3% to 4% and mature February 1, 2038.
- The City authorized the sale of \$3,000,000 Series 2018 Certificate of Participation Leasehold Bonds. The proceeds of the Certificates together with a portion of proceeds from the sale of general obligation bonds in 2017 will be used to fund the construction of various park improvements including a clubhouse and a new banquet/community center at St. Peters Golf Course. The Series 2018 Certificates bear interest at rates ranging from 2.0% to 3.6% and mature March 2038.
- 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 increased government-wide by

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

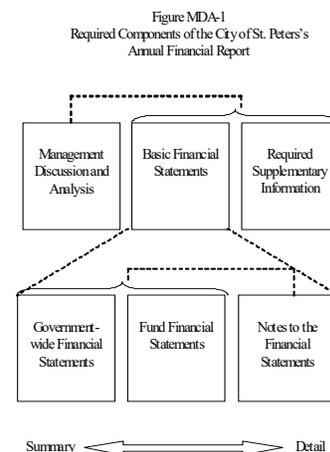
\$3.7 million. Program revenues are segregated into three areas, charges for services, operating grants and contributions and capital grants and contributions.

- This year grants and contributions increased \$1.1 million from the prior year with most of the change related to 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 \$2.7 million. Charges for services related to governmental activities increased by \$1.4 million which is primarily attributed to increased permit revenue from new development within the City. We increased our water and sewer rates by 3.5% and consumption was up by 5% resulting in an overall increase in charges for services for this function of \$1.2 million. Increased rates in the solid waste activity along with additional housetops during the year resulted in increased revenue of \$231,000. The central materials processing facility function's revenue decreased by \$245,000 from increased outside haulers disposing of their trash at the facility offset by decreased sales price of commodities. Overall recreation charges for services remained stable.
- 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, exclusive of transfers between activities, increased by \$3.0 million for reasons explained above and increases in our franchise taxes from increased utilization.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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



CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

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

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

Figure MDA-2 Major Features for the City of St. Peters Government-wide and Fund Financial Statements				
	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City government (except fiduciary Funds) and the City's component units	The activities of the City that are not proprietary or fiduciary, such as police and parks	Activities the City operates similar to private businesses: the waterworks and sanitary sewerage system, the solid waste activities, the City's transfer station and recycling facility (Central Materials Processing Facility), the City's Recreation Fund, the golf and banquet center, and the 370 Lakeside Park operations	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

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

GOVERNMENT-WIDE STATEMENTS

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net 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.

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's Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2018	2017	2018	2017	2018
Assets						
Current and other assets	\$ 61,136,222	\$ 61,312,386	\$ 19,141,092	\$ 21,526,061	\$ 80,277,314	\$ 82,838,447
Capital assets (net of depreciation)	337,215,329	344,269,769	89,503,061	91,058,613	426,718,390	435,328,382
Total assets	<u>398,351,551</u>	<u>405,582,155</u>	<u>108,644,153</u>	<u>112,584,674</u>	<u>506,995,704</u>	<u>518,166,829</u>
Deferred outflows of resources	<u>24,796,807</u>	<u>13,881,501</u>	<u>10,268,471</u>	<u>5,836,580</u>	<u>35,065,278</u>	<u>19,718,081</u>
Liabilities						
Long-term obligations	116,744,590	113,973,154	60,265,600	55,363,967	177,010,190	169,337,121
Other liabilities	12,939,067	13,961,094	2,381,079	2,667,547	15,320,146	16,628,641
Total liabilities	<u>129,683,657</u>	<u>127,934,248</u>	<u>62,646,679</u>	<u>58,031,514</u>	<u>192,330,336</u>	<u>185,965,762</u>
Deferred inflows of resources	<u>5,846,079</u>	<u>7,870,319</u>	<u>921,945</u>	<u>1,654,909</u>	<u>6,768,024</u>	<u>9,525,228</u>
Net position						
Net investment in capital assets	270,597,528	270,653,071	46,015,751	49,652,931	316,613,279	320,306,002
Restricted	16,526,600	16,986,881	2,062,809	2,129,049	18,589,409	19,115,930
Unrestricted	494,494	(3,980,863)	7,265,440	6,952,851	7,759,934	2,971,988
Total Net Position	<u>\$ 287,618,622</u>	<u>\$ 283,659,089</u>	<u>\$ 55,344,000</u>	<u>\$ 58,734,831</u>	<u>\$ 342,962,622</u>	<u>\$ 342,393,920</u>

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

As seen in Table MDA-3, the City's total assets of \$518 million include \$82.8 million in current and other assets and \$435.3 million in capital assets.

Citywide assets increased during the fiscal year by \$11.2 million. The majority of this change relates to increased capital assets discussed in detail later and net pension assets. This is the first year the City has reported a net pension asset since the implementation of GASB 68 and 71. Prior years resulted in a net pension liability. Details of the changes in the net pension liability (asset) can be found in Note 5. These increases in assets are offset by a decrease in cash as the City bond proceeds on capital projects.

Deferred Outflows of Resources decreased by \$15.3 million. The majority of this change is related to the deferred amount of pension calculated in accordance with GASB Statements 68 and 71 (\$4.3 million) and the deferred amount of other post-retirement benefits calculated in accordance with GASB 74 and 75 (\$11 million).

The City's total liabilities of \$186 million includes \$169 million that is not due or payable in the next fiscal year and \$17 million in other liabilities. The \$7.7 million increased long-term obligations is the result of the previously discussed debt activity and a decrease in the Other Post Employment Benefit "OPEB" and Pension Liability offset by debt payments during the year. There was a \$1.3 million increase in other liabilities primarily from a \$291,000 increase in accounts payable due to timing of payments related to projects, a \$330,000 increase in accrued interest on debt, and a \$597,000 increase in deposits held in escrow for economic development.

During the year deferred inflows of resources increased by \$2.8 million. There was a \$752,000 increase for our business-type activities and a \$2.2 million increase in governmental activities for deferred amount related to pensions calculated in accordance with GASB 68 and 71.

Total net position of approximately \$342.4 million is comprised of \$320.3 million net investment in capital assets; \$19.2 million restricted for debt service, transportation projects, special allocation projects, local park and storm water projects, and other purposes; \$7.0 million unrestricted and available for the City's business-type activities and (\$4 million) unrestricted for governmental purposes.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

Changes in Net Position

The City's combined net position remained consistent during fiscal year 2018 as a result of the activity shown in Table MDA-4.

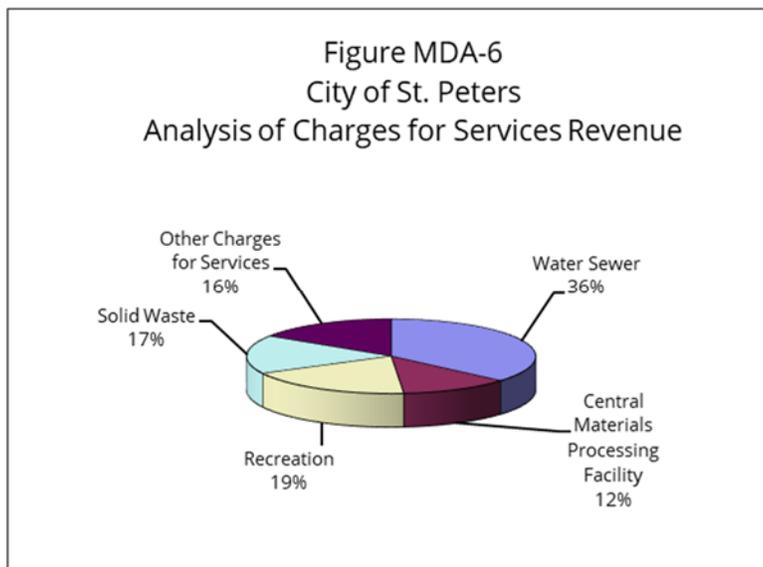
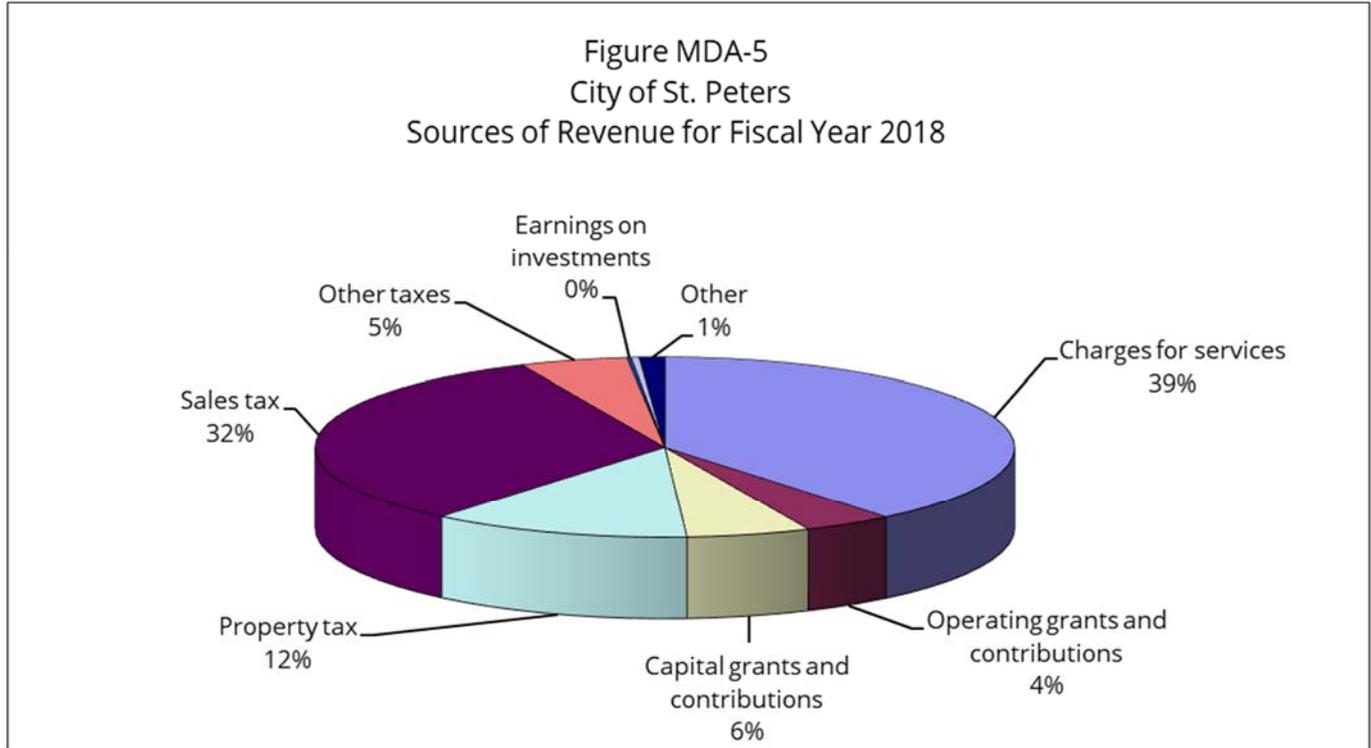
Table MDA-4
City of St. Peters's Change in Net Position

	Governmental Activities		Business-type Activities		2017	2018
	2017	2018	2017	2018		
Revenues						
Program Revenues						
Charges for services	\$ 4,598,193	\$ 6,045,545	\$ 30,693,221	\$ 31,899,253	\$ 35,291,414	\$ 37,944,798
Operating grants and contributions	3,899,458	4,021,749	-	-	3,899,458	4,021,749
Capital grants and contributions	4,488,078	4,746,710	74,590	788,401	4,562,668	5,535,111
General Revenue						
Property tax	10,500,323	11,627,317	-	-	10,500,323	11,627,317
Sales tax	29,458,446	31,293,851	-	-	29,458,446	31,293,851
Other taxes	4,766,654	4,849,146	-	-	4,766,654	4,849,146
Earnings on investments	69,422	136,792	14,739	33,781	84,161	170,573
Gain on sale of capital assets	124,933	286,768	-	82,541	124,933	369,309
Other	1,502,266	1,137,552	-	-	1,502,266	1,137,552
Total revenues	<u>59,407,773</u>	<u>64,145,430</u>	<u>30,782,550</u>	<u>32,803,976</u>	<u>90,190,323</u>	<u>96,949,406</u>
Expenses						
General government	2,879,310	3,292,001	-	-	2,879,310	3,292,001
Administration	5,376,043	5,080,403	-	-	5,376,043	5,080,403
Police	15,851,135	15,865,086	-	-	15,851,135	15,865,086
Municipal court	584,940	575,820	-	-	584,940	575,820
Public works	17,983,390	21,117,457	-	-	17,983,390	21,117,457
Engineering	2,319,287	2,136,068	-	-	2,319,287	2,136,068
Maintenance	756,625	538,086	-	-	756,625	538,086
Health	1,818,390	1,892,787	-	-	1,818,390	1,892,787
Parks and recreation	6,273,040	5,989,159	-	-	6,273,040	5,989,159
Communications	1,182,243	1,249,081	-	-	1,182,243	1,249,081
Community and arts	265,313	259,609	-	-	265,313	259,609
Interest on long-term debt	3,207,959	2,753,937	-	-	3,207,959	2,753,937
Waterworks/sanitary sewer	-	-	13,035,260	15,060,702	13,035,260	15,060,702
Solid waste	-	-	6,404,546	6,298,808	6,404,546	6,298,808
Central materials processing facility	-	-	4,585,327	4,601,869	4,585,327	4,601,869
Recreation	-	-	10,070,155	10,807,235	10,070,155	10,807,235
Total expenses	<u>58,497,675</u>	<u>60,749,494</u>	<u>34,095,288</u>	<u>36,768,614</u>	<u>92,592,963</u>	<u>97,518,108</u>
Increase (decrease) in net position before transfers	910,098	3,395,936	(3,312,738)	(3,964,638)	(2,402,640)	(568,702)
Transfers	(2,494,607)	(7,355,469)	2,494,607	7,355,469	-	-
Increase (decrease) in net position	<u>(1,584,509)</u>	<u>(3,959,533)</u>	<u>(818,131)</u>	<u>3,390,831</u>	<u>(2,402,640)</u>	<u>(568,702)</u>
Beginning Net Position	289,203,131	287,618,622	56,162,131	55,344,000	345,365,262	342,962,622
Ending Net Position	<u>\$ 287,618,622</u>	<u>\$ 283,659,089</u>	<u>\$ 55,344,000</u>	<u>\$ 58,734,831</u>	<u>\$ 342,962,622</u>	<u>\$ 342,393,920</u>

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

For the fiscal year ended September 30, 2018, government-wide revenues totaled \$96.9 million. Approximately forty percent 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 fees for the users of the City's waterworks and sewerage system and other business-type activities and users of the City's programs such as athletic programs at the REC-PLEX, the City's recreational complex. 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 Central Materials Processing Facility (CMPF).

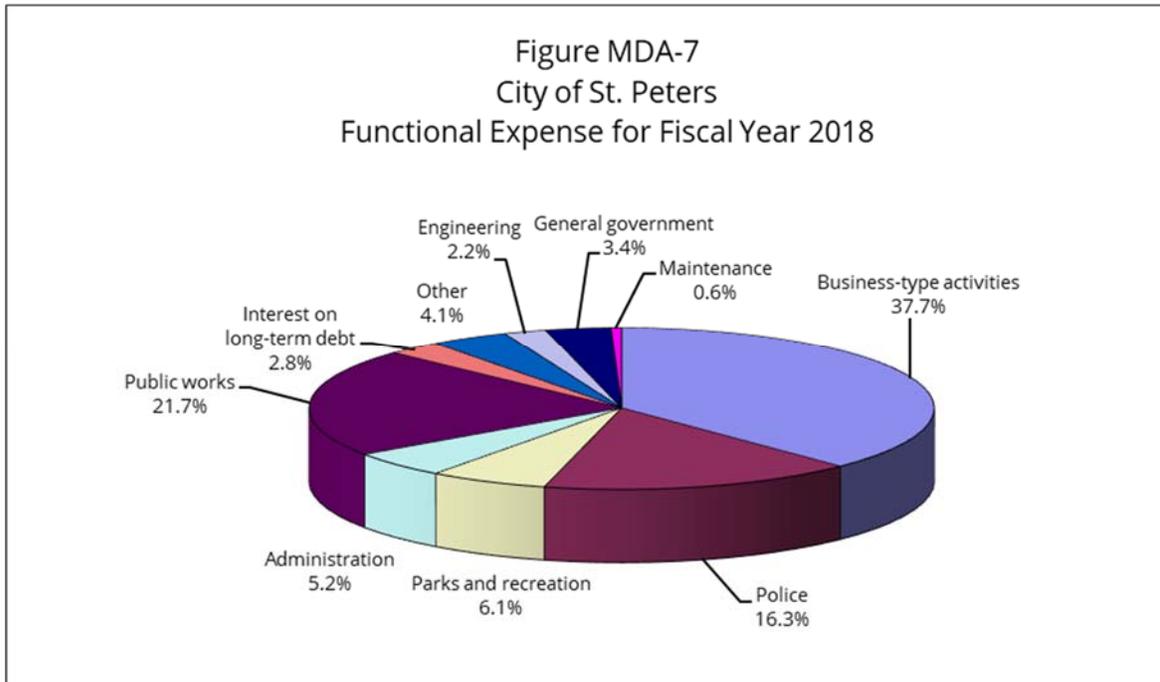
The second largest revenue source for the entire city is sales tax, which during the 2018 fiscal year equaled \$31.3 million. The City has

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 had two Tax Increment Financing Districts and sales tax received for these districts is restricted to funding activities within the respective area. During the year, the Lakeside 370 Tax Increment Financing District was terminated.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

During fiscal year 2018 the total cost of all programs and services increased by 5.2% or \$4.8 million to a total of \$97.4 million. The City's expenses cover a range of services including parks and recreation, law enforcement, administration and public works. As seen below approximately 63% of all city expenses are governmental activity related and 37% relate to business-type activities.



Governmental Activities

Revenues for the City's governmental activities total \$64.1 million, of which approximately 50% is sales tax, 18% is property tax and 23% is for program revenues such as charges for services and grants and contributions. Expenses for the City's governmental activities total \$60.8 million. These activities and the transfers out from governmental activities of approximately \$7.4 million result in a decrease in net position for the fiscal year of \$4 million.

As stated earlier, the cost of all governmental activities this year was \$60.8 million; however, the amount that our taxpayers paid for these services through City taxes was \$45.9 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 (\$6.0 million) and from grants and contributions (\$8.8 million). The City paid for the \$46 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's
Governmental Activities

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Administration	\$ 5,080,403	\$ 5,080,403
Engineering	2,136,068	2,136,068
General government	3,292,001	(425,513)
Interest on long-term debt	2,753,937	2,753,937
Other	4,515,383	4,223,981
Parks and recreation	5,989,159	5,432,479
Police	15,865,086	12,953,023
Public Works	21,117,457	13,781,112
	<u>\$ 60,749,494</u>	<u>\$ 45,935,490</u>

Charges for services related to governmental activities increased \$1.4 million or about 31.5%. This change largely relates to decreased revenue from policing activities offset by a large increase in revenue for permits due to a surge in economic activity. Governmental capital and operating grants and contributions increased by \$381,000 primarily related to the decrease in grants received during the year for public works function.

General governmental revenues and transfers decreased \$2 million due to increases in property, sales and franchise tax offset by a large change in the amount transferred out which will be discussed in detail later.

Costs associated with the general governmental activities increased \$2.3 million. Across all functions within governmental activities, the impact of continued compliance with GASB Statements 68 and 71 resulted in a \$2 million decrease and compliance with GASB Statements 74 and 75 resulted in an increase of \$100,000. These changes were offset by increased capital outlay of \$3,500,000 which will be discussed later and increased depreciation expense of \$280,000 related to the governmental assets of the City. Policing activities had staffing expense increase during the year approximately \$549,000 as positions were filled and general governmental activities increased \$428,000 as we spent down funds to close out tax increment financing districts within the City. In addition, interest on long-term debt decreased by \$454,000 as the Series 2010B Refunding Bonds and the governmental portion of the Series 2013 – Refunding Bonds were paid off during the year.

Business-Type Activities

Revenues (excluding transfers) of the City's business-type activities increased \$2 million to \$32.8 million; expenses increased by \$2.7 million to a total of \$36.7 million; transfers in during the current fiscal year increased by \$4.9, these changes resulted in an overall increase in net position for the fiscal year of \$3.4 million. (Refer to Table MDA-4.) Factors contributed to these results included:

- We increased our water and sewer rates by 3.5% and consumption was up by 5% resulting in an overall increase in charges for services for this function of \$1.2 million. Increased rates in the solid waste activity along with additional housetops during the year resulted in increased revenue of \$231,000. The central materials processing facility function's revenue decreased by \$245,000 from increased outside haulers disposing of their trash at the facility offset by decreased sales price of commodities. Overall recreation charges for services remained stable.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

- Capital grants and contributions increased by \$714,000 due to additional dedications in our water and sewer operations during the year.
- The general revenues and transfers of our Business-type activities showed a \$5 million increase related to transfers.

As stated earlier, costs associated with the business-type activities increased by \$2.7 million. Continued compliance with GASB Statements 68 and 71 amounted to an increase of \$68,000 and compliance with GASB Statements 74 and 75 resulted in a decrease of \$903,000. Additionally, major differences experienced in fiscal year 2018 from the prior year include:

- Water/Sanitary Sewer activities
 - \$144,000 additional expense for purchased water since some of our wells were not in service and demand was higher this year
 - \$239,000 additional professional service for several contracts including a one-time agreement for sanitary sewer flow metering/study
 - \$137,000 additional insurance claims
 - \$1.4 million additional in bond project and other major construction expenses
 - (\$124,000) change in operations from the investment in the joint venture
- Solid Waste activities
 - (\$84,000) change in depreciation expense since additional vehicles were depreciated in FY17
 - \$46,000 in fuel expense since the price of diesel increased approximately 50 cents per gallon
- CMPF activities
 - \$36,000 additional professional service for our yard waste/composting activity
 - \$189,000 office expense for the purchase of blue bags that are used in our recycling activities
 - (\$78,000) decline in the purchase of commodities due to availability and need
- Recreation activities
 - \$271,000 additional depreciation from assets placed in service in the prior and current year
 - \$122,000 additional repairs and maintenance expense to change over lighting at the REC-PLEX recreation complex to LED for energy savings
 - \$70,000 additional in concession supplies and inventory due to demand from special events and we opened a new concession stand at the golf course

FUND FINANCIAL STATEMENTS

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

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

- Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements are prepared on a modified accrual basis, which means they measure only current financial resources, uses and balances of spendable resources available at the end of the fiscal year. Therefore, capital assets and other long-lived assets, along with long-term liabilities, are not presented in the governmental fund statements. Because the governmental funds statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

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), recreation, golf and banquet center, and Lakeside 370 Park. 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 has eleven 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 debt service fund, and the capital projects fund all of which are considered major funds. Data from the other six governmental funds are combined into a single, aggregated presentation.

Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the other supplementary information section of this report. The City 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 \$49,411,051, a decrease of \$3.4 million from the prior fiscal year. Unassigned fund balance constitutes \$9,954,541 and the remainder of fund balance is either restricted, assigned or nonspendable to indicate that it is not available for new spending because it has already been committed for the following:

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

- Nonspendable (\$824,205)
- Restricted for:
 - Transportation (\$5,901,414)
 - Sewer lateral projects (\$1,207,930)
 - Water line repair projects (\$144,180)
 - Special allocation projects (\$3,365,039)
 - Grants (\$695,398)
 - Debt service (\$2,741,623)
 - Local parks and storm water (\$2,929,701)
 - Police services (\$314,763)
 - Storm water projects (\$4,797,617)
 - Park and recreation facility improvements (\$7,960,638)
- Committed for:
 - Contingency (\$4,500,000)
- Assigned for:
 - Capital projects (\$1,983,530)
 - Administration (\$130,423)
 - Debt service (\$600,000)
 - Other (\$170,404)
 - Subsequent year budget (\$1,189,645)

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. 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 2018, the General Fund's fund balance increased by \$4.1 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund operating expenditures. Unassigned fund balance represents 30% of the total general fund operating expenditures and total fund balance represents 60% 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:

- Revenue totaled \$37.2 million which is a \$2.8 million increase from the prior year. The largest increases relate to sales tax and permits. As seen around the country, the City's sales tax revenue was up \$621,000 as consumers continue to increase purchases. Revenue related to our building and engineering permits was up \$1.4 million from industrial development occurring in the Lakeside Business Park and commercial apartment development in the City.
- Expenditures increased by \$1.1 million over the prior year with the largest variances in the police function and the parks and recreation functions. The police function increased primarily due to budgeted staffing expense with less vacancies during this year and an additional 2 correction officers and 2 police officers. The parks and recreation function's increase was also primarily due to budgeted increased staffing costs with the addition of a parks worker and the City utilizes more part time hours than in the prior fiscal year.
- An additional \$500,000 appropriated to the Committed Reserve for Contingency bringing the total to \$4,500,000. In addition, the Board of Aldermen has committed to appropriate an additional \$500,000

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

each year until the Contingency Reserve reaches a targeted amount of \$5,000,000. 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.

- Net transfers in/(out) of (\$640,000) (see Note 9 for details).
- 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 83 residential and 28 commercial building permits with estimated construction values of \$15.6 million and \$270 million, respectively. This compares to the prior year of 8 residential and 25 commercial building permits with estimated construction values of \$6 million and \$90.5 million, respectively.

The other major governmental funds of the City are the Transportation Trust Fund, the Local Parks and Storm Water Fund, the Debt Service Fund, and the Capital Projects Fund. The fund balance in the Transportation Trust Fund decreased by \$489,000 to \$6.5 million. The change in fund balance is attributed to expenditures for maintenance of our existing infrastructure and new infrastructure construction of \$10.6 million and debt service and related fees of \$754,000 offset by resources of \$10.8 million. All of the fund balance is restricted for transportation, except approximately \$600,000 which is restricted for debt service. 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 Park and Storm Water Fund decreased by \$1.1 million to \$3.1 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 \$7.9 million in revenue during the year. The ranger division had expenses of \$539,000. For non-capital items, the parks operations spent \$76,000 and the storm water department spent \$2.1 million. Capital outlay for the park and storm water operations totaled \$1.8 million (capital outlay is discussed in more detail below). In addition there was \$208,000 debt service costs and \$4.2 million was transferred to other funds. (See Note 9 for details on transfers).

Fund balance in the Debt Service Fund increased by \$152,000 resulting in a total ending balance of \$1.9 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 \$3.2 million decrease in fund balance. The City issued \$4,000,000 of General Obligation bonds and \$3,000,000 of certificate of participation bonds, recorded \$104,000 of bond premium income, had \$892,000 of funds transferred into the fund and incurred \$11.1 million in expenditures for storm water and park and recreation projects as allowed by the respective bond restrictions.

The other six non-major governmental funds had a fund balance decrease of \$2.8 million to a total of \$5.4 million. Significant changes can be attributed to:

- An increase of \$182,000 in the Sewer Lateral Repair Program Fund to repair our residents' sewer laterals.
- A decrease of \$41,000 in the Water Line Repair Program Fund to repair our residents' water lines.
- The Old Town TIF Fund will expire in May 2019 and the City is using the resources of the fund to complete projects in the district prior to the termination. During the year fund balance decreased by \$2.2 million and was spent on expenditures that are eligible under the TIF Plan.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

- The City decided to terminate the Lakeside TIF early and used all resources in this fund prior to the end of the fiscal year on expenditures eligible under the TIF Plan. Therefore, the fund balanced decreased \$668,000.
- A decrease of \$61,000 in the CDBG Sub-Recipient Fund that provides funding to low-to-moderate income projects.
- A \$56,000 increase in the County Sewer Lateral Repair Program Fund that repairs the sewer laterals for out-of-City users of our Sewer system.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the fiscal year, the City's 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 revenue by \$829,900. This net increase is a combination of increased:
 - \$107,100 utility franchise tax to reflect updated projections
 - \$840,000 license and permit fees to reflect updated projections for economic development discussed previously and
 - \$165,000 intergovernmental revenue to reflect updated projections
- offset by decreased:
 - (\$162,200) court fines and costs that continue to decrease due to previously enacted state legislation
 - (\$120,000) reduction in admiration revenue related to the Urban County CDBG program that the City is no longer administering
- We also adjusted the budget during the course of the year to increase expenditures by \$799,500. This increase relates to:
 - General governmental \$500,000
 - \$19,500 for servers carried over from fiscal year 2017
 - \$20,000 to fund an engineering study related to a site evaluation
 - \$10,000 for microfilming and other purchases for the Police Department
 - \$240,000 to move the purchase of the Police Department's SUV's from 2019 to the current year to take advantage of savings prior to anticipated rate increases
 - \$10,000 to install lights in the theatre at City Hall
- Transfers to the Capital Project Fund was increased by \$50,000 for improvements at the Golf Course Banquet Facility
- The funding for post-retirement benefits was increased by \$500,000
- Transfer to reserves was increased by \$600,000 to retire the 2018 COP bonds early

Variations Between Final Budget and Actual Result of the General Fund

Overall the City ended the fiscal year \$5.6 million better than budget with unreserved fund balance \$5.3 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:

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

- Expenditures increased by \$1.1 million over the prior year with the largest variances in the police function and the parks and recreation functions. The police function increased primarily due to budgeted staffing expense with less vacancies during this year and an additional 2 correction officers and 2 police officers. The parks and recreation function's increase was also primarily due to budgeted increased staffing costs with the addition of a parks worker and we utilize more part time hours than in the prior fiscal year.
 - As discussed previously several large permits were issued during the year resulting in our license and permit revenue better than budget by \$1.3 million.
 - Intergovernmental revenues exceeded budget by \$384,000 from grant revenue from police activities, funds passed through from St. Charles County for road and bridge maintenance and the motor vehicle fee passed through from the State of Missouri.
 - Miscellaneous better than budget \$456,000 from PILOT distributions from economic development activities and a one-time revenue from Ameren UE related to a class action lawsuit.
 - The City conservatively budgets expenditures and did not make many adjustments during the year to reflect how actual results were coming in. Of the \$3.5 million better than budget in expenditures \$1.9 million relates to salary and benefits, due to vacant positions, market increases less than anticipated, a better than budget year in medical claims and a continued City-wide emphasis on controlling costs and \$514,000 was saved in professional services including legal fees and transportation services to supplement the Community Development Block Grant. We had a fairly mild summer and winter that factored into the \$98,000 savings for utility bills. We also deferred some budgeted capital projects which totaled \$560,000. These projects will be discussed in the annual financial planning sessions and may be reprogrammed into the long-term capital plan. The remaining variance is spread throughout General Fund line item expenses.

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	\$ (77,721)
Property tax	105,006
Utility franchise tax	44,245
Cigarette tax	(27,100)
Licenses and permits	1,260,304
Interest	38,172
Intergovernmental	383,829
Fines and forfeitures	(17,362)
Charges for services	(47,166)
Miscellaneous	456,316
Total Revenues	2,118,523
Expenditures	
General government	344,356
Administration	651,715
Police	881,943
Municipal court	52,468
Public works	35,844
Engineering	285,294
Maintenance	149,007
Health	179,632
Parks and recreation	98,790
Community relations	174,072
Communications	15,700
Capital outlay	596,797
Debt service:	
Principal	-
Interest and fiscal charges	517
Other	-
Total Expenditures	3,466,135
Revenues Over Expenditures	5,584,658
Other Financing Uses	(33,142)
Revenues Over Expenditures and Other Financing Uses	5,551,516
Fund Balances	
Budget basis:	
Unreserved:	
Beginning of year	-
Transfer from (to) reserved	(275,664)
End of year	5,275,852
Reserved:	
Beginning of year	-
Transfer from (to) unreserved	275,664
End of Year	275,664
Budget basis, end of year	\$ 5,551,516

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

Long-Term Debt

At September 30, 2018, 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's Outstanding Debt
September 30, 2018

	<u>2017</u>	<u>2018</u>
Governmental Activities		
General Obligation (G.O.) Bonds	\$ 58,925,000	\$ 60,550,000
Certificate of Participation	7,685,000	9,805,000
Development Notes	13,305,000	13,305,000
TOTAL	<u>\$ 79,915,000</u>	<u>\$ 83,660,000</u>
Business-type Activities		
Water/Sewer Revenue Bonds (Net of Unaccreted Capital Appreciation)	\$ 38,790,000	\$ 36,700,000
Certificate of Participation	14,040,000	13,250,000
TOTAL	<u>\$ 52,830,000</u>	<u>\$ 49,950,000</u>
Total		
General Obligation (G.O.) Bonds	\$ 58,925,000	\$ 60,550,000
Certificate of Participation	21,725,000	23,055,000
Development Notes	13,305,000	13,305,000
Water/Sewer Revenue Bonds (Net of Unaccreted Capital Appreciation)	38,790,000	36,700,000
TOTAL	<u>\$ 132,745,000</u>	<u>\$ 133,610,000</u>

As discussed previously, the City issued \$4,000,000 Series 2018 General Obligation Bonds for the purpose of construction/reconstruction and professional services for projects related to storm water pollution control, storm water management and creek bank stabilization. The Series 2018 Bonds bear interest at rates ranging from 3% to 4% and mature February 1, 2038. We also issued \$3,000,000 Series 2018 Certificate of Participation Leasehold Bonds. The proceeds of the Certificates together with a portion of proceeds from the sale of general obligation bonds in 2017 will be used to fund the construction of various park improvements including a clubhouse and a new banquet/community center at St. Peters Golf Course. The Series 2018 Certificates bear interest at rates ranging from 2.0% to 3.6% and mature March 2038.

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, 2018, the City was well within this limit with a legal debt margin of \$64,543,222. 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 \$123,242,538 at September 30, 2018. Additional information about the City's long-term debt is presented in Note 6 to the financial statements.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2018, the City had invested \$435 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's investment in capital assets that relate to activity in fiscal year 2018 was \$8.6 million.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

- \$29.7 million in new assets
- \$18.0 million in depreciation
- \$254,000 in retirements (net of accumulated depreciation)
- \$2.9 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 \$1.6 million of dedications the City accepted in dedicated streets, sidewalks, storm sewers and right-of-way from developers and subdivisions, and \$12.3 million of land and land improvement for storm water projects. Also included are \$5.3 million for major road maintenance such as concrete slab replacements, asphalt overlay and bridge replacement and \$522,000 for traffic signal replacement.
- The City also added approximately \$264,000 in improvements to city parks; \$218,000 for improvements to public works facilities and \$1.3 million in police, parks and public works improvements, vehicles and equipment.

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

- In the Water and Sewer Fund the City placed in service the following capital assets:
 - \$2.4 million in water and sewer lines (including dedications).
 - \$922,000 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 two solid waste collection vehicles for \$565,000.
- The major changes in the Central Materials Processing Fund:
 - \$96,000 for machinery & equipment related to operations.
- In the Recreation Fund the City placed into service the following capital assets:
 - \$4.0 million for a new outdoor aquatic center.
 - \$262,000 for Laurel Park pool improvements, including updating pool house and repainting of the pool.
 - \$18,000 for machinery & equipment for the RecPlex.
- The Golf & Banquet fund placed into service the following capital assets:
 - \$272,000 for a new concession stand/restroom on the golf course.
 - \$114,000 for machinery and equipment for golf operations.
- The Lakeside 370 fund placed into service the following capital assets:
 - \$49,000 for an outdoor kitchen/concession building.
 - \$85,000 for land improvements at the park.

The Golf & Banquet fund and the Lakeside 370 fund were new funds established this year. The asset pertaining to these two operations transferred from the Recreation fund.

Outstanding encumbrances for capital assets at the end of the fiscal year were \$20,570,000. This amount has been accounted for in the City's budget-based statements and the City has no plans to issue additional debt to finance these projects.

More detailed information about the City's capital assets is presented in Note 4 to the financial statements.

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's focus while preparing the fiscal year 2018/19 budget was to maintain current service levels and continue making progress towards the Vision 2025 strategic plan priorities. The City is conservative when projecting and budgeting revenues and expenses, and this philosophy was followed during the fiscal year 2018/19 budget process to ensure that all commitments can be met.

Fiscal year 2018/19 is a non-reassessment year (reassessment occurs every two years), and the City's assessed valuation is estimated to increase by less than 1%. The fiscal year 2018/19 budget assumes the property tax will be kept at the same rate of 77 cents per \$100 of assessed valuation. Property tax revenue estimates were based on a tax rate of \$.5892 in the General Fund and \$.1808 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. Based on final assessed valuation from the County the overall rate did not change, but the final rate was set at \$.5903 in the General Fund and \$.1797 in the Debt Service Fund. Also included in property tax revenue is a surcharge for commercial property, penalties, and interest.

Sales tax is budgeted to increase by 2%, or \$835,200, citywide (a \$399,600 increase in the General Fund, a \$199,800 increase in the Local Parks and Storm Water Fund, and a \$199,800 increase in the Transportation Trust Fund). Sales tax generated in the tax increment financing (TIF) districts is anticipated to increase by \$36,000.

With the assistance of economic incentives, major development is underway and more is expected for Premier 370 Business Park. Duke Realty completed a 350,000-square-foot distribution center for Best Buy and a 300,000-square-foot speculative building in 2017. The speculative building was fully leased seven months after completion by RB and the Grove Collaborative. SAIA, LTD constructed a 50,000-square-foot cross dock distribution center on a 30 acre parcel in Premier 370 that opened in the fall of 2017. Scannell started construction of a 500,000-square-foot distribution station for FedEx in the Premier 370 Business Park on a 100-acre site. GBT Realty developed a 25-acre site in the Old Town Development area for the 245,000-square-foot Shoppes of Mid Rivers retail center that opened in the fall of 2017. Projects under construction in the Premier 370 Business Park by Duke Realty include an 850,000-square-foot Amazon fulfillment center and a 375,000-square-foot speculative building, which will both be completed in early 2019. To remain conservative in our budgeting, only the completed and operating businesses were included in our revenue projections. The real estate market continues to be strong with over 1,200 units of multi-family housing developments under construction or approved for construction.

While preparing the fiscal 2018/19 budget, consideration was given to both the needs of the City during the 2018/19 fiscal year and also the impact that this budget will have on the 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, the City 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/finance.aspx>.

Revenue generation opportunities are limited for municipalities and as done every year the, City reviewed fees in all funds and proposed fee increases in the Enterprise Funds as needed to maintain balanced budgets. The fiscal year 2018/19 budget reflects a proposed rate increase of 3.5% in the Water and Sewer Fund and

CITY OF ST. PETERS, MISSOURI

Management's Discussion and Analysis (continued)

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 the Central Materials Processing Facility Fund and Recreation Fund for 2018/19 during the CIP Board of Aldermen work sessions.

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, 2018**

	Primary Government			Component
	Governmental	Business-Type	Total	Unit
	Activities	Activities		Natatorium Foundation
Assets:				
Cash and investments	\$ 36,031,919	\$ 11,446,255	\$ 47,478,174	\$ 1,972,976
Receivables (net):				
Taxes	3,365,079	-	3,365,079	-
Services	-	2,909,324	2,909,324	-
Intergovernmental	1,135,362	-	1,135,362	-
Other	784,795	793,277	1,578,072	169
Internal balances	224,305	(224,305)	-	-
Inventory and prepaid items	824,205	115,817	940,022	-
Investment in joint venture	-	1,463,890	1,463,890	-
Restricted assets:				
Cash and investments	13,885,612	4,226,584	18,112,196	-
Held by trustees	1,526,347	-	1,526,347	-
Long-term receivables	545,733	-	545,733	-
Net pension asset	2,989,029	795,219	3,784,248	-
Capital assets:				
Nondepreciable	190,291,661	2,240,679	192,532,340	-
Depreciable	153,978,108	88,817,934	242,796,042	-
Total Assets	405,582,155	112,584,674	518,166,829	1,973,145
Deferred Outflows of Resources:				
Deferred charge on refunding	1,311,964	731,496	2,043,460	-
Deferred amounts related to pensions	2,252,555	847,698	3,100,253	-
Deferred amounts related to OPEB	10,316,982	4,257,386	14,574,368	-
Total Deferred Outflows of Resources	13,881,501	5,836,580	19,718,081	-
Liabilities:				
Accounts payable	4,716,909	1,529,903	6,246,812	-
Accrued interest	5,341,961	407,662	5,749,623	-
Accrued payroll	661,134	213,116	874,250	-
Unearned revenue	560,151	231,981	792,132	-
Deposits	1,392,512	282,359	1,674,871	-
Claims payable	1,288,427	-	1,288,427	-
Other liabilities	-	2,526	2,526	-
Long-term liabilities:				
Due within one year	4,654,311	3,467,086	8,121,397	-
Due in more than one year	81,748,524	40,519,762	122,268,286	-
Due in more than one year - net				
OPEB liability	27,570,319	11,377,119	38,947,438	-
Total Liabilities	127,934,248	58,031,514	185,965,762	-
Deferred Inflows of Resources:				
Deferred amounts related to pensions	4,863,351	1,575,029	6,438,380	-
Deferred amounts related to OPEB	193,575	79,880	273,455	-
Deferred revenue - contributions	2,813,393	-	2,813,393	-
Total Deferred Inflows of Resources	7,870,319	1,654,909	9,525,228	-

See accompanying notes to basic financial statements

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF NET POSITION (CONTINUED)
SEPTEMBER 30, 2018**

	Primary Government			Component
	Governmental	Business-Type	Total	Unit
	Activities	Activities		Natorium Foundation
Net Position:				
Net investment in capital assets	270,653,071	49,652,931	320,306,002	-
Restricted for:				
Transportation	5,758,070	-	5,758,070	-
Sewer lateral projects	1,207,930	-	1,207,930	-
Water line repair projects	144,180	-	144,180	-
Special allocation projects	3,365,039	-	3,365,039	-
Grants	695,398	-	695,398	-
Debt service	2,582,003	2,129,049	4,711,052	-
Local parks and stormwater	2,919,498	-	2,919,498	-
Police services	314,763	-	314,763	-
Unrestricted	(3,980,863)	6,952,851	2,971,988	1,973,145
Total Net Position	\$ 283,659,089	\$ 58,734,831	\$ 342,393,920	\$ 1,973,145

See accompanying notes to basic financial statements

CITY OF ST. PETERS, MISSOURI

**BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018**

	Major Funds					Nonmajor	Total	
	General	Transportation Trust	Local Parks and Stormwater Fund	Debt Service	Capital Projects	Other		Govern- mental Funds
						Govern- mental Funds		
Assets:								
Cash and investments:								
Unrestricted	\$ 20,056,971	\$ 6,976,911	\$ 2,292,803	\$ 1,843,457	\$ -	\$ 4,861,777	\$ 36,031,919	
Restricted	90,259	632,953	-	-	13,162,400	-	13,885,612	
Held by trustees	-	-	167,727	-	1,358,620	-	1,526,347	
Receivables, net of allowances where applicable:								
Taxes	2,167,622	580,315	580,126	33,406	-	3,610	3,365,079	
Intergovernmental	108,908	791,808	196,978	-	-	37,668	1,135,362	
Other	459,933	22,501	135,843	871	-	165,647	784,795	
Due from other funds	267,593	-	-	-	-	-	267,593	
Long term receivables	-	-	-	-	-	545,733	545,733	
Inventory and prepaid items	824,205	-	-	-	-	-	824,205	
Total Assets	\$ 23,975,491	\$ 9,004,488	\$ 3,373,477	\$ 1,877,734	\$ 14,521,020	\$ 5,614,435	\$ 58,366,645	
Liabilities, Deferred Inflows of Resources and Fund Balances:								
Liabilities:								
Accounts payable	\$ 798,997	\$ 1,869,371	\$ 124,148	\$ 1,020	\$ 1,762,765	* \$ 160,608	\$ 4,716,909	
Accrued liabilities	623,596	11,659	24,677	-	-	1,202	661,134	
Deposits/guarantee bonds	1,389,502	-	10	-	-	3,000	1,392,512	
Due to other funds	-	3,996	2,214	-	-	37,078	43,288	
Unearned revenue	25,226	585,095	-	-	-	-	610,321	
Claims payable	1,288,427	-	-	-	-	-	1,288,427	
Total Liabilities	4,125,748	2,470,121	151,049	1,020	1,762,765	201,888	8,712,591	
Deferred Inflows of Resources:								
Unavailable revenues - property taxes	91,973	-	-	26,030	-	-	118,003	
Unavailable revenues - contributions	-	-	125,000	-	-	-	125,000	
Total Deferred Inflows of Resources	91,973	-	125,000	26,030	-	-	243,003	
Fund Balances:								
Nonspendable	824,205	-	-	-	-	-	824,205	
Restricted for:								
Transportation	-	5,901,414	-	-	-	-	5,901,414	
Sewer lateral projects	-	-	-	-	-	1,207,930	1,207,930	
Water line repair projects	-	-	-	-	-	144,180	144,180	
Special allocation projects	-	-	-	-	-	3,365,039	3,365,039	
Grants	-	-	-	-	-	695,398	695,398	
Debt service	90,259	632,953	167,727	1,850,684	-	-	2,741,623	
Local parks and stormwater	-	-	2,929,701	-	-	-	2,929,701	
Police services	314,763	-	-	-	-	-	314,763	
Stormwater projects	-	-	-	-	4,797,617	-	4,797,617	
Park and recreation facility improvements	-	-	-	-	7,960,638	-	7,960,638	
Committed:								
Contingency reserve	4,500,000	-	-	-	-	-	4,500,000	
Assigned for:								
Capital projects	1,983,530	-	-	-	-	-	1,983,530	
Administration	130,423	-	-	-	-	-	130,423	
Debt service	600,000	-	-	-	-	-	600,000	
Other	170,404	-	-	-	-	-	170,404	
Subsequent year budget	1,189,645	-	-	-	-	-	1,189,645	
Unassigned	9,954,541	-	-	-	-	-	9,954,541	
Total Fund Balances	19,757,770	6,534,367	3,097,428	1,850,684	12,758,255	5,412,547	49,411,051	
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 23,975,491	\$ 9,004,488	\$ 3,373,477	\$ 1,877,734	\$ 14,521,020	\$ 5,614,435	\$ 58,366,645	

* Payable from restricted assets.

See accompanying notes to basic financial statements

CITY OF ST. PETERS, MISSOURI

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2018**

Total Fund Balance - Governmental Funds	\$ 49,411,051
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 \$532,548,141 and the accumulated depreciation is \$188,278,372.	344,269,769
Contributed capital is recorded as a deferred inflow of resource on the government-wide financial statements until the City's obligation to complete certain road work and utility work has been met.	(2,688,393)
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.	118,003
Federal interest subsidy is not a current financial resource and therefore is not reported in the funds.	50,170
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, 2018 are:	
Accrued compensated absences, vacation	(1,404,311)
Accrued interest on outstanding debt	(5,341,961)
Other post employment benefit (OPEB) liability	(27,570,319)
OPEB related deferred outflows of resources	10,316,982
OPEB related deferred inflows of resources	(193,575)
Net pension asset	2,989,029
Pension related deferred outflows of resources	2,252,555
Pension related deferred inflows of resources	(4,863,351)
Bonds and notes payable	(83,660,000)
Unamortized bond discount	113,024
Unamortized bond premium	(1,451,548)
Unamortized deferred charge on refunding	1,311,964
Total Net Position - Governmental Activities	\$ 283,659,089

See accompanying notes to basic financial statements

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Major Funds					Nonmajor Funds	Total Governmental Funds
	General	Transportation Trust	Local Parks and Stormwater Fund	Debt Service	Capital Projects	Other Governmental Funds	
Revenues:							
Sales tax	\$ 14,901,179	\$ 7,450,675	\$ 7,390,345	\$ -	\$ -	\$ 1,369,143	\$ 31,111,342
Property tax	7,808,081	-	-	2,268,329	-	1,561,952	11,638,362
Utility franchise tax	4,686,245	-	-	-	-	-	4,686,245
Cigarette tax	162,900	-	-	-	-	-	162,900
Licenses and permits	3,200,304	-	-	-	-	-	3,200,304
Interest	43,172	21,840	11,942	5,204	36,844	17,790	136,792
Intergovernmental	3,758,829	2,088,781	16,783	-	-	258,474	6,122,867
Fines and forfeitures	1,020,638	-	-	-	-	-	1,020,638
Charges for services	905,734	-	15,077	-	-	816,440	1,737,251
Miscellaneous	750,159	1,258,481	437,480	14,484	-	80	2,460,684
Total Revenues	37,237,241	10,819,777	7,871,627	2,288,017	36,844	4,023,879	62,277,385
Expenditures:							
Current:							
General government	2,010,729	-	-	-	-	1,022,165	3,032,894
Administration	4,363,729	-	-	-	-	-	4,363,729
Police	12,873,728	-	538,928	-	-	-	13,412,656
Municipal court	507,552	-	-	-	-	-	507,552
Public works	2,084,456	4,751,608	2,188,436	-	-	719,872	9,744,372
Engineering	1,861,296	-	-	-	-	-	1,861,296
Maintenance	419,037	-	-	-	-	-	419,037
Health	1,541,122	-	-	-	-	-	1,541,122
Parks and recreation	4,382,890	-	75,952	-	-	-	4,458,842
Communications	1,055,938	-	-	-	-	-	1,055,938
Community and arts	208,150	-	-	-	-	-	208,150
Capital outlay	1,011,778	5,868,970	1,814,295	-	11,008,380	5,036,213	24,739,636
Debt service:							
Principal retirement	360,000	390,000	130,000	2,375,000	-	-	3,255,000
Interest	21,983	362,745	76,762	1,716,668	-	6,194	2,184,352
Other	-	795	1,166	52,617	184,955	-	239,533
Total Expenditures	32,702,388	11,374,118	4,825,539	4,144,285	11,193,335	6,784,444	71,024,109
Revenues Over (Under)							
Expenditures	4,534,853	(554,341)	3,046,088	(1,856,268)	(11,156,491)	(2,760,565)	(8,746,724)
Other Financing Sources (Uses):							
Transfers in	2,667	-	-	2,007,866	892,000	-	2,902,533
Transfers out	(642,509)	-	(4,195,866)	-	-	(2,667)	(4,841,042)
Proceeds from sale of capital assets	180,556	65,815	-	-	-	-	246,371
Issuance of debt	-	-	-	-	7,000,000	-	7,000,000
Bond premium	-	-	-	-	103,687	-	103,687
Bond discount	-	-	-	-	(20,296)	-	(20,296)
Total Other Financing Sources (Uses)	(459,286)	65,815	(4,195,866)	2,007,866	7,975,391	(2,667)	5,391,253
Net Changes in Fund Balances	4,075,567	(488,526)	(1,149,778)	151,598	(3,181,100)	(2,763,232)	(3,355,471)
Fund Balances:							
Beginning of Year	15,682,203	7,022,893	4,247,206	1,699,086	15,939,355	8,175,779	52,766,522
End of Year	\$ 19,757,770	\$ 6,534,367	\$ 3,097,428	\$ 1,850,684	\$ 12,758,255	\$ 5,412,547	\$ 49,411,051

See accompanying notes to basic financial statements

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, 2018**

Net change in fund balances - total governmental funds		\$ (3,355,471)
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	22,607,872	
Proceeds from sale of capital assets	(246,371)	
Donated capital assets	1,595,051	
Net transfer of assets between the proprietary and governmental activities	(5,416,959)	
Depreciation expense	<u>(11,771,921)</u>	6,767,672
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.		
		286,768
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 position, 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 position.		
Issuance of debt	(7,000,000)	
Repayment of bond and note principal	<u>3,255,000</u>	(3,745,000)
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	(340,646)	
Compensated absences	(35,797)	
Other post employment benefits	(4,010,199)	
Pension expense	559,712	
Premium on debt issuances, net of amortization	14,451	
Discount on debt issuances, net of amortization	9,694	
Deferred charge on refunding, net of amortization	<u>(96,942)</u>	(3,899,727)
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.		
		(11,045)
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.		
		<u>(2,730)</u>
Change in net position of governmental activities		\$ (3,959,533)

See accompanying notes to basic financial statements

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2018**

	Major Enterprise Funds						Total Enterprise Funds
	Waterworks/ Sanitary Sewer	Solid Waste	Materials Processing Facility	Recreation	Golf and Banquet Center	370 Lakeside Park	
Assets:							
Current Assets:							
Cash and investments:							
Unrestricted	\$ 5,068,693	\$ 2,526,485	\$ 2,192,012	\$ 1,425,803	\$ 64,238	\$ 169,024	\$ 11,446,255
Restricted	4,225,989	-	-	595	-	-	4,226,584
Receivables, net allowances:							
Services	1,942,599	935,501	31,224	-	-	-	2,909,324
Other	195,328	194,973	156,665	246,311	-	-	793,277
Inventory/prepays	6,533	-	65,278	28,466	14,193	1,347	115,817
Total Current Assets	11,439,142	3,656,959	2,445,179	1,701,175	78,431	170,371	19,491,257
Noncurrent Assets:							
Investment in joint venture	1,463,890	-	-	-	-	-	1,463,890
Net pension asset	299,536	192,340	109,399	141,221	32,606	20,117	795,219
Capital assets	121,602,844	7,635,774	7,033,579	49,263,689	1,567,197	8,737,860	195,840,943
Less: Accumulated depreciation	62,051,566	6,361,024	5,446,477	27,419,557	925,817	2,577,889	104,782,330
Capital assets - net	59,551,278	1,274,750	1,587,102	21,844,132	641,380	6,159,971	91,058,613
Total Noncurrent Assets	61,314,704	1,467,090	1,696,501	21,985,353	673,986	6,180,088	93,317,722
Total Assets	72,753,846	5,124,049	4,141,680	23,686,528	752,417	6,350,459	112,808,979
Deferred Outflows of Resources:							
Deferred charge on refunding	-	-	-	731,496	-	-	731,496
Deferred amounts related to pensions	319,303	205,033	116,619	150,540	34,758	21,445	847,698
Deferred amounts related to OPEB	1,639,735	941,241	691,961	749,110	135,145	100,194	4,257,386
Total Deferred Outflows of Resources	1,959,038	1,146,274	808,580	1,631,146	169,903	121,639	5,836,580
Liabilities:							
Current Liabilities:							
Accounts payable	1,014,885	11,931	318,651	140,393	23,742	20,301	1,529,903
Accrued payroll	65,845	41,480	27,459	58,650	11,007	8,675	213,116
Accrued compensated absences	192,604	119,671	62,660	106,691	20,687	14,773	517,086
Accrued interest	184,946	-	-	222,716	-	-	407,662
Deposits held for others	163,697	-	50	61,798	7,738	49,076	282,359
Due to other funds	162,612	36,586	4,284	10,066	10,480	277	224,305
Unearned revenue	-	-	-	231,981	-	-	231,981
Current portion of revenue bonds payable	2,140,000 *	-	-	810,000	-	-	2,950,000
Other	1,380	-	-	1,146	-	-	2,526
Total Current Liabilities	3,925,969	209,668	413,104	1,643,441	73,654	93,102	6,358,938
Noncurrent Liabilities:							
Long-term portion of revenue bonds payable	27,823,247	-	-	12,696,515	-	-	40,519,762
Other long-term liabilities	4,381,902	2,515,301	1,849,144	2,001,866	361,153	267,753	11,377,119
Total Liabilities	36,131,118	2,724,969	2,262,248	16,341,822	434,807	360,855	58,255,819
Deferred Inflows of Resources:							
Deferred amounts related to pensions	593,268	380,953	216,679	279,705	64,580	39,844	1,575,029
Deferred amounts related to OPEB	30,766	17,660	12,983	14,055	2,536	1,880	79,880
Total Deferred Inflows of Resources	624,034	398,613	229,662	293,760	67,116	41,724	1,654,909
Net Position:							
Net investment in capital assets	31,651,516	1,274,750	1,587,102	8,338,212	641,380	6,159,971	49,652,931
Restricted for debt service	2,129,049	-	-	-	-	-	2,129,049
Restricted for capital improvement	-	-	-	-	-	-	-
Unrestricted	4,177,167	1,871,991	871,248	343,880	(220,983)	(90,452)	6,952,851
Total Net Position	\$ 37,957,732	\$ 3,146,741	\$ 2,458,350	\$ 8,682,092	\$ 420,397	\$ 6,069,519	\$ 58,734,831

* 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, 2018**

	Major Enterprise Funds						Total Enterprise Funds
	Waterworks/ Sanitary Sewer	Solid Waste	Central Materials Processing Facility	Recreation	Golf and Banquet Center	370 Lakeside Park	
Operating Revenues:							
Water	\$ 5,963,394	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,963,394
Sewer	5,159,524	-	-	-	-	-	5,159,524
Solid waste	-	6,197,870	-	-	-	-	6,197,870
Tap on fees	684,950	-	-	-	-	-	684,950
Tipping fees	-	-	2,975,448	-	-	-	2,975,448
Recycling income	-	-	1,154,084	-	-	-	1,154,084
Earth Centre	-	-	484,115	-	-	-	484,115
Recreation	-	-	-	5,485,627	842,834	781,935	7,110,396
Miscellaneous	2,004,216	146,183	19,073	-	-	-	2,169,472
Total Operating Revenues	13,812,084	6,344,053	4,632,720	5,485,627	842,834	781,935	31,899,253
Operating Expenses:							
Personnel costs	4,666,459	2,979,937	1,925,146	3,679,562	892,072	665,711	14,808,887
Depreciation	3,061,192	553,499	254,710	1,887,764	87,919	436,556	6,281,640
Utilities	685,197	44,992	48,366	784,917	48,167	68,709	1,680,348
Purchased water	1,036,917	-	-	-	-	-	1,036,917
Wastewater treatment costs	147,705	-	-	-	-	-	147,705
Disposal fees	-	1,246,640	1,402,352	-	-	-	2,648,992
Repairs and maintenance	802,939	300,335	134,102	308,997	62,443	43,653	1,652,469
Chemicals and supplies	381,294	1,641	245	47,738	47,717	2,561	481,196
Professional services	508,279	21,897	53,934	117,817	12,987	1,974	716,888
Office expense	248,107	69,889	346,781	310,742	74,757	54,751	1,105,027
Insurance	156,054	30,746	20,268	48,695	7,728	6,889	270,380
Gasoline and fuel	85,726	211,700	27,986	3,527	9,488	10,531	348,958
Rent	5,777	1,133	2,876	4,786	55,993	-	70,565
Concessions	-	-	-	255,838	39,339	-	295,177
Miscellaneous	1,772,275	836,399	385,103	80,794	13,407	17,640	3,105,618
Total Operating Expenses	13,557,921	6,298,808	4,601,869	7,531,177	1,352,017	1,308,975	34,650,767
Operating Income (Loss)	254,163	45,245	30,851	(2,045,550)	(509,183)	(527,040)	(2,751,514)
Nonoperating Revenues (Expenses):							
Interest on investments	19,324	7,149	4,282	2,994	-	32	33,781
Bond interest and fees	(1,326,315)	-	-	(590,955)	-	-	(1,917,270)
Gain (loss) on disposal of capital assets	54,201	28,340	-	(24,111)	-	-	58,430
Capital asset transfers out	-	-	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-
Lawsuit settlement	-	-	-	-	-	-	-
Equity loss in joint venture	(176,466)	-	-	-	-	-	(176,466)
Total Nonoperating Revenues (Expenses)	(1,429,256)	35,489	4,282	(612,072)	-	32	(2,001,525)
(Loss) Income Before Capital Contributions and Transfers	(1,175,093)	80,734	35,133	(2,657,622)	(509,183)	(527,008)	(4,753,039)
Capital contributions	1,509,579	-	-	4,179,707	381,472	134,603	6,205,361
Transfers in	-	-	-	1,728,509	548,108	6,461,924	8,738,541
Transfers out	-	-	-	(6,800,032)	-	-	(6,800,032)
Changes In Net Position	334,486	80,734	35,133	(3,549,438)	420,397	6,069,519	3,390,831
Net Position - Beginning of Year	37,623,246	3,066,007	2,423,217	12,231,530	-	-	55,344,000
Net Position - End of Year	\$ 37,957,732	\$ 3,146,741	\$ 2,458,350	\$ 8,682,092	\$ 420,397	\$ 6,069,519	\$ 58,734,831

See accompanying notes to basic financial statements

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Major Enterprise Funds						Total Enterprise Funds
	Waterworks/ Sanitary Sewer	Solid Waste	Central Materials Processing Facility	Recreation	Golf and Banquet Center	370 Lakeside Park	
Cash Flows From Operating Activities:							
Receipts from customers	\$ 11,787,681	\$ 6,042,948	\$ 4,653,898	\$ 5,462,946	\$ 842,834	\$ 781,935	\$ 29,572,242
Payments to suppliers	(5,774,775)	(2,769,426)	(2,173,449)	(1,900,495)	(362,477)	(187,754)	(13,168,376)
Payment to employees	(4,088,554)	(2,662,726)	(1,674,895)	(3,803,042)	(634,618)	(474,542)	(13,338,377)
Other receipts (payments)	2,044,214	131,894	56,647	(111,185)	7,738	49,076	2,178,384
Net Cash Provided By Operating Activities	3,968,566	742,690	862,201	(351,776)	(146,523)	168,715	5,243,873
Cash Flows (Used In) Provided By Noncapital Financing Activities:							
Transfers in	-	-	-	1,728,509	210,000	-	1,938,509
Advances on (repayments of) internal balances	73,029	592	(49,549)	(48,382)	10,480	277	(13,553)
Net Cash (Used In) Provided By Noncapital Financing Activities	73,029	592	(49,549)	1,680,127	220,480	277	1,924,956
Cash Flows From Capital and Related Financing Activities:							
Acquisition and construction of capital assets, net	(937,303)	(564,990)	(95,907)	(67,802)	(9,719)	-	(1,675,721)
Proceeds from sale of capital assets	73,700	28,340	-	280	-	-	102,320
Principal paid on bonds	(2,090,000)	-	-	(790,000)	-	-	(2,880,000)
Interest and fees paid on bonds	(452,880)	-	-	(560,802)	-	-	(1,013,682)
Net Cash Used In Capital and Related Financing Activities	(3,406,483)	(536,650)	(95,907)	(1,418,324)	(9,719)	-	(5,467,083)
Cash Flows Provided By Investing Activities:							
Interest received on investments	19,324	7,149	4,282	2,994	-	32	33,781
Net Cash Provided By Investing Activities	19,324	7,149	4,282	2,994	-	32	33,781
Net (Decrease) Increase In Cash and Cash Equivalents	654,436	213,781	721,027	(86,979)	64,238	169,024	1,735,527
Cash and Cash Equivalents - Beginning of Year	8,640,246	2,312,704	1,470,985	1,513,377	-	-	13,937,312
Cash and Cash Equivalents - End of Year	\$ 9,294,682	\$ 2,526,485	\$ 2,192,012	\$ 1,426,398	\$ 64,238	\$ 169,024	\$ 15,672,839
Cash, Cash Equivalents and Investments - End of Year	\$ 9,294,682	\$ 2,526,485	\$ 2,192,012	\$ 1,426,398	\$ 64,238	\$ 169,024	\$ 15,672,839
Reconciliation of Operating Loss to Net Cash Provided By Operating Activities:							
Operating income (loss)	\$ 254,163	\$ 45,245	\$ 30,851	\$ (2,045,550)	\$ (509,183)	\$ (527,040)	(2,751,514)
Adjustments to reconcile operating loss to net cash provided by operating activities:							
Depreciation expense	3,061,192	553,499	254,710	1,887,764	87,919	436,556	6,281,640
(Increase) decrease in assets:							
Services receivable	(15,579)	(154,922)	40,251	-	-	-	(130,250)
Miscellaneous receivable	41,756	(14,289)	37,524	(47,362)	-	-	17,629
Inventory	(6,533)	-	97,313	20,245	(14,193)	(1,347)	95,485
Increase (decrease) in liabilities:							
Accounts payable	62,028	(4,054)	151,251	43,111	23,742	20,301	296,379
Accrued payroll	12,234	8,181	6,013	(9,140)	11,007	8,675	36,970
Accrued vacation	(11,369)	6,430	126	(38,448)	20,687	14,773	(7,801)
Deposits held for others	(3,138)	-	50	(43,946)	7,738	49,076	9,780
Other liabilities	573,812	302,600	244,112	(118,450)	225,760	167,721	1,395,555
Total Adjustments	3,714,403	697,445	831,350	1,693,774	362,660	695,755	7,995,387
Net Cash Provided By Operating Activities	\$ 3,968,566	\$ 742,690	\$ 862,201	\$ (351,776)	\$ (146,523)	\$ 168,715	\$ 5,243,873

Noncash Investing, Capital and Financing Activities:

During fiscal year 2018, the Waterworks/Sanitary Sewer Fund received \$788,401 in contributed water and sewer lines from developers and \$721,178 contributed capital from governmental activities and incurred a \$176,466 equity loss in joint venture. The Recreation Fund, Golf and Banquet Center Fund and 370 Lakeside Park Fund received \$4,179,707, \$381,472 and \$134,603 in contributed capital from governmental activities, respectively. The Recreation Fund transferred capital assets totaling \$338,108 and \$6,461,924 to the Golf and Banquet Center Fund and 370 Lakeside Park Fund, respectively.

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF FIDUCIARY NET POSITION -
OTHER POST EMPLOYMENT BENEFITS TRUST FUND
SEPTEMBER 30, 2018**

ASSETS:

Investments:		
Held by trustees:		
Money market mutual funds	\$	24,359
Domestic equity investments:		
Exchange traded funds		1,170,417
Mutual funds		5,809,743
International equities:		
Mutual funds		2,117,397
Fixed income investments:		
Credit		456,506
Diversified taxable mutual funds		5,131,722
Other		47,701
Alternative investments:		
Hedge funds		250,221
Infrastructure		137,025
Traded real estate		120,505
Receivables, net of allowances:		
Interest		8,132
Prepaid items		26,183
		<hr/>
Total Assets		15,299,911

LIABILITIES:

Accounts payable		60,947
Unearned revenue		16,721
		<hr/>
Total Liabilities		77,668

NET POSITION:

Restricted for other post employment benefits	\$	<u><u>15,222,243</u></u>
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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, 2018**

ADDITIONS:

Contributions:

City of St. Peters	\$ 1,245,400
Plan members	191,182
Total Contributions	<u>1,436,582</u>

Investment income:

Interest and dividends	547,007
Net appreciation in the fair value of plan investments	475,966
Total Investment Income	<u>1,022,973</u>

Total Additions

2,459,555

DEDUCTIONS:

Benefit payments

1,060,571

Administrative and general expenses:

Insurance, taxes and other premiums	452,153
Professional fees	55,816
Total administrative and general expenses	<u>507,969</u>

Total Deductions

1,568,540

NET INCREASE IN NET POSITION

891,015

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

BEGINNING OF YEAR

14,331,228

END OF YEAR

\$ 15,222,243

CITY OF ST. PETERS, MISSOURI

**NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2018**

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 (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

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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 the 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 sales tax revenue and grant proceeds to be used for park and stormwater projects.

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 six enterprise funds which are all considered major funds as follows:

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

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

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

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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.

Golf and Banquet Center Fund - The golf and banquet center fund is used to account for activities of the City's municipal golf course and banquet center operations.

370 Lakeside Park Fund - The 370 lakeside park fund is used to account for revenues and expenses resulting from the operation and maintenance of 370 Lakeside Park. Revenues are generated through user fees for several amenities located in the park.

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 sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets, 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, transportation trust fund, local parks and stormwater fund, sewer lateral repair program fund, water service line repair program fund, recreation fund, golf and banquet center fund, 370 lakeside park fund, waterworks/sanitary sewer fund, solid waste fund and central materials processing facility fund.

Other Post Employment Benefits

The City records a net other post employment benefit (OPEB) liability in the government-wide and proprietary funds financial statements. The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The total OPEB liability is determined through an actuarial valuation. Details related 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,

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

transportation trust fund, local parks and stormwater fund, recreation fund, golf and banquet center fund, 370 lakeside park fund, waterworks/sanitary sewer fund, solid waste fund and central materials processing facility fund.

Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net 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 and OPEB 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 and net OPEB 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

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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.

For purposes of measuring the net pension (asset) 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 liability is typically liquidated by the general fund, transportation trust fund, local parks and stormwater fund, recreation fund, golf and banquet center fund, 370 lakeside park fund, water works/sanitary sewer fund, solid waste fund and central materials processing facility 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 the

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

capital projects, monies budgeted in the subsequent year and general fund contractual obligations (encumbrances) not previously accounted for.

Assigned encumbrances by function are as follows:

Function	Amount
General government	\$ 8,305
Administration	130,423
Police	21,118
Engineering	850
Maintenance	3,745
Health	5,051
Parks and recreation	26,262
Communications	2,403
Total	\$ 198,157

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. The City Administrator will annually reevaluate the Contingency Reserve level necessary to cover two months operating expenses 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.

The Contingency reserve shall not normally be applied to recurring annual operating expenditures. It may be used, pursuant to an Ordinance passed by the Board of Aldermen, to allow time for the City to restructure its operations in a deliberate manner (as might be required in an economic downturn). In addition, the Contingency Reserve may be spent, pursuant to an Ordinance passed by the Board of Aldermen, 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

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

These circumstances are not expected to occur routinely. These resources have not been used since the resolution was adopted in fiscal year 2013.

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.

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.

Estimates And Assumptions

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

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Adoption of New Accounting Standards

For the year ended September 30, 2018, the City adopted GASB Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period." The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will no longer be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Changes adopted to conform to the provisions of this Statement are applied prospectively, therefore, there is no effect on beginning balances.

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, 2018, 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, 2018, the City's deposit and investment balances were as follows:

<u>Deposit/Investment Type</u>	<u>Carrying Value</u>
Deposits	\$ 64,865,950
Money market mutual funds	2,250,767
	<u>\$ 67,116,717</u>

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

As of September 30, 2018, the discretely presented component unit's investment balances were as follows:

Discretely Presented Component Unit

Money market funds	\$ 39,311
Stocks - domestic	553,986
Stocks - foreign	34,996
Mutual funds - domestic	206,453
Mutual funds - international	379,872
Fixed income mutual funds (domestic)	585,617
Fixed income mutual funds (international)	172,742
	<u>\$ 1,972,977</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	\$ 24,360
Exchange traded funds - domestic	1,170,417
Mutual funds - domestic	5,809,743
Mutual funds - international	2,117,397
Fixed income investments - credit	456,506
Fixed income investments - diversified taxable mutual funds	5,131,722
Fixed income investments - emerging markets	47,701
Hedge funds	250,221
Infrastructure	137,025
Traded real estate	120,505
	<u>\$ 15,265,597</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, 2018:

- Money market mutual funds are valued using quoted market prices (Level 1 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, 2018, the City had the following investments and maturities:

Investment	Carrying Value	Investment Maturities (In Years)	
		Less than 1	1 - 5
City:			
Money market mutual funds	\$ 2,250,767	\$ 2,250,767	\$ -
	<u>\$ 2,250,767</u>	<u>\$ 2,250,767</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 which the City will do business. The City will also diversify the portfolio so that potential losses on individual securities will be minimized.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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

Money market mutual funds	AAAm
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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, 2018, none of the City's investments were 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, 2018, 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	\$ 24,360	\$ -	\$ 24,360	\$ -
Exchange Traded Funds - Domestic Mutual Funds:	1,170,417	1,170,417	-	-
Domestic	5,809,743	5,809,743	-	-
International	2,117,397	2,117,397	-	-
Fixed Income - Diversified Taxable	5,131,722	-	5,131,722	-
Fixed Income Investments - Credit	456,506	-	456,506	-
Fixed Income Investments - Emerging Markets	47,701	-	47,701	-
Hedge Funds	250,221	250,221	-	-
Infrastructure	137,025	137,025	-	-
Traded Real Estate	120,505	120,505	-	-
	\$ 15,265,597	\$ 9,605,308	\$ 5,660,289	\$ -

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 plan's 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	Unrated
AAAm	\$ 24,360	\$ -	\$ -	\$ -	\$ -
AA	-	5,131,722	-	-	-
A	-	-	-	456,506	-
BB	-	-	47,701	-	-
Unrated	-	-	-	-	9,605,308
	\$ 24,360	\$ 5,131,722	\$ 47,701	\$ 456,506	\$ 9,605,308

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, 2018, 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 \$.5892 is for general revenue purposes and \$.1808 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, 2018:

	Balance October 1, 2017	Additions and transfers	Retirements and transfers	Balance September 30, 2018
Governmental Activities:				
Capital assets, not being depreciated:				
Land and land improvements	\$ 174,753,405	\$ 3,795,834	\$ -	\$ 178,549,239
Construction in progress	13,849,027	6,430,689	8,537,294	11,742,422
Total capital assets not being depreciated	188,602,432	10,226,523	8,537,294	190,291,661
Capital assets, being depreciated:				
Structures and improvements	55,558,307	3,457,374	153,519	58,862,162
Machinery and equipment	12,570,918	495,248	338,677	12,727,489
Furniture and fixtures	231,665	8,835	-	240,500
Vehicles	8,022,554	797,863	873,955	7,946,462
Infrastructure	251,547,921	12,418,572	1,486,626	262,479,867
Total capital assets being depreciated	327,931,365	17,177,892	2,852,777	342,256,480
Less - accumulated depreciation for:				
Structures and improvements	26,621,902	1,873,375	139,910	28,355,367
Machinery and equipment	10,444,612	736,658	338,676	10,842,594
Furniture and fixtures	210,886	15,277	-	226,163
Vehicles	5,562,714	919,986	847,168	5,635,532
Infrastructure	136,478,354	8,226,988	1,486,626	143,218,716
Total accumulated depreciation	179,318,468	11,772,284	2,812,380	188,278,372
Total capital assets being depreciated, net	148,612,897	5,405,608	40,397	153,978,108
Governmental activities, capital assets, net	\$ 337,215,329	\$ 15,632,131	\$ 8,577,691	\$ 344,269,769

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

	Balance October 1, 2017	Additions and Transfers	Retirements and Transfers	Balance September 30, 2018
Business-Type Activities:				
Waterworks/Sanitary Sewer:				
Capital assets, not being depreciated:				
Land and land rights	\$ 1,289,356	\$ -	\$ -	\$ 1,289,356
Construction in progress	1,066,349	187,160	1,066,349	187,160
Total capital assets not being depreciated	2,355,705	187,160	1,066,349	1,476,516
Capital assets, being depreciated:				
Structures and improvements	59,058,973	525,476	-	59,584,449
Water lines	24,454,844	487,969	-	24,942,813
Sewer lines	27,140,323	1,591,937	-	28,732,260
Machinery, equipment and vehicles	6,523,780	720,689	377,663	6,866,806
Total capital assets being depreciated	117,177,920	3,326,071	377,663	120,126,328
Less: Accumulated depreciation for:				
Structures and improvements	35,106,975	1,330,410	-	36,437,385
Water lines	9,849,981	520,186	-	10,370,167
Sewer lines	9,599,721	558,726	-	10,158,447
Machinery, equipment and vehicles	4,791,861	651,870	358,164	5,085,567
Total accumulated depreciation	59,348,538	3,061,192	358,164	62,051,566
Total capital assets being depreciated, net Waterworks/sanitary sewer capital assets, net	\$ 57,829,382	\$ 264,879	\$ 19,499	\$ 58,074,762
	\$ 60,185,087	\$ 452,039	\$ 1,085,848	\$ 59,551,278
Solid Waste:				
Capital assets, being depreciated:				
Structures and improvements	\$ 718,465	\$ -	\$ -	\$ 718,465
Machinery and equipment	203,021	-	2,562	200,459
Vehicles	6,663,498	564,990	511,638	6,716,850
Total capital assets being depreciated	7,584,984	564,990	514,200	7,635,774
Less: Accumulated depreciation for:				
Structures and improvements	633,534	20,762	-	654,296
Machinery and equipment	198,674	4,346	2,562	200,458
Vehicles	5,489,517	528,391	511,638	5,506,270
Total accumulated depreciation	6,321,725	553,499	514,200	6,361,024
Total capital assets being depreciated, net	1,263,259	11,491	-	1,274,750
Solid waste capital assets, net	\$ 1,263,259	\$ 11,491	\$ -	\$ 1,274,750
Central Materials Processing Facility:				
Capital assets, being depreciated:				
Structures and improvements	\$ 4,724,174	\$ 14,300	\$ -	\$ 4,738,474
Machinery and equipment	2,069,222	81,607	-	2,150,829
Vehicles	161,908	-	17,632	144,276
Total capital assets being depreciated	6,955,304	95,907	17,632	7,033,579
Less: Accumulated depreciation for:				
Structures and improvements	3,296,732	145,914	-	3,442,646
Machinery and equipment	1,750,759	108,796	-	1,859,555
Vehicles	161,908	-	17,632	144,276
Total accumulated depreciation	5,209,399	254,710	17,632	5,446,477
Total capital assets being depreciated, net Central Materials Processing Facility capital assets, net	1,745,905	(158,803)	-	1,587,102
	\$ 1,745,905	\$ (158,803)	\$ -	\$ 1,587,102

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

	Balance October 1, 2017	Additions and Transfers	Retirements and Transfers	Balance September 30, 2018
Business-Type Activities (continued):				
Recreation:				
Capital assets, being depreciated:				
Structures and improvements	\$ 52,496,206	\$ 2,124,355	\$ 8,841,358	\$ 45,779,203
Machinery and equipment	2,182,742	2,149,243	887,083	3,444,902
Furniture and fixtures	25,630	-	-	25,630
Vehicles	72,140	-	58,186	13,954
Total capital assets being depreciated	54,776,718	4,273,598	9,786,627	49,263,689
Less: Accumulated depreciation for:				
Structures and improvements	26,921,770	1,982,350	2,907,416	25,996,704
Machinery and equipment	1,456,889	473,830	540,065	1,390,654
Furniture and fixtures	17,108	1,136	-	18,244
Vehicles	72,141	-	58,186	13,955
Total accumulated depreciation	28,467,908	2,457,316	3,505,667	27,419,557
Total capital assets being depreciated, net	26,308,810	1,816,282	6,280,960	21,844,132
Recreation capital assets, net	\$ 26,308,810	\$ 1,816,282	\$ 6,280,960	\$ 21,844,132
Golf and Banquet Center:				
Capital assets, being depreciated:				
Structures and improvements	\$ -	\$ 989,905	\$ -	\$ 989,905
Machinery and equipment	-	577,292	-	577,292
Total capital assets being depreciated	-	1,567,197	-	1,567,197
Less: Accumulated depreciation for:				
Structures and improvements	-	600,004	-	600,004
Machinery and equipment	-	325,813	-	325,813
Total accumulated depreciation	-	925,817	-	925,817
Total capital assets being depreciated, net	-	641,380	-	641,380
Golf and Banquet Center capital assets, net	\$ -	\$ 641,380	\$ -	\$ 641,380
370 Lakeside Park:				
Capital assets, being depreciated:				
Structures and improvements	\$ -	\$ 8,600,920	\$ -	\$ 8,600,920
Machinery and equipment	-	78,754	-	78,754
Vehicles	-	58,186	-	58,186
Total capital assets being depreciated	-	8,737,860	-	8,737,860
Less: Accumulated depreciation for:				
Structures and improvements	-	2,440,949	-	2,440,949
Machinery and equipment	-	78,754	-	78,754
Vehicles	-	58,186	-	58,186
Total accumulated depreciation	-	2,577,889	-	2,577,889
Total capital assets being depreciated, net	-	6,159,971	-	6,159,971
370 Lakeside Park capital assets, net	\$ -	\$ 6,159,971	\$ -	\$ 6,159,971

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	\$ 267,539
Administration	220,054
Police	968,248
Public works	8,755,852
Engineering	85,676
Maintenance	13,939
Health	176,969
Parks and recreation	1,150,257
Communications	86,073
Community and arts	47,314

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

\$ 11,771,921

Business-Type Activities:

Waterworks/sanitary sewer	\$ 3,061,192
Solid waste	553,499
Central materials processing facilities	254,710
Recreation	1,887,764
Golf and Banquet Center	87,919
370 Lakeside Park	436,556

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

\$ 6,281,640

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>2018 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, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	219
Inactive employees entitled to but not yet receiving benefits	72
Active employees	<u>393</u>
	<u><u>684</u></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 13.0% (General) and 13.0% (Police) of annual covered payroll.

Net Pension (Asset) Liability. The employer's net pension (asset) liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 28, 2018.

Actuarial assumptions. The total pension liability in the February 28, 2018 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 28, 2018 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%	5.16%
Fixed Income	26.00%	2.86%
Real Assets	21.00%	3.23%
Strategic Assets	10.00%	5.59%

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 (Asset)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balances at September 30, 2017	\$ 146,454,998	\$ 142,246,351	\$ 4,208,647
Changes for the year:			
Service cost	3,265,819	-	3,265,819
Interest	10,562,748	-	10,562,748
Difference between expected and actual experience	747,480	-	747,480
Contributions - employer	-	3,471,359	(3,471,359)
Contributions - employee	-	1,072,435	(1,072,435)
Net investment income	-	17,772,781	(17,772,781)
Benefit payments, including refunds	(4,816,800)	(4,816,800)	-
Administrative expense	-	(56,430)	56,430
Other changes	-	308,797	(308,797)
Net changes	9,759,247	17,752,142	(7,992,895)
Balances at September 30, 2018	\$ 156,214,245	\$ 159,998,493	\$ (3,784,248)

Sensitivity of the net pension liability (asset) to changes in the discount rate. The following presents the Net Pension Liability (Asset) of the employer, calculated using the discount rate of 7.25%, as well as

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

what the employer's Net Pension Liability (Asset) 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%
\$ 19,661,783	\$ (3,784,248)	\$ (23,022,090)

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

For the year ended September 30, 2018 the employer recognized government-wide pension expense of \$2,699,190. 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	\$ -	\$ 2,040,415
Differences in assumptions	2,160,729	-
Excess (deficit) investment returns	-	4,397,965
Contributions subsequent to the measurement date*	939,524	-
Total	<u>\$ 3,100,253</u>	<u>\$ 6,438,380</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, 2019.

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 (Inflows) of Resources
2019	\$ 546,189
2020	(765,185)
2021	(2,510,445)
2022	(1,590,116)
2023	40,856
Thereafter	1,050
	<u>\$ (4,277,651)</u>

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Payable to the Pension Plan

At September 30, 2018, the City reported a payable of \$354,730 for the outstanding amount of required contributions to the pension plan for the year ended September 30, 2018.

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
Series 2017	12,000,000	February 2037
Series 2018	4,000,000	February 2038
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
Series 2018	3,000,000	March 2038
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, 2017	Additions	Retirements	Balance - September 30, 2018	Current Portion
Governmental Activities:					
General Obligation Bonds:					
Series 2010A Refunding	\$ 1,295,000	\$ -	\$ 310,000	\$ 985,000	\$ 320,000
Series 2010B Refunding	3,790,000	-	-	3,790,000	-
Series 2012	3,140,000	-	180,000	2,960,000	185,000
Series 2014	8,525,000	-	395,000	8,130,000	405,000
Series 2015 Refunding	6,450,000	-	565,000	5,885,000	575,000
Series 2016	7,725,000	-	315,000	7,410,000	325,000
Series 2016 Refunding	16,000,000	-	165,000	15,835,000	170,000
Series 2017	12,000,000	-	445,000	11,555,000	460,000
Series 2018	-	4,000,000	-	4,000,000	140,000
Certificates of Participation:					
Series 2010A - Refunding portion	80,000	-	60,000	20,000	20,000
Series 2010B - Build America Bonds	6,300,000	-	390,000	5,910,000	405,000
Series 2010C - Refunding portion	1,005,000	-	130,000	875,000	135,000
Series 2013 - Refunding	300,000	-	300,000	-	-
Series 2018	-	3,000,000	-	3,000,000	110,000
Development Notes, Series A	13,305,000	-	-	13,305,000	-
Compensated absences	1,368,514	3,030,672	2,994,875	1,404,311	1,404,311
	81,283,514	10,030,672	6,249,875	85,064,311	\$ 4,654,311
Add: Unamortized premium	1,465,999	103,687	118,138	1,451,548	
Less: Unamortized discount	(103,330)	(20,296)	(10,602)	(113,024)	
Total Governmental Activities	\$ 82,646,183	\$ 10,114,063	\$ 6,357,411	\$ 86,402,835	
Business -Type Activities:					
Water/Sewer Revenue Bonds:					
Capital Appreciation Series 2003	\$ 8,160,000	\$ -	\$ 1,360,000	\$ 6,800,000	\$ 1,360,000
Capital Appreciation Series 2007	18,505,000	-	505,000	18,000,000	505,000
Revenue Bonds Series 2009	4,625,000	-	225,000	4,400,000	275,000
Revenue Bonds Series 2015	7,500,000	-	-	7,500,000	-
Annual Appropriation Bonds:					
Certificates of Participation:					
Series 2013 - Refunding	14,040,000	-	790,000	13,250,000	810,000
Compensated absences	524,887	731,848	739,649	517,086	517,086
	53,354,887	731,848	3,619,649	50,467,086	\$ 3,467,086
Add: Unamortized premium	276,900	-	20,385	256,515	
Less: Unamortized discount	(198,689)	-	(15,409)	(183,280)	
Unaccreted capital appreciation on bonds	(7,414,780)	-	(861,307)	(6,553,473)	
Total Business-Type Activities	\$ 46,018,318	\$ 731,848	\$ 2,763,318	\$ 43,986,848	

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, 2018, assuming the Certificates of Participation lease/purchase agreement is renewed each year, are as follows:

Years Ending September 30,	Governmental Activities				Business-Type Activities				Total Debt Service Requirements	
	General Obligation and Special Assessment		Annual Appropriation		Revenue Bonds		Annual Appropriation		To Maturity	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 2,580,000	\$ 1,718,660	\$ 670,000	\$ 468,730	\$ 2,140,000	\$ 443,870	\$ 810,000	\$ 534,520	\$ 6,200,000	\$ 3,165,780
2020	2,650,000	1,645,700	670,000	441,300	2,165,000	434,250	845,000	502,120	6,330,000	3,023,370
2021	3,055,000	1,567,280	685,000	412,430	2,190,000	423,750	880,000	468,320	6,810,000	2,871,780
2022	3,140,000	1,476,850	715,000	381,210	2,210,000	411,960	905,000	439,720	6,970,000	2,709,740
2023	3,230,000	1,385,570	740,000	347,890	2,240,000	399,030	935,000	408,040	7,145,000	2,540,530
2024-2028	17,610,000	5,507,210	3,410,000	1,208,410	10,850,000	1,742,460	5,210,000	1,487,880	37,080,000	9,945,960
2029-2033	18,645,000	2,866,200	1,980,000	342,660	8,235,000	1,350,350	3,665,000	336,940	32,525,000	4,896,150
2034-2038	9,640,000	471,190	935,000	84,900	4,595,000	879,780	-	-	15,170,000	1,435,870
2039-2040	-	-	-	-	2,075,000	113,460	-	-	2,075,000	113,460
	<u>\$ 60,550,000</u>	<u>\$ 16,638,660</u>	<u>\$ 9,805,000</u>	<u>\$ 3,687,530</u>	<u>\$ 36,700,000</u>	<u>\$ 6,198,910</u>	<u>\$ 13,250,000</u>	<u>\$ 4,177,540</u>	<u>\$ 120,305,000</u>	<u>\$ 30,702,640</u>

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. \$1,850,684 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 0.6% to 4.0% and mature through 2038.

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 8. 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 \$38.8 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 \$42,898,910. Principal and interest paid for the current year and total customer net revenues were \$2,542,879 and \$3,613,883, 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 known as "Build America Bonds" to finance capital expenditures for which it could otherwise issue tax-exempt

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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 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 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 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.

The purpose of the Series 2018 Certificates is to finance various park and recreational facility improvements. The Series 2018 Certificates bear interest at rates ranging from 2.0% to 3.6% and mature March 2038.

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, 2018, 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 \$0 and \$6,194, 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 - 2017 tax year	\$ 1,232,425,383
Debt limit - 10% of assessed valuation	123,242,538
Amount of debt applicable to debt limit:	
Total general obligation bonded debt	60,550,000
Less: Amount available in debt service fund	(1,850,684)
Bond indebtedness applicable to debt limit	<u>58,699,316</u>
Legal debt margin	<u>\$ 64,543,222</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. The defeased bonds were redeemed on March 1, 2018.

8. ENTERPRISE FUNDS DEBT REQUIREMENTS

Cash and cash equivalents and investments restricted at September 30, 2018 are as follows:

Revenue Fund	112,114
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	252,500
Series 2009 Waterworks and Sewage Bond Debt Service Fund	226,732
Series 2015 Waterworks and Sewage Bond Debt Service Fund	<u>132,703</u>
Subtotal restricted for debt service	2,129,049
Series 2015 Waterworks and Sewage Bond Proceeds	<u>2,096,940</u>
Total restricted cash and investments	<u>\$ 4,225,989</u>

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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

Revenue Fund

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

Series 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.

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

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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, 2018, 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, 2018:

	Transfers From	Transfers To	Net Transfers
Major Governmental Funds:			
General	\$ 642,509	\$ 2,667	\$ (639,842)
Local Parks and Stormwater	4,195,866	-	(4,195,866)
Debt Service	-	2,007,866	2,007,866
Capital Projects	-	892,000	892,000
Nonmajor Governmental Funds:			
Special Allocation - Lakeside Redevelopment	2,667	-	(2,667)
Major Enterprise Funds:			
Recreation	6,800,032	1,728,509	(5,071,523)
Golf and Banquet Center	-	548,108	548,108
370 Lakeside Park	-	6,461,924	6,461,924
	<u>\$ 11,641,074</u>	<u>\$ 11,641,074</u>	<u>\$ -</u>

Interfund transfers of \$410,000 from the General Fund and \$1,597,866 from the Local Parks and Stormwater Fund were made to the Debt Service Fund for debt payments.

An interfund transfer of \$50,000 was made from the General Fund to the Capital Projects Fund for capital projects.

An interfund transfer of \$210,000 was made from the Local Parks and Stormwater Fund to the Golf and Banquet Center Fund for operating support.

An interfund transfer of \$842,000 was made from the Local Parks and Stormwater Fund to the Capital Projects Fund for capital projects.

An interfund transfer of \$182,509 was made from the General Fund to the Recreation Fund for tourism activities.

An interfund transfer of \$1,546,000 was made from the Local Parks and Stormwater Fund to the Recreation Fund for operating support.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

An interfund transfer of \$338,108 was made from the Recreation Fund to the Golf and Banquet Center Fund to transfer capital assets.

An interfund transfer of \$6,461,924 was made from the Recreation Fund to the 370 Lakeside Park Fund to transfer capital assets.

An interfund transfer of \$2,667 was made from the Special Allocation - Lakeside Fund to the General Fund to close out the Special Allocation - Lakeside Fund.

Individual fund interfund receivable and payable balances as of September 30, 2018 are as follows:

	Interfund Receivable	Interfund Payable
Major Governmental Funds:		
General	\$ 267,593	\$ -
Transportation Trust	-	3,996
Local Parks and Stormwater	-	2,214
Nonmajor Governmental Funds:		
Sewer Lateral Repair Program	-	66
Water Service Line Repair Program	-	44
Special Allocation Fund - Lakeside Redevelopment	-	-
Community Development Block Grant	-	-
Community Development Block Grant - Subrecipient	-	36,968
Major Enterprise Funds:		
Waterworks/Sanitary Sewer	-	162,612
Solid Waste	-	36,586
Central Materials Processing Facility	-	4,284
Recreation	-	10,066
Golf and Banquet Center	-	10,480
370 Lakeside Park	-	277
	\$ 267,593	\$ 267,593

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, 2018 include \$10,066 in the Recreation Fund, \$3,996 in the Transportation Trust Fund, \$2,214 in the Local Parks and Stormwater Fund, \$66 in the Sewer Lateral Repair Program Fund, \$44 in the Water Service Line Repair Program Fund, \$36,586 in the Solid Waste Fund, \$162,612 in the Waterworks/Sanitary Sewer Fund, \$4,284 in the Central Materials Processing Facility Fund, \$10,480 in the Golf and Banquet Center Fund and \$277 in the 370 Lakeside Park Fund are for reimbursement to the General Fund for insurance expense.

Interfund payables of \$36,968 in the CDBG - Subrecipient Fund is due to eliminate the negative cash balance.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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, 2018 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 2018, the City of St. Peters, Missouri purchased water from the Joint Venture and paid related pumping charges totaling \$942,977. 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, 2018 is as follows:

Assets	\$ 4,845,474
Liabilities	\$ 516,787
Partnership capital:	
St. Peters	2,903,699
St. Charles	6,227,431
Accumulated deficit:	
St. Peters	(1,527,179)
St. Charles	(3,275,264)
	<u>\$ 4,845,474</u>
Operating revenue	\$ 2,032,637
Operating expenses	(2,575,497)
Nonoperating revenue	2,397
Net Loss	<u>\$ (540,463)</u>

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

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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, 2018, 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 \$1,288,426.

Changes in the self-insured claims liabilities at September 30, 2018 and 2017 were as follows:

	Workers'		
	Compensation/		
	General	Medical	Total
Balance - September 30, 2016	\$ 501,248	\$ 600,000	\$ 1,101,248
Add: Current Year Claims And Changes in Estimate	677,432	5,387,454	6,064,886
Less: Claim Payments	559,735	5,386,589	5,946,324
Balance - September 30, 2017	618,945	600,865	1,219,810
Add: Current Year Claims And Changes in Estimate	234,509	5,561,979	5,796,488
Less: Claim Payments	365,028	5,362,844	5,727,872
Balance - September 30, 2018	\$ 488,426	\$ 800,000	\$ 1,288,426

12. POSTEMPLOYMENT HEALTH CARE PLAN

Plan Description

Plan administration. The City administers the City of St. Peters Health Plan (Plan)- a single-employer defined benefit healthcare plan that is used to provide postemployment benefits other than pensions (OPEB) for all eligible retirees of the City and their spouses. The Plan is accounted for as a trust fund since an irrevocable trust has been established. A stand-alone financial report is not available for the Plan.

Management of the Plan is vested with the City's Board of Aldermen as described in Note 1.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Plan membership. Membership consisted of the following at September 20, 2017, the date of the latest actuarial valuation:

Inactive plan members currently receiving benefits	129
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	405
Total	<u>534</u>

Benefits provided. The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefits are provided through a third-party insurer. 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) with at least 5 years of 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. Chapter 125 of the City Code grants the authority to establish and amend the benefit terms to the City's Board of Aldermen and the City Administrator.

Benefits are provided in the form of an implicit rate subsidy where retirees pay combined active/retiree rates for medical and prescription coverage. In addition, the City contributes an explicit subsidy towards the retiree health premiums for life based on the years of service accrued. In addition, eligible retirees receive a dental insurance benefit.

Contributions. Chapter 125 of the City Code provides that the amount and level of funding for the trust, if any, will be determined by the City Board of Aldermen in its judgment and discretion pursuant to the City budgetary process. The City has no obligation to make any specific amount of contributions or payments to the trust or to make contributions sufficient to fund benefits or coverage under the plan. Money held in the trust is restricted for the provision of those benefits. If the assets held by the trust are exhausted, benefits will no longer be provided under the plan for retired employees and their spouses.

As a condition to obtaining post-retirement medical coverage under the Plan, all retired employees shall make such premium payments and shall pay such contributions as may be established from time to time by the City in accordance with Chapter 125 of the City Code.

For the fiscal year 2018, the City contributed \$1,245,400 to the Plan. Plan members receiving benefits contributed approximately \$191,182 through required contributions based on their years of service.

Investments

Investment policy. The Plan's policy in regard to the allocation of invested assets is established and may be amended by the City Administrator. The Plan's policies pertaining to asset allocation is described in Note 2.

Concentrations. The Plan does not have investments (other than those issued or explicitly guaranteed by the U.S. government and mutual funds) in any one organization that represents 5 percent or more of the OPEB plan's fiduciary net position.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Rate of return. For the year ended September 30, 2018, the annual money-weighted rate of return on investments, net of investment expense, was 7.1 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability

The City's net OPEB liability was measured as of September 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by a simplified actuarial valuation as of that date.

The components of the net OPEB liability of the City at September 30, 2018, were as follows:

Total OPEB liability	\$ 54,169,682
Plan fiduciary net position	15,222,243
City's net OPEB liability	<u>\$ 38,947,439</u>
Plan fiduciary net positions as a percentage of the total OPEB liability	28.10%

Actuarial assumptions. The total OPEB liability was determined by a simplified actuarial valuation as of September 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.50%
Discount rate	4.63% (formerly 3.76%)
Healthcare cost trend rates:	
Pre-medicare medical and Rx benefits	6.5% (originally 7.0%) select trend, decreasing 0.5% each year to an ultimate trend rate of 4.5%
Medicare benefits	5.5% (originally 6.0%) select trend, decreasing 0.5% each year to an ultimate trend rate of 4.5%
Stop loss fees	7.0% (original) select trend, decreasing 0.5% each year to an ultimate trend rate of 4.5%
Administrative fees	4.5% (original) select trend, 4.5% ultimate trend
Medicare eligibility	All current and future retirees are assumed to be eligible for Medicare at age 65
Actuarial cost method	Entry age normal based on level percentage of projected salary
Amortization method	<i>Experience</i> gains and losses are amortized over a closed period of 6.7 years starting on October 1, 2016, equal to the average remaining service of active and inactive plan members (who have no future service) <i>Investment</i> gains and losses are amortized over a closed period of five years starting on October 1, 2016

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

The discount rate was based the index rate for 20-year tax-exempt general obligation bonds with an average rating of AA/Aa or higher (Bond Buyer 20-Bond GO Index) as of September 30, 2018 (4.24 percent) and the estimated long-term rate of return for the City's OPEB trust (7.06 percent).

Mortality rates were based on the RP-2014 Generational Table using Scale MP-16, applied on a gender-specific basis.

The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 100% of all employees and their dependents who are eligible for early retirement benefits will participate in the retiree medical plan. This assumes that a one-time irrevocable election to participate is made at retirement.

The long-term target allocation and allowable ranges of asset classes is as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Allowable ranges for asset classes</u>
Equity	50.0%	40.0% to 60.0%
Fixed income	35.0	10.0 to 40.0
Money Markets	5.0	1.0 up to 40.0
Alternative Investments	10.0	Up to 10.0

Changes in the Net OPEB Liability

	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a)-(b)</u>
Balances at September 30, 2017	\$ 58,468,271	\$ 14,331,228	\$ 44,137,043
Change for the year:			
Service cost	2,081,645	-	2,081,645
Interest cost	2,244,209	-	2,244,209
Differences between expected and actual experience	-	-	-
Changes in assumptions or other inputs	(7,563,872)	-	(7,563,872)
Contributions-employer	-	1,436,582	(1,436,582)
Net investment income	-	1,022,973	(1,022,973)
Benefit payments	(1,060,571)	(1,060,571)	-
Administrative expense	-	(507,969)	507,969
Net changes	(4,298,589)	891,015	(5,189,604)
Balances at September 30, 2018	\$ 54,169,682	\$ 15,222,243	\$ 38,947,439

Impact of Changes of Benefit Terms. There were no changes of benefit terms that impacted the valuation.

Impact of Changes of Assumptions. The only change of assumptions was from the difference of the beginning and ending fiscal period interest rates.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.63 percent) or 1-percentage point higher (5.63 percent) than the current discount rate:

	1% Decrease (3.63%)	Current Discount Rate (4.63%)	1% Increase (5.63%)
Net OPEB liability	\$ 46,860,000	\$ 38,947,439	\$ 28,810,000

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Current Trend	1% Increase
Net OPEB liability	\$ 29,007,000	\$ 38,947,439	\$ 46,367,000

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

For the year ended September 30, 2018, the City recognized OPEB expense of \$7,100,576. At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,122,905	\$ -
Changes of assumptions/inputs	12,451,465	-
Net difference between projected and actual investments	-	273,455
Total	<u>\$ 14,574,370</u>	<u>\$ 273,455</u>

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

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

Year Ending September 30,	Net Deferred Outflows and Inflows of Resources
2019	\$ 3,265,361
2020	3,265,361
2021	3,265,361
2022	3,350,015
2023	1,926,466
Thereafter	(771,649)

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.

Construction Commitments

During the year ended September 30, 2017, the City entered into an intergovernmental cooperation and development agreement. In accordance with the agreement, the City paid \$250,000 for approximately 66 acres of land with an appraised value of \$2,940,000. The City is obligated to complete certain road work and utility work which constitutes additional consideration for the sale of the land. The value of the road work and utility work has not yet been determined and therefore, is not accrued in the accompanying financial statements. The contributed capital is recorded as a deferred inflow of resource on the government-wide financial statements until the obligation has been met.

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

14. CONDUIT DEBT

During the year ended September 30, 2013, the City authorized the issuance of \$26,500,000, Series 2012 Taxable Industrial Development Revenue Bonds for a company within the City 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 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, 2018, \$38,105,237 of these Taxable Industrial Revenue Bonds have been issued and remain outstanding. The City has no obligation for repayment of this debt.

The City authorized the issuance of \$31,500,000 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, 2018, the aggregate outstanding amount is \$31.5 million. The City has no obligation for repayment of this debt.

During the year ended September 30, 2017, the City authorized the issuance of Taxable Industrial Revenue Bonds (2000 Premier Parkway Project-Best Buy), 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. At September 30, 2018, the aggregate outstanding amount is \$15,139,165. The City has no obligation for repayment of this debt.

During the year ended September 30, 2018, the City authorized the issuance of Taxable Industrial Revenue Bonds for the Patmos Associates, L.L.C./Seyer Industries, Inc. Project. The Real Property Bonds \$6,500,000 (to be purchased by Patmos Associates) and the Personal Property Bonds \$20,000,000 (to be purchased by Seyer) under the Act for the purpose of paying a portion of the Project Costs. In connection with the issuance of the Bonds, the City will acquire title to the Project Improvements from Patmos Associates and title to the Project Equipment from Seyer. The Real Property Bonds will be used for the purpose of constructing an expansion on an approximately 48,000 square foot site to the existing manufacturing facilities located at 55 and 66 Patmos Court, and the Personal Property Bonds will be used for the purpose of acquiring and installing certain equipment and other personal property to be used in the manufacturing facilities located at 55 and 66 Patmos Court. At September 30, 2018, the aggregate outstanding amount is \$97,467. The City has no obligation for repayment of this debt.

During the year ended September 30, 2018, the City authorized the issuance of Taxable Industrial Revenue Bonds for the Scannell Properties/FedEx Ground Project in the maximum principal amount of \$50,000,000 for the purpose of acquiring certain real property located in the Premier 370 Business Park, and constructing an approximately 496,209 square foot facility thereon (the "Project Improvements" and, together with the Project Site, the "Project") to be used for package distribution

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

and storage purposes. At September 30, 2018, the aggregate outstanding amount is \$6,553,195. The City has no obligation for repayment of this debt.

During the year ended September 30, 2018, the City authorized the issuance of Taxable Industrial Revenue Bonds for the Grove Collaborative, Inc. Project in the maximum principal amount of \$13,500,000 (the "Real Property Bonds"), for the purpose of acquiring certain real property and an existing building located thereon (the "Project Improvements") known and numbered as 1000 Premier Parkway in the City (the "Project Site,") and constructing certain improvements to a portion of the Project Improvements which will be occupied by Grove (the "Tenant Improvements"), and (b) issue its Taxable Industrial Revenue Bonds (Grove Collaborative, Inc. Personal Property Project), Series 2018, in the maximum principal amount of \$1,000,000 (the "Personal Property Bonds" for the purpose of acquiring and installing certain personal property (the "Project Equipment" for direct-to-consumer seller of household and personal care goods, focusing on selling safe, sustainable, natural products . At September 30, 2018, the aggregate outstanding amount of the Real Property Bonds is \$12,038,466 and the aggregate outstanding amount of the Personal Property Bonds is \$77,376. The City has no obligation for repayment of this debt.

15. ENCUMBRANCES

The following encumbrances were outstanding as of September 30, 2018:

Fund	Amount
Major Governmental Funds:	
General	\$ 198,158
Transportation Trust	10,142,043
Local Parks and Stormwater	1,133,497
Capital Projects	7,999,745
	<u>19,473,443</u>
Nonmajor Governmental Funds	<u>1,263,325</u>
Major Enterprise Funds:	
Waterworks/Sanitary Sewer	434,884
Solid Waste	857,347
Central Materials Processing Facility	15,955
Recreation	153,658
370 Lakeside Park	2,934
	<u>1,464,778</u>
Total	<u><u>\$ 22,201,546</u></u>

16. TAX ABATEMENTS

Chapter 100

The City is authorized and empowered pursuant to the provisions of Article VI, Section 27(b) of the Missouri Constitution, and Sections 100.010 through 100.200, inclusive, of the Revised Statutes of Missouri, as amended (collectively, the "Act"), to purchase, construct, extend and improve certain projects (as defined in the Act) and to issue industrial development revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

private persons or corporations for manufacturing, commercial, warehousing, office industry and industrial development purposes upon such terms and conditions as the City shall deem advisable.

The City issues the Bonds (to be purchased by the Company) under the Act for the purpose of paying a portion of the Project Costs. In connection with the issuance of the Bonds, the City will acquire fee simple title to the Project from the Company.

So long as the City owns title to the Project, the City expects that the Project will be exempt from ad valorem taxes on real property. The Companies covenant and agree that, during each year the Project is exempt from ad valorem real property taxes by reason of the City's ownership thereof, the Companies will make Payments in Lieu of Taxes (PILOT) Payments in such amounts and at such times set forth in each agreement.

During the year ended September 30, 2018 the City had two Chapter 100 issues with abated property taxes totaling \$1,236,726.

1. A 47% property tax abatement to a company whose principal business is the manufacturing and sale of polyethylene bottles and caps for such products as beverage containers, home care products, beauty care products, and oils and other lubricants. The projects assisted in expanding their operations including real and personal property. The abatement amounted to \$242,554.
2. A 75% property tax abatement to a company whose principal business is the manufacture of home, hygiene and health products. The projects assisted in expanding their operations including real property. The abatement amounted to \$994,171.

Chapter 353

The City is authorized and empowered pursuant to the provisions of Chapter 353 of the Revised Statutes of Missouri ("Chapter 353") which authorizes the City to approve development plans that allow for the redevelopment of blighted areas within the City and grant real property tax abatement to encourage such redevelopment. During the year ended September 30, 2018 the City had one active Chapter 353 project which had provided for the demolition of all of the structures within the Redevelopment Area and the constructed a hotel. The total abatement for this project was \$184,576.

The City has made no other commitments, other than to abate taxes, as part of these tax abatement agreements.

17. SUBSEQUENT EVENTS

Subsequent to September 30, 2018, the City authorized the issuance of Taxable Industrial Revenue Bonds for the Amazon.com Services, Inc., and Duke Realty Limited Partnership Project. The Real Property Bonds \$100,000,000 (to be purchased by Duke Realty Limited Partnership) and the Personal Property Bonds \$140,000,000 (to be purchased by Amazon.com Services, Inc) under the Act for the purpose of paying a portion of the Project Costs. In connection with the issuance of the Bonds, the City will acquire title to the Project Improvements from Duke Realty Limited Partnership and title to the Project Equipment from Amazon.com Services, Inc. The Real Property Bonds will be used for the

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

purpose of acquiring certain real property known and numbered as 4000 Premier Parkway in the City and constructing an approximately 855,000 square foot facility thereon, and the Personal Property Bonds will be used for the purpose of acquiring and installing certain equipment and other personal property to be used at the project site.

18. RECENT ACCOUNTING PRONOUNCEMENTS

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

In November 2016, the GASB approved Statement No. 83 "Certain Asset Retirement Obligations." This Statement addresses the 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.

In June 2017, the GASB approved Statement No. 87, "Leases." The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

In March 2018, the GASB approved Statement No. 88, "Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements." The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of

CITY OF ST. PETERS, MISSOURI

Notes to Basic Financial Statements (continued)

credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

In August 2018, the GASB approved Statement No. 90, "Majority Equity Interest an amendment of GASB Statements No. 14 and No. 61." The objective of this Statement is to improve consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. 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, 2018**

	Budgeted Amounts			Variance with Final Budget Positive Negative
	Original	Revised	Actual	
	Budget	Final Budget		
Revenues:				
Sales tax	\$ 14,978,900	\$ 14,978,900	\$ 14,901,179	\$ (77,721)
Property tax	7,692,000	7,692,000	7,797,006	105,006
Utility franchise tax	4,534,900	4,642,000	4,686,245	44,245
Cigarette tax	190,000	190,000	162,900	(27,100)
Licenses and permits	1,100,000	1,940,000	3,200,304	1,260,304
Interest	5,000	5,000	43,172	38,172
Intergovernmental	3,210,000	3,375,000	3,758,829	383,829
Fines and forfeitures	1,184,000	1,038,000	1,020,638	(17,362)
Charges for services	969,100	952,900	905,734	(47,166)
Miscellaneous	594,400	474,400	930,716	456,316
Total Revenues	34,458,300	35,288,200	37,406,723	2,118,523
Expenditures:				
General government	1,858,850	2,358,850	2,014,494	344,356
Administration	4,995,655	5,018,155	4,366,440	651,715
Police	13,748,055	13,758,055	12,876,112	881,943
Municipal court	560,020	560,020	507,552	52,468
Public works	2,120,300	2,120,300	2,084,456	35,844
Engineering	2,140,815	2,140,815	1,855,521	285,294
Maintenance	571,265	571,265	422,258	149,007
Health	1,715,005	1,725,005	1,545,373	179,632
Parks and recreation	4,454,900	4,454,900	4,356,110	98,790
Communications	1,231,810	1,231,810	1,057,738	174,072
Community and arts	223,850	223,850	208,150	15,700
Capital outlay	1,062,685	1,319,685	722,888	596,797
Debt service:				
Principal	360,000	360,000	360,000	-
Interest and fiscal charges	22,500	22,500	21,983	517
Total Expenditures	35,065,710	35,865,210	32,399,075	3,466,135
Revenues (Under) Over Expenditures	(607,410)	(577,010)	5,007,648	5,584,658
Other Financing Uses:				
Transfers in	-	-	2,667	2,667
Transfers out	(556,700)	(606,700)	(642,509)	(35,809)
Total Other Financing Sources (Uses)	(556,700)	(606,700)	(639,842)	(33,142)
Net Changes in Fund Balance	(1,164,110)	(1,183,710)	4,367,806	5,551,516
Fund Balances:				
Budget basis:				
Unreserved:				
Beginning of year	8,404,262	8,404,262	8,404,262	-
Transfer from (to) reserved	(250,000)	(850,000)	(1,125,664)	(275,664)
End of year	6,990,152	6,370,552	11,646,404	5,275,852
Reserved:				
Beginning of year	6,879,564	6,879,564	6,879,564	-
Transfer from (to) unreserved	250,000	850,000	1,125,664	275,664
End of Year	7,129,564	7,729,564	8,005,228	275,664
Budget basis, end of year	\$ 14,119,716	\$ 14,100,116	19,651,632	\$ 5,551,516
Budget basis receivable			-	
Budget basis prepaid item			(47)	
Encumbrances, end of year			198,158	
Property tax - deferred revenue, end of year			(91,973)	
GAAP basis, end of year			\$ 19,757,770	

See accompanying independent auditors' report and notes to budgetary comparison information

CITY OF ST. PETERS, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON INFORMATION -
BUDGET BASIS - TRANSPORTATION TRUST FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	Original Budget	Revised Final Budget	Actual	
Revenues:				
Sales tax	\$ 7,489,450	\$ 7,489,450	\$ 7,450,675	\$ (38,775)
Interest	1,000	1,000	21,840	20,840
Intergovernmental	3,616,775	7,411,705	7,029,761	(381,944)
Miscellaneous	60,000	1,794,595	1,324,297	(470,298)
Total Revenues	11,167,225	16,696,750	15,826,573	(870,177)
Expenditures:				
Public works	5,657,145	5,657,145	5,034,680	622,465
Capital outlay	6,235,600	13,035,140	11,619,329	1,415,811
Debt service	754,500	754,500	753,540	960
Total Expenditures	12,647,245	19,446,785	17,407,549	2,039,236
Revenues (Under) Over Expenditures	(1,480,020)	(2,750,035)	(1,580,976)	1,169,059
Other Financing Sources:				
Transfers in	216,570	57,110	-	(57,110)
Total Other Financing Sources (Uses):	216,570	57,110	-	(57,110)
Net Changes In Fund Balance	(1,263,450)	(2,692,925)	(1,580,976)	1,111,949
Fund Balances:				
Budget basis:				
Unreserved:				
Beginning of year	4,093,072	4,093,072	4,093,072	-
Transfer from (to) reserved	-	-	-	-
End of year	<u>2,829,622</u>	<u>1,400,147</u>	<u>2,512,096</u>	<u>1,111,949</u>
Reserved:				
Beginning of year	628,616	628,616	628,616	-
Transfer from (to) reserved	-	-	-	-
End of year	<u>628,616</u>	<u>628,616</u>	<u>628,616</u>	<u>-</u>
Budget basis, end of year	<u>\$ 3,458,238</u>	<u>\$ 2,028,763</u>	3,140,712	<u>\$ 1,111,949</u>
Budget basis receivable			(6,748,388)	
Budget basis prepaid item			-	
Encumbrances, end of year			<u>10,142,043</u>	
GAAP basis, end of year			<u>\$ 6,534,367</u>	

See accompanying independent auditors' report and notes to budgetary comparison information

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, 2018**

	Budgeted Amounts		Actual	Variance With Final Budget - Positive (Negative)
	Original Budget	Revised Final Budget		
Revenues:				
Sales tax	\$ 7,489,450	\$ 7,489,450	\$ 7,390,345	\$ (99,105)
Interest	5,000	5,000	11,942	6,942
Intergovernmental	-	-	16,783	16,783
Charges for services	11,000	11,000	15,077	4,077
Miscellaneous	175,000	553,303	437,478	(115,825)
Total Revenues	7,680,450	8,058,753	7,871,625	(187,128)
Expenditures:				
Police	635,900	635,900	538,928	96,972
Public works	2,216,020	2,403,020	2,097,966	305,054
Parks and recreation	36,750	46,400	55,087	(8,687)
Capital outlay	1,447,150	1,836,650	1,559,758	276,892
Debt service	166,500	291,500	207,928	83,572
Total Expenditures	4,502,320	5,213,470	4,459,667	753,803
Revenues Over Expenditures	3,178,130	2,845,283	3,411,958	566,675
Other Financing Uses:				
Transfers out	(4,188,750)	(4,816,790)	(4,195,866)	620,924
Total Other Financing Uses	(4,188,750)	(4,816,790)	(4,195,866)	620,924
Net Changes in Fund Balance	(1,010,620)	(1,971,507)	(783,908)	1,187,599
Fund Balances:				
Budget basis:				
Unreserved:				
Beginning of year	1,988,295	1,988,295	1,988,295	-
Transfers from (to) reserved	(100,000)	592,482	592,482	-
End of year	877,675	609,270	1,796,869	1,187,599
Reserved:				
Beginning of year	759,544	759,544	759,544	-
Transfers from (to) reserved	100,000	(592,482)	(592,482)	-
End of year	859,544	167,062	167,062	-
Budget basis, end of year	\$ 1,737,219	\$ 776,332	1,963,931	\$ 1,187,599
GAAP basis receivable				-
Encumbrances, end of year			1,133,497	
GAAP basis, end of year			\$ 3,097,428	

See accompanying independent auditors' report and notes to budgetary comparison information

CITY OF ST. PETERS, MISSOURI

**NOTES TO BUDGETARY COMPARISON INFORMATION
SEPTEMBER 30, 2018**

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, 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.
- 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 (ASSET) LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2018**

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 (Asset) Liability and Related Ratios
Last 10 Fiscal Years**

Fiscal year ending September 30,

	2018	2017	2016	2015
Total Pension Liability				
Service cost	\$ 3,265,819	\$ 3,239,576	\$ 3,228,465	\$ 3,138,201
Interest on the total pension liability	10,562,748	10,075,523	9,329,666	8,844,697
Benefit changes	-	-	-	-
Difference between expected and actual experience	747,480	(1,622,173)	(2,000,550)	(1,517,411)
Assumption changes	-	-	4,255,947	-
Benefit payments, including refunds	(4,816,800)	(5,148,349)	(3,935,468)	(3,709,697)
Net Change in Total Pension Liability	9,759,247	6,544,577	10,878,060	6,755,790
Total Pension Liability Beginning	146,454,998	139,910,421	129,032,361	122,276,571
Total Pension Liability Ending	\$ 156,214,245	\$ 146,454,998	\$ 139,910,421	\$ 129,032,361
Plan Fiduciary Net Position				
Contributions-employer	\$ 3,471,359	\$ 3,400,417	\$ 3,694,805	\$ 3,962,002
Contributions-employee	1,072,435	1,036,029	1,030,281	1,023,984
Pension plan net investment income	17,772,781	15,276,136	(348,467)	2,516,940
Benefit payments, including refunds	(4,816,800)	(5,148,349)	(3,935,468)	(3,709,697)
Pension plan administrative expense	(56,430)	(54,198)	(53,004)	(57,042)
Other	308,797	(593,195)	(772,351)	825,771
Net Change in Plan Fiduciary Net Position	17,752,142	13,916,840	(384,204)	4,561,958
Plan Fiduciary Net Position beginning	142,246,351	128,329,511	128,713,715	124,151,757
Plan Fiduciary Net Position ending	\$ 159,998,493	\$ 142,246,351	\$ 128,329,511	\$ 128,713,715
Employer Net Pension (Asset) Liability	\$ (3,784,248)	\$ 4,208,647	\$ 11,580,910	\$ 318,646
Plan Fiduciary Net Position as a percentage of the Total Pension (Asset) Liability	102.42%	97.13%	91.72%	99.75%
Covered Payroll	\$ 26,286,762	\$ 25,682,355	\$ 25,802,519	\$ 25,343,479
Employer's Net Pension (Asset) Liability as a percentage of covered payroll	-14.40%	16.39%	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, 2018**

SCHEDULE OF CONTRIBUTIONS

Last 10 Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	\$ 3,509,846	\$ 3,341,341	\$ 3,758,208	\$ 3,931,857	\$ 4,012,044	\$ 4,093,859	\$ 3,772,678	\$ 3,696,433	\$ 2,764,227	\$ 2,645,769
Contributions in relation to the actuarially determined contribution	3,509,845	3,341,341	3,758,208	3,931,858	3,957,591	3,629,022	3,277,500	2,996,125	2,764,226	2,645,769
Contribution deficiency (excess)	\$ 1	\$ -	\$ -	\$ (1)	\$ 54,453	\$ 464,837	\$ 495,178	\$ 700,308	\$ 1	\$ -
Covered payroll	\$26,998,812	\$26,104,225	\$26,757,662	\$25,580,737	\$24,990,193	\$24,230,840	\$23,449,756	\$23,075,203	\$23,072,006	\$22,304,334
Contributions as a percentage of covered payroll	13.00%	12.80%	14.05%	15.37%	15.84%	14.98%	13.98%	12.98%	11.98%	11.86%

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 28, 2018 to June 30, 2018 (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 11 to 15 years for General; 13 to 15 years for Police
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:

None

See accompanying independent auditors' report

CITY OF ST. PETERS, MISSOURI

**OTHER POST-EMPLOYMENT BENEFIT PLAN
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2018**

<i>Fiscal year ending September 30,</i>	2018	2017
Total OPEB Liability		
Service cost	\$ 2,081,645	\$ 2,006,211
Interest cost	2,244,209	1,037,807
Differences between expected and actual experience	-	3,029,810
Changes in assumptions or other inputs	(7,563,872)	26,950,245
Benefit payments	(1,060,571)	(896,467)
Net change in total OPEB liability	(4,298,589)	32,127,606
Total OPEB Liability Beginning	58,468,271	26,340,665
Total OPEB Liability Ending	\$ 54,169,682	\$ 58,468,271
 Plan Fiduciary Net Position		
Contributions-employer	\$ 1,245,400	\$ 1,209,600
Contributions-employee	191,182	162,639
Net investment income	1,022,973	1,313,337
Benefit payments	(1,060,571)	(896,467)
Administrative expense	(507,969)	(376,107)
Net Change in Plan Fiduciary Net Position	891,015	1,413,002
Plan Fiduciary Net Position beginning	14,331,228	12,918,226
Plan Fiduciary Net Position ending	\$ 15,222,243	\$ 14,331,228
 Net OPEB Liability	 \$ 38,947,439	 \$ 44,137,043
 Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	 28.10%	 24.51%
 Covered Payroll	 \$ 26,671,000	 \$ 25,768,856
 Employer's Net OPEB Liability as a percentage of covered payroll	 146.03%	 171.28%

Notes to schedule:

Assumption changes - See Note 12.

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

CITY OF ST. PETERS, MISSOURI

**OTHER POST-EMPLOYMENT BENEFIT PLAN
SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2018**

	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 2,874,387	\$ 2,874,387
Contributions in relation to the actuarially determined contribution	2,497,153	2,268,706
Contribution deficiency (excess)	<u>\$ 377,234</u>	<u>\$ 605,681</u>
Covered payroll	\$ 26,671,000	\$ 25,768,856
Contributions as a percentage of covered payroll	9.36%	8.80%

Notes to Schedule:

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

Valuation date	September 30 of each year
Actuarial cost method	Entry age normal based on level percentage of projected salary
Amortization method and period	<i>Experience</i> gains and losses are amortized over a closed period of 6.7 years starting on October 1, 2016, equal to the average remaining service of active and inactive plan member (who have no future service). <i>Investment</i> gains and losses are amortized over a closed period of 5 years starting on October 1, 2016.
Inflation	2.50%
Healthcare cost trend rates	
Pre-medicare medical and Rx benefits	6.5% (originally 7.0%) select trend, decreasing 0.5% each year to an ultimate trend rate of 4.5%
Medicare benefits	5.5% (originally 6.0%) select trend, decreasing 0.5% each year to an ultimate trend rate of 4.5%
Stop loss fees	7.0% (original) select trend, decreasing 0.5% each year to an ultimate trend rate of 4.5%
Administration fees	4.5% (original) select trend, 4.5% ultimate trend rate
Salary increases	3.50%
Investment rate of return	7.06% (formerly 6.89%)
Retirement age	Annual retirement probabilities were developed from the Missouri Local Government Employees Retirement System ("LAGERS") Actuarial Valuation as of July 1, 2015.
Mortality	RP-2014 Generational Table using Scale MP-16, applied on a gender-specific basis

Other information:

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

The City's contribution in relation to the actuarially determined contribution is comprised of payments made to the trust and retiree claim payments.

See accompanying independent auditors' report

CITY OF ST. PETERS, MISSOURI

**OTHER POST-EMPLOYMENT BENEFIT PLAN
SCHEDULE OF INVESTMENT RETURNS
SEPTEMBER 30, 2018**

	2018	2017
Annual money-weighted rate of return, net of investment expense	7.10%	7.30%

Notes to schedule:

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

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.

County Sewer Lateral Repair Program Fund - Used to account for revenues received from a voter approved special property assessment used to assist in the repair of sewer lateral lines for unincorporated St. Charles County residents with sanitary sewer service provided by the City.

CITY OF ST. PETERS, MISSOURI

**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2018**

	Sewer Lateral Repair Program Fund	Water Service Line Repair Program Fund	Special Allocation Funds		Community Development Block Grant Sub- recipient Fund	County Sewer Lateral Repair Program Fund	Total
			Old Town	Lakeside Redevelopment			
Assets:							
Cash and cash investments:							
Unrestricted	\$ 1,111,769	\$ 201,763	\$ 3,438,141	\$ -	\$ -	\$ 110,104	\$ 4,861,777
Held by trustees	-	-	-	-	-	-	-
Receivables, net of allowances where applicable:							
Taxes	-	-	3,610	-	-	-	3,610
Intergovernmental	-	-	-	-	37,668	-	37,668
Other	2,515	1,187	12,280	-	149,665	-	165,647
Long-term receivables	-	-	-	-	545,733	-	545,733
Inventory and prepaid items	-	-	-	-	-	-	-
Total Assets	\$ 1,114,284	\$ 202,950	\$ 3,454,031	\$ -	\$ 733,066	\$ 110,104	\$ 5,614,435
Liabilities and Fund Balances:							
Liabilities:							
Accounts payable	\$ 12,660	\$ 58,256	\$ 88,992	\$ -	\$ 700	\$ -	\$ 160,608
Accrued liabilities	732	470	-	-	-	-	1,202
Deposits/guarantee bonds	2,700	-	-	-	-	300	3,000
Due to other funds	66	44	-	-	36,968	-	37,078
Total Liabilities	16,158	58,770	88,992	-	37,668	300	201,888
Fund Balances:							
Nonspendable	-	-	-	-	-	-	-
Restricted for:							
Sewer lateral projects	1,098,126	-	-	-	-	109,804	1,207,930
Special allocation projects	-	-	3,365,039	-	-	-	3,365,039
Grants	-	-	-	-	695,398	-	695,398
Debt service	-	-	-	-	-	-	-
Water line repair projects	-	144,180	-	-	-	-	144,180
Total Fund Balances	1,098,126	144,180	3,365,039	-	695,398	109,804	5,412,547
Total Liabilities and Fund Balances	\$ 1,114,284	\$ 202,950	\$ 3,454,031	\$ -	\$ 733,066	\$ 110,104	\$ 5,614,435

See accompanying independent auditors' report

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, 2018**

	Sewer Lateral Repair Program Fund	Water Service Line Repair Program Fund	Special Allocation Funds		Community Development Block Grant Sub- recipient Fund	County Sewer Lateral Repair Program Fund	Total
			Old Town	Lakeside Redevelop- ment			
Revenues:							
Sales tax	\$ -	\$ -	\$ 1,366,684	\$ 2,459	\$ -	\$ -	\$ 1,369,143
Property tax	-	-	1,020,132	541,820	-	-	1,561,952
Interest	2,787	599	12,325	1,860	-	219	17,790
Intergovernmental	-	-	-	-	258,474	-	258,474
Charges for services	537,082	219,492	-	-	-	59,866	816,440
Miscellaneous	56	24	-	-	-	-	80
Total Revenues	539,925	220,115	2,399,141	546,139	258,474	60,085	4,023,879
Expenditures:							
General government	-	-	327,420	375,511	319,234	-	1,022,165
Public works	358,084	261,021	96,537	-	-	4,230	719,872
Capital outlay	-	-	4,206,158	830,055	-	-	5,036,213
Debt service:							
Interest	-	-	-	6,194	-	-	6,194
Total Expenditures	358,084	261,021	4,630,115	1,211,760	319,234	4,230	6,784,444
Revenues (Under) Over Expenditures	181,841	(40,906)	(2,230,974)	(665,621)	(60,760)	55,855	(2,760,565)
Other Financing Uses:							
Transfers out	-	-	-	(2,667)	-	-	(2,667)
Total Other Financing Sources (Uses)	-	-	-	(2,667)	-	-	(2,667)
Net Changes In Fund Balance	181,841	(40,906)	(2,230,974)	(668,288)	(60,760)	55,855	(2,763,232)
Fund Balances:							
Beginning of year	916,285	185,086	5,596,013	668,288	756,158	53,949	8,175,779
End of year	\$ 1,098,126	\$ 144,180	\$ 3,365,039	\$ -	\$ 695,398	\$ 109,804	\$ 5,412,547

See accompanying independent auditors' report

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, 2018

	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 908,000	\$ 1,366,684	\$ 458,684
Property tax	-	-	-	-	-	-	1,000,000	1,020,132	20,132
Interest	500	2,787	2,287	-	599	599	6,500	12,325	5,825
Charges for services	522,000	537,082	15,082	223,000	219,492	(3,508)	-	-	-
Miscellaneous	-	56	56	-	24	24	-	-	-
Total Revenues	522,500	539,925	17,425	223,000	220,115	(2,885)	1,914,500	2,399,141	484,641
Expenditures:									
General government	-	-	-	-	-	-	335,904	327,420	8,484
Public works	729,100	562,019	167,081	287,000	261,021	25,979	15,500	18,346	(2,846)
Capital outlay	-	-	-	-	-	-	5,197,245	3,530,568	1,666,677
Total Expenditures	729,100	562,019	167,081	287,000	261,021	25,979	5,548,649	3,876,334	1,672,315
Net Changes in Fund Balance	(206,600)	(22,094)	184,506	(64,000)	(40,906)	23,094	(3,634,149)	(1,477,193)	2,156,956
Fund Balances:									
Budget basis:									
Unreserved:									
Beginning of year	906,035	906,035	-	185,086	185,086	-	3,793,093	3,793,093	-
Transfers from (to) reserved	-	-	-	-	-	-	-	-	-
End of year	699,435	883,941	184,506	121,086	144,180	23,094	158,944	2,315,900	2,156,956
Reserved:									
Beginning of year	-	-	-	-	-	-	-	-	-
Transfers from (to) reserved	-	-	-	-	-	-	-	-	-
End of year	-	-	-	-	-	-	-	-	-
Budget basis, end of year	\$ 699,435	883,941	\$ 184,506	\$ 121,086	144,180	\$ 23,094	\$ 158,944	2,315,900	\$ 2,156,956
Budget basis receivable		-			-			-	
Encumbrances, end of year		214,185			-			1,049,139	
GAAP basis, end of year		\$ 1,098,126			\$ 144,180			\$ 3,365,039	

See accompanying independent auditors' report

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, 2018

	Special Allocation Fund - Lakeside Redevelopment			Community Development Block Grant Subrecipient Fund			County Sewer Lateral Repair Program Fund		
	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:									
Sales tax	\$ -	\$ 2,459	\$ 2,459	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property tax	545,000	541,820	(3,180)	-	-	-	-	-	-
Interest	1,000	1,860	860	-	-	-	-	219	219
Intergovernmental	-	-	-	321,139	258,474	(62,665)	-	-	-
Charges for services	-	-	-	-	-	-	60,000	59,866	(134)
Total Revenues	546,000	546,139	139	321,139	258,474	(62,665)	60,000	60,085	85
Expenditures:									
General government	372,379	375,511	(3,132)	321,139	258,474	62,665	-	-	-
Public works	-	-	-	-	-	-	60,000	4,230	55,770
Capital outlay	833,065	830,055	3,010	-	-	-	-	-	-
Debt service	6,618	6,194	424	-	-	-	-	-	-
Total Expenditures	1,212,062	1,211,760	302	321,139	258,474	62,665	60,000	4,230	55,770
Revenues Over Expenditures	(666,062)	(665,621)	441	-	-	-	-	55,855	55,855
Other Financing Uses:									
Transfers out	-	(2,667)	(2,667)	-	-	-	-	-	-
Net Changes in Fund Balance	(666,062)	(668,288)	(2,226)	-	-	-	-	55,855	55,855
Fund Balances:									
Budget basis:									
Unreserved:									
Beginning of year	665,638	665,638	-	-	-	-	53,949	53,949	-
Transfers from (to) reserved	424	2,650	2,226	-	-	-	-	-	-
End of year	-	-	-	-	-	-	53,949	109,804	55,855
Reserved:									
Beginning of year	2,650	2,650	-	-	-	-	-	-	-
Transfers from (to) reserved	(424)	(2,650)	(2,226)	-	-	-	-	-	-
End of year	2,226	-	(2,226)	-	-	-	-	-	-
Budget basis, end of year	<u>\$ 2,226</u>	<u>-</u>	<u>\$ (2,226)</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 53,949</u>	<u>109,804</u>	<u>\$ 55,855</u>
Budget basis receivable	-	-	-	-	695,398	-	-	-	-
Encumbrances, end of year	-	-	-	-	-	-	-	-	-
GAAP basis, end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>\$ 695,398</u>	<u>695,398</u>	<u>-</u>	<u>\$ 109,804</u>	<u>109,804</u>	<u>-</u>

See accompanying independent auditors' report

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, 2018**

	Debt Service Fund		
	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Property tax	\$ 2,235,000	\$ 2,268,360	\$ 33,360
Interest	5,000	5,204	204
Miscellaneous	5,000	14,484	9,484
Total Revenues	<u>2,245,000</u>	<u>2,288,048</u>	<u>43,048</u>
Expenditures:			
Debt service	4,210,000	4,144,286	65,714
Total Expenditures	<u>4,210,000</u>	<u>4,144,286</u>	<u>65,714</u>
Revenues Under Expenditures	(1,965,000)	(1,856,238)	108,762
Other Financing Sources:			
Transfers in	2,064,200	2,007,866	(56,334)
Net Changes in Fund Balance	99,200	151,628	52,428
Fund Balances:			
Budget basis:			
Unreserved:			
Beginning of year	1,725,086	1,725,086	-
End of year	1,824,286	1,876,714	52,428
Budget basis, end of year	<u>\$ 1,824,286</u>	<u>1,876,714</u>	<u>\$ 52,428</u>
Property tax - deferred revenue, end of year		(26,030)	
GAAP basis, end of year		<u>\$ 1,850,684</u>	

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL -
BUDGET BASIS - ENTERPRISE FUND - WATERWORKS/SANITARY
SEWER FUND - (UTILITY OPERATING FUND)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Water and sewer	\$ 10,982,300	\$ 11,148,879	\$ 166,579
Interest	1,000	10,737	9,737
Miscellaneous	1,357,000	1,488,567	131,567
Total Revenues	12,340,300	12,648,183	307,883
Expenses:			
Personnel costs	4,338,010	4,090,221	247,789
Utilities	770,000	685,197	84,803
Purchased water	822,000	1,036,917	(214,917)
Wastewater treatment costs	130,000	147,705	(17,705)
Repairs and maintenance	1,050,465	928,939	121,526
Chemicals and supplies	412,600	381,294	31,306
Professional services	519,795	379,599	140,196
Supplies and other	288,555	276,776	11,779
Insurance	43,600	156,054	(112,454)
Gasoline and fuel	92,000	85,726	6,274
Rent	16,500	5,779	10,721
Miscellaneous	811,000	860,093	(49,093)
Total Expenses	9,294,525	9,034,300	260,225
Net Revenues Before Capital Revenues (Expenditures) and (Debt Service and Fees)	3,045,775	3,613,883	568,108
Capital Expenditures	(939,240)	(716,807)	222,433
Debt Service and Fees	(2,544,750)	(2,542,879)	1,871
Net Changes in Net Position	(438,215)	354,197	792,412
Net Position:			
Budget basis:			
Unreserved:			
Beginning of year	1,826,315	1,826,315	-
Transfers from (to) reserved	(21,063)	(21,063)	-
End of year	<u>1,367,037</u>	<u>2,159,449</u>	<u>792,412</u>
Reserved:			
Beginning of year	1,998,662	1,998,662	-
Transfers from (to) reserved	21,063	21,063	-
End of year	<u>2,019,725</u>	<u>2,019,725</u>	<u>-</u>
Budget basis, end of year	\$ 3,386,762	\$ 4,179,174	\$ 792,412

* 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, 2018**

	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Trash collection	\$ 6,068,000	\$ 6,206,655	\$ 138,655
Miscellaneous	169,600	174,523	4,923
Interest	500	7,149	6,649
Total Revenues	6,238,100	6,388,327	150,227
Expenses:			
Personnel costs	2,843,505	2,677,336	166,169
Utilities	59,800	44,992	14,808
Disposal fees	1,280,400	1,246,640	33,760
Repairs and maintenance	327,500	297,941	29,559
Capital expenditures	874,000	423,032	450,968
Chemicals and supplies	4,550	1,641	2,909
Professional services	24,900	21,897	3,003
Supplies and other	70,550	61,438	9,112
Insurance	28,400	30,746	(2,346)
Gasoline and fuel	226,500	211,700	14,800
Rent	1,200	1,133	67
Miscellaneous	762,800	763,422	(622)
Total Expenses	6,504,105	5,781,918	722,187
Net Changes in Net Position	(266,005)	606,409	872,414
Net Position:			
Budget basis:			
Unreserved:			
Beginning of year	1,214,317	1,214,317	-
Transfers from (to) reserved	(125,000)	(125,000)	-
End of year	823,312	1,695,726	872,414
Reserved:			
Beginning of year	750,000	750,000	-
Transfers from (to) reserved	125,000	125,000	-
End of year	875,000	875,000	-
Budget basis, end of year	\$ 1,698,312	\$ 2,570,726	\$ 872,414

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, 2018**

	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Tipping fees	\$ 2,926,500	\$ 2,976,052	\$ 49,552
Recycling fees	1,265,700	1,154,084	(111,616)
Earth Centre	454,000	484,115	30,115
Interest	500	4,282	3,782
Miscellaneous	16,200	19,073	2,873
Total Revenues	4,662,900	4,637,606	(25,294)
Expenses:			
Personnel costs	1,959,755	1,681,034	278,721
Disposal fees	1,485,400	1,402,352	83,048
Utilities	55,600	48,366	7,234
Capital expenditures	70,500	68,716	1,784
Professional services	67,300	32,480	34,820
Repairs and maintenance	126,400	125,500	900
Insurance	20,200	20,268	(68)
Gasoline and fuel	35,800	27,986	7,814
Supplies and other	665,135	748,500	(83,365)
Total Expenses	4,486,090	4,155,202	330,888
Net Changes in Net Position	176,810	482,404	305,594
Net Position:			
Budget basis:			
Unreserved:			
Beginning of year	1,359,111	1,359,111	-
End of year	1,535,921	1,841,515	305,594
Reserved:			
Beginning of year	175,000	175,000	-
End of year	175,000	175,000	-
Budget basis, end of year	\$ 1,710,921	\$ 2,016,515	\$ 305,594

See accompanying independent auditors' report

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, 2018**

	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Recreation	\$ 5,710,200	\$ 5,485,907	\$ (224,293)
Interest	500	2,994	2,494
Total Revenues	5,710,700	5,488,901	(221,799)
Expenses:			
Personnel costs	4,133,300	3,755,455	377,845
Utilities	851,400	784,917	66,483
Repairs and maintenance	179,050	307,165	(128,115)
Capital expenditures	316,700	186,463	130,237
Chemicals and supplies	58,500	47,738	10,762
Professional services	143,500	123,242	20,258
Supplies and other	312,900	326,877	(13,977)
Concessions	237,000	255,838	(18,838)
Insurance	46,700	48,695	(1,995)
Gasoline and fuel	2,250	3,527	(1,277)
Rent	3,400	4,786	(1,386)
Miscellaneous	59,100	61,891	(2,791)
Total Expenses	6,343,800	5,906,594	437,206
Net Revenues Before Debt Service and Fees	(633,100)	(417,693)	215,407
Debt Service and fees	1,352,000	1,350,803	1,197
Revenues Under Expenses	(1,985,100)	(1,768,496)	216,604
Other Financing Sources:			
Transfers in	1,950,000	1,728,509	(221,491)
Transfers out	-	-	-
Total Other Financing Sources (Uses)	1,950,000	1,728,509	(221,491)
Net Changes in Net Position	(35,100)	(39,987)	(4,887)
Net Position:			
Budget basis:			
Unreserved:			
Beginning of year	79,961	79,961	-
Transfers from (to) reserved	(5,000)	-	5,000
End of year	39,861	39,974	113
Reserved:			
Beginning of year	759,547	759,547	-
Transfers from (to) reserved	5,000	-	(5,000)
End of year	764,547	759,547	(5,000)
Budget basis, end of year	\$ 804,408	\$ 799,521	\$ (4,887)

See accompanying independent auditors' report

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL -
BUDGET BASIS - ENTERPRISE FUND - GOLF AND BANQUET CENTER FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Recreation	\$ 845,000	\$ 842,834	\$ (2,166)
Total Revenues	845,000	842,834	(2,166)
Expenses:			
Personnel costs	654,800	666,311	(11,511)
Utilities	47,100	48,167	(1,067)
Repairs and maintenance	63,900	62,443	1,457
Capital expenditures	210,000	9,718	200,282
Chemicals and supplies	50,000	47,717	2,283
Professional services	1,400	12,987	(11,587)
Supplies and other	83,040	74,757	8,283
Concessions	41,500	39,339	2,161
Insurance	7,500	7,728	(228)
Gasoline and fuel	11,000	9,488	1,512
Rent	60,000	55,993	4,007
Miscellaneous	12,000	13,407	(1,407)
Total Expenses	1,242,240	1,048,055	194,185
Net Revenues Before Debt Service and Fees	(397,240)	(205,221)	192,019
Debt Service and fees	-	-	-
Revenues Under Expenses	(397,240)	(205,221)	192,019
Other Financing Sources:			
Transfers in	397,240	210,000	(187,240)
Net Changes in Net Position	-	4,779	4,779
Net Position:			
Budget basis:			
Unreserved:			
Beginning of year	-	-	-
Transfers from (to) reserved	-	-	-
End of year	-	4,779	4,779
Reserved:			
Beginning of year	-	-	-
Transfers from (to) reserved	-	-	-
End of year	-	-	-
Budget basis, end of year	\$ -	\$ 4,779	\$ 4,779

See accompanying independent auditors' report

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL -
BUDGET BASIS - ENTERPRISE FUND - 370 LAKESIDE PARK FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Revised Final Budget	Actual	Variance With Final Budget - Positive (Negative)
Revenues:			
Recreation	\$ 753,100	\$ 781,935	\$ 28,835
Interest	-	32	32
Total Revenues	753,100	781,967	28,867
Expenses:			
Personnel costs	641,640	497,990	143,650
Utilities	62,800	68,709	(5,909)
Repairs and maintenance	23,000	44,037	(21,037)
Capital expenditures	-	5,145	(5,145)
Chemicals and supplies	6,000	5,111	889
Professional services	1,400	1,974	(574)
Supplies and other	51,600	54,751	(3,151)
Insurance	7,600	6,889	711
Gasoline and fuel	10,500	10,531	(31)
Rent	500	-	500
Miscellaneous	11,000	12,495	(1,495)
Total Expenses	816,040	707,632	108,408
Net Revenues Before Debt Service and Fees	(62,940)	74,335	137,275
Debt Service and fees	-	-	-
Revenues Under Expenses	(62,940)	74,335	137,275
Other Financing Sources:			
Transfers in	62,940	-	(62,940)
Net Changes in Net Position	-	74,335	74,335
Net Position:			
Budget basis:			
Unreserved:			
Beginning of year	-	-	-
Transfers from (to) reserved	-	-	-
End of year	-	74,335	74,335
Reserved:			
Beginning of year	-	-	-
Transfers from (to) reserved	-	-	-
End of year	-	-	-
Budget basis, end of year	\$ -	\$ 74,335	\$ 74,335

See accompanying independent auditors' report

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.

100 - 105

Revenue Capacity

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

106 - 111

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.

112 - 116

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.

117 - 118

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.

119 - 121

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

TABLE 1

CITY OF ST. PETERS, MISSOURI

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

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Net investment in capital assets	\$ 240,140,438	\$ 258,630,627	\$ 259,323,155	\$ 262,479,439	\$ 259,697,165	\$ 257,684,628	\$ 259,507,068	\$ 264,195,696	\$ 270,597,528	\$ 270,653,071
Restricted for capital projects	5,922,228	6,768,629	-	-	-	-	-	-	-	-
Restricted for debt service	6,100,691	7,209,265	4,331,436	4,648,531	4,012,669	4,040,752	3,363,434	1,878,130	2,440,733	2,582,003
Restricted for other purposes	-	-	12,934,040	11,327,525	14,321,977	15,062,285	15,904,747	16,306,001	14,085,867	14,404,878
Unrestricted	13,523,667	5,101,854	(6,982,701)	(7,896,119)	(4,396,314)	(2,053,870)	10,195,089	8,846,667	494,494	(3,980,863)
Total governmental activities net position	\$ 265,687,024	\$ 277,710,375	\$ 269,605,930	\$ 270,559,376	\$ 273,635,497	\$ 274,733,795	\$ 288,970,338	\$ 291,226,494	\$ 287,618,622	\$ 283,659,089
Business-type activities										
Net investment in capital assets	\$ 37,818,296	\$ 37,202,278	\$ 51,062,078	\$ 51,195,406	\$ 50,083,741	\$ 48,590,611	\$ 40,399,392	\$ 46,625,435	\$ 46,015,751	\$ 49,652,931
Restricted for capital projects	-	-	-	-	-	-	-	-	-	-
Restricted for debt service	3,759,580	4,041,857	3,058,197	787,071	854,833	852,012	1,907,719	2,053,499	2,062,809	2,129,049
Unrestricted	20,468,117	12,609,854	10,844,666	11,404,920	10,223,021	10,332,116	16,232,682	8,304,694	7,265,440	6,952,851
Total business-type activities net position	\$ 62,045,993	\$ 53,853,989	\$ 64,964,941	\$ 63,387,397	\$ 61,161,595	\$ 59,774,739	\$ 58,539,793	\$ 56,983,628	\$ 55,344,000	\$ 58,734,831
Primary government										
Net investment in capital assets	\$ 277,958,734	\$ 295,832,905	\$ 310,385,233	\$ 313,674,845	\$ 309,780,906	\$ 306,275,239	\$ 299,906,460	\$ 310,821,131	\$ 316,613,279	\$ 320,306,002
Restricted for capital projects	5,922,228	6,768,629	-	-	-	-	-	-	-	-
Restricted for debt service	9,860,271	11,251,122	7,389,633	5,435,602	4,867,502	4,892,764	5,271,153	3,931,629	4,503,542	4,711,052
Restricted for other purposes	-	-	12,934,040	11,327,525	14,321,977	15,062,285	15,904,747	16,306,001	14,085,867	14,404,878
Unrestricted	33,991,784	17,711,708	3,861,965	3,508,801	5,826,707	8,278,246	26,427,771	17,151,361	7,759,934	2,971,988
Total primary government net position	\$ 327,733,017	\$ 331,564,364	\$ 334,570,871	\$ 333,946,773	\$ 334,797,092	\$ 334,508,534	\$ 347,510,131	\$ 348,210,122	\$ 342,962,622	\$ 342,393,920

Source: Basic financial statements

See accompanying independent auditors' report

TABLE 2

CITY OF ST. PETERS, MISSOURI

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
 (accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental activities:										
General government	\$ 4,936,885	\$ 3,988,945	\$ 6,412,147	\$ 7,279,425	\$ 6,698,790	\$ 8,086,574	\$ 7,815,960	\$ 4,523,861	\$ 2,879,310	\$ 3,292,001
Administration	4,413,440	4,465,717	4,642,420	4,116,344	4,199,160	4,566,965	4,312,392	4,770,710	5,376,043	5,080,403
Police	10,758,075	11,487,848	12,883,901	12,828,392	12,986,440	13,217,760	12,728,527	14,710,038	15,851,135	15,865,086
Municipal court	443,602	469,464	451,384	420,486	436,179	463,094	417,289	457,861	584,940	575,820
Public works	11,894,996	9,721,254	22,109,038	14,559,364	15,085,756	18,345,680	15,574,017	16,658,928	17,983,390	21,117,457
Engineering	2,552,615	2,571,574	2,572,899	2,243,654	2,269,573	2,274,286	2,240,612	2,399,379	2,319,287	2,136,068
Maintenance	749,630	788,172	465,034	254,551	331,483	391,037	379,588	490,325	756,625	538,086
Health	602,498	615,783	731,504	764,863	755,145	806,137	807,978	881,765	1,818,390	1,892,787
Parks and Recreation	5,507,748	5,893,725	6,092,722	6,011,172	6,338,658	6,609,149	6,606,600	6,499,501	6,273,040	5,989,159
Community Relations	1,009,804	1,007,998	983,171	1,010,835	996,207	969,256	990,599	1,068,164	1,182,243	1,249,081
Community & Arts	280,512	290,368	243,961	265,196	263,590	265,679	259,914	240,416	265,313	259,609
Community Development	-	963,000	-	-	-	-	-	-	-	-
Interest on long term debt	3,536,569	3,484,084	3,321,526	3,333,056	3,247,811	2,536,740	3,886,941	3,153,241	3,207,959	2,753,937
Total governmental activities expenses	46,686,374	45,747,932	60,909,707	53,087,338	53,608,792	58,532,357	56,020,417	55,854,189	58,497,675	60,749,494
Business-type activities:										
Waterworks/Sanitary Sewer	9,625,487	11,297,498	12,069,159	12,263,810	12,231,505	12,098,460	12,546,331	12,776,435	13,035,266	15,060,702
Solid Waste	4,399,270	7,126,274	5,203,218	5,070,099	5,141,961	6,073,236	5,310,401	5,745,911	6,404,546	6,298,808
Public improvement corporation	529,810	503,638	157,303	-	-	-	-	-	-	-
Central Materials Processing Facility	3,677,814	3,932,005	3,622,194	3,797,178	3,754,701	3,933,581	4,093,146	4,257,057	4,585,327	4,601,869
Recreation	7,038,214	7,884,369	8,121,280	8,387,854	8,012,989	8,484,246	8,669,871	8,925,693	10,070,155	10,807,235
Total business-type activities expenses	25,270,595	30,743,784	29,173,154	29,518,941	29,141,156	30,589,523	30,619,749	31,705,096	34,095,288	36,768,614
Total primary government expenses	\$ 71,956,969	\$ 76,491,716	\$ 90,082,861	\$ 82,606,279	\$ 82,749,948	\$ 89,121,880	\$ 86,640,166	\$ 87,559,285	\$ 92,592,963	\$ 97,518,108
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 908,725	\$ 1,181,701	\$ 1,052,200	\$ 1,156,407	\$ 1,436,786	\$ 1,764,671	\$ 1,669,806	\$ 1,643,744	\$ 2,028,315	\$ 3,459,400
Police	2,930,923	2,778,995	2,817,623	2,664,576	2,642,981	2,076,717	2,037,068	1,815,473	1,462,882	1,300,015
Public works	544,287	522,200	527,210	541,192	776,759	789,557	785,074	791,291	818,198	816,440
Health	21,314	20,182	18,477	14,923	17,244	16,882	16,035	13,999	16,070	12,773
Parks and recreation	25,585	8,640	9,113	9,715	8,433	9,234	8,908	21,892	17,691	191,799
Communications	-	-	-	-	-	-	-	-	-	-
Community & Arts	172,413	176,380	208,539	255,755	254,325	240,879	290,812	254,343	255,037	265,478
Operating grants and contributions	4,024,801	3,597,950	3,680,124	3,450,856	3,631,928	3,763,445	3,954,906	3,821,642	3,899,458	4,021,749
Capital grants and contributions	6,557,930	10,759,472	15,176,082	8,227,484	2,919,675	5,207,464	8,038,757	4,924,161	4,488,078	4,746,710
Total governmental activities program revenues	15,185,978	19,045,520	23,489,368	16,320,908	11,688,131	13,868,849	16,801,366	13,286,545	12,985,729	14,814,004
Business-type activities:										
Charges for services:										
Waterworks/Sanitary sewer	8,649,448	9,675,873	10,420,961	11,248,180	10,888,293	11,892,010	10,978,093	11,408,181	12,564,177	13,812,084
Solid waste	3,374,042	3,540,501	3,693,198	3,891,333	4,146,914	4,940,437	5,813,449	5,958,007	6,112,749	6,344,053
Public improvement corporation	849,680	555,071	-	-	-	-	-	-	-	-
Central materials processing facility	3,326,266	3,394,464	3,444,502	3,391,388	3,492,866	3,593,729	3,846,377	4,297,226	4,877,861	4,632,720
Recreation	5,147,064	5,896,515	6,092,237	6,384,230	6,356,701	6,385,330	6,803,164	6,677,948	7,138,434	7,110,396
Capital grants and contributions	719,510	588,320	3,659,979	1,547,224	614,710	95,307	203,588	111,679	74,590	788,401
Total business-type activities program revenues	22,066,010	23,650,744	27,310,877	26,462,355	25,499,484	26,906,813	27,644,671	28,453,041	30,767,811	32,687,654
Total primary government program revenues	\$ 37,251,988	\$ 42,696,264	\$ 50,800,245	\$ 42,783,263	\$ 37,187,615	\$ 40,775,662	\$ 44,446,037	\$ 41,739,586	\$ 43,753,540	\$ 47,501,658

Source: Basic financial statements.

See accompanying independent auditors' report

CITY OF ST. PETERS, MISSOURI
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net (Expense)/Revenue										
Governmental activities	\$ (31,500,396)	\$ (26,702,412)	\$ (37,420,339)	\$ (36,766,430)	\$ (41,920,661)	\$ (44,663,508)	\$ (39,219,051)	\$ (42,567,644)	\$ (45,511,946)	\$ (45,935,490)
Business-type activities	(3,204,585)	(7,093,040)	(1,862,277)	(3,056,586)	(3,641,672)	(3,682,710)	(2,975,078)	(3,252,055)	(3,327,477)	(4,080,960)
Total primary government net expense	<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>	<u>\$ (48,839,423)</u>	<u>\$ (50,016,450)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes levied for general purposes	\$ 6,392,363	\$ 5,993,141	\$ 6,705,073	\$ 6,484,144	\$ 6,983,760	\$ 7,062,295	\$ 7,360,015	\$ 7,388,343	\$ 7,545,403	\$ 7,797,006
Property taxes levied for debt service	2,636,371	2,495,335	2,137,731	2,086,067	1,854,973	1,524,502	1,553,343	1,837,236	1,883,263	2,268,359
Property taxes levied for tax increment financing districts	3,455,420	3,747,632	3,821,189	3,499,837	3,947,675	3,974,877	4,205,844	864,869	1,071,657	1,561,952
Sales taxes levied for general purposes	11,088,916	11,106,737	11,777,602	12,266,784	12,600,822	13,087,001	13,711,848	14,539,609	14,279,883	14,901,179
Sales taxes levied for transportation purposes	5,544,419	5,553,379	5,888,803	6,133,393	6,300,411	6,543,499	6,855,926	7,269,803	7,139,943	7,450,675
Sales taxes levied for park and storm water purposes	1,094,341	1,096,321	1,164,594	1,213,515	4,420,066	6,487,198	6,784,761	7,203,975	7,078,266	7,390,345
Sales taxes levied for tax increment financing districts	3,625,574	3,278,082	2,869,664	2,966,675	4,127,716	4,499,798	6,340,070	1,671,728	960,354	1,369,143
Tourism	-	-	-	32,224	121,487	123,374	125,329	154,073	183,112	182,509
Franchise and public service taxes	3,457,259	3,603,717	4,188,158	4,069,136	4,390,460	4,576,446	4,741,751	4,561,196	4,583,542	4,849,146
Earnings on investments	286,808	110,734	55,642	22,164	35,882	70,805	26,613	61,316	69,422	136,792
Other revenue	912,057	553,445	3,571,682	398,845	538,000	918,616	498,732	948,759	1,502,266	1,137,552
Gain on sale of capital assets	17,541	20,981	69,326	-	103,457	65,068	-	12,331	124,933	286,768
Transfers	(810,000)	1,166,259	(12,933,570)	(1,452,908)	(427,927)	(2,801,711)	(971,668)	(1,689,438)	(2,494,607)	(7,355,469)
Total governmental activities	<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>	<u>43,927,437</u>	<u>41,975,957</u>
Business-type activities:										
Earnings on investments	134,044	35,355	35,074	12,824	1,188	3,298	1,085	6,452	14,739	33,781
Other revenue	-	-	-	-	907,278	-	-	-	-	82,541
Gain (loss) on sale of capital assets	5,964	31,940	(28,696)	13,310	79,477	5,501	-	-	-	-
Transfers	810,000	(1,166,259)	6,063,303	1,452,908	427,927	2,801,711	971,668	1,689,438	2,494,607	7,355,469
Total business-type activities	<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>	<u>2,509,346</u>	<u>7,471,791</u>
Total primary government	<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>	<u>\$ (2,402,640)</u>	<u>\$ (568,702)</u>
Change in Net Position										
Governmental activities	\$ 6,200,673	\$ 12,023,351	\$ (8,104,445)	\$ 953,446	\$ 3,076,121	\$ 1,468,260	\$ 12,013,513	\$ 2,256,156	\$ (1,584,509)	\$ (3,959,533)
Business-type activities	(2,254,577)	(8,192,004)	4,207,404	(1,577,544)	(2,225,802)	(872,200)	(2,002,325)	(1,556,165)	(818,131)	3,390,831
Total primary government	<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>	<u>\$ (2,402,640)</u>	<u>\$ (568,702)</u>

Note: Prior period adjustments are related to - fiscal year 2014 the City implemented GASB 65, fiscal year 2015 the City implemented GASB 68 and 71, fiscal year 2017 the City implemented GASB 74 and 75.

Source: Basic financial statements.

See accompanying independent auditors' report

TABLE 3

CITY OF ST. PETERS, MISSOURI

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

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved for encumbrances	\$ 1,724,906	\$ 754,166	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserved for capital improvements	620,259	379,110	-	-	-	-	-	-	-	-
Reserved for debt service	-	545,582	-	-	-	-	-	-	-	-
Reserved for storm water management	183,839	187,529	-	-	-	-	-	-	-	-
Reserved for inventory/prepaid	846,257	828,933	-	-	-	-	-	-	-	-
Reserved for other projects	2,160,448	389,628	-	-	-	-	-	-	-	-
Unreserved	7,737,594	3,442,769	-	-	-	-	-	-	-	-
Nonspendable	-	-	914,407	949,553	877,270	999,339	910,729	935,313	916,840	824,205
Restricted for:										
Debt service	-	-	545,587	545,587	87,005	87,004	87,004	87,005	87,108	90,259
Police services	-	-	227,169	226,656	230,348	380,048	325,280	315,869	282,576	314,763
Tourism	-	-	-	32,224	-	-	-	-	-	-
Committed:										
Contingency Reserve	-	-	-	-	-	2,500,000	3,000,000	3,500,000	4,000,000	4,500,000
Assigned for:										
Encumbrances	-	-	384,335	404,714	334,787	436,714	339,410	-	-	-
Administration	-	-	-	-	-	-	-	303,307	190,334	130,423
Debt service	-	-	-	-	-	-	-	-	-	600,000
Maintenance	-	-	-	-	-	-	-	76,859	-	-
Police	-	-	-	-	-	-	-	-	195,071	-
Other	-	-	-	-	-	-	-	145,270	240,840	170,404
Subsequent year budget	-	-	1,597,435	952,890	398,775	479,140	289,130	1,381,215	1,414,110	1,189,645
Capital projects	-	-	541,388	499,663	564,291	660,236	610,547	2,078,150	1,983,530	1,983,530
Unassigned	-	-	683,136	1,111,573	5,014,095	3,799,230	5,655,168	4,745,852	6,371,794	9,954,541
Total General Fund	\$ 13,273,303	\$ 6,527,717	\$ 4,893,457	\$ 4,722,860	\$ 7,506,571	\$ 9,341,711	\$ 11,217,268	\$ 13,568,840	\$ 15,682,203	\$ 19,757,770

Notes: GASB 54 was implemented in fiscal year 2011.

Source: Basic financial statements.

See accompanying independent auditors' report

CITY OF ST. PETERS, MISSOURI

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

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
All Other Governmental Funds										
Reserved for encumbrances	\$ 4,109,188	\$ 8,490,996	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserved for capital improvements	-	-	-	-	-	-	-	-	-	-
Reserved for debt service	4,424,325	5,705,895	-	-	-	-	-	-	-	-
Reserved for inventory/prepaid	38,036	3,800	-	-	-	-	-	-	-	-
Reserved for long-term receivables	700,569	695,926	-	-	-	-	-	-	-	-
Reserved for other projects	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in										
Special revenue funds	10,894,991	4,437,401	-	-	-	-	-	-	-	-
Debt service funds	3,669,646	3,197,773	-	-	-	-	-	-	-	-
Capital projects funds	16,635,365	10,209,589	-	-	-	-	-	-	-	-
Nonspendable	-	-	3,800	19,200	26,445	49,302	10,243	50,214	24,455	-
Restricted for:										
Transportation	-	-	7,015,173	6,125,178	6,843,476	7,000,039	5,735,624	6,705,990	6,379,032	5,901,414
Capital projects	-	-	2,028,013	225,942	-	-	-	-	-	-
Sewer lateral projects	-	-	1,285,630	1,092,775	999,105	753,912	629,753	772,501	970,234	1,207,930
Water line repair projects	-	-	-	-	137,581	189,006	190,541	192,280	185,086	144,180
Special allocation projects	-	-	2,050,275	1,695,473	3,390,546	3,658,366	6,458,038	6,489,385	6,262,078	3,365,039
Grants	-	-	857,750	795,955	795,838	820,958	758,502	764,961	746,158	695,398
Debt service	-	-	4,037,106	4,278,422	4,071,799	4,056,946	3,218,950	1,857,416	2,497,777	2,651,364
Local parks and stormwater	-	-	1,818,695	1,856,340	3,193,945	3,723,505	4,922,849	4,919,396	4,080,144	2,929,701
Stormwater projects	-	-	-	-	3,470,173	9,904,668	-	7,818,515	4,839,221	4,797,617
Park and recreation facility improvement:	-	-	-	-	-	-	-	-	11,100,134	7,960,638
Assigned for capital projects	-	-	1,135,470	954,362	639,110	892,285	5,975,047	2,768,096	-	-
Total all other governmental funds	\$ 40,472,120	\$ 32,741,380	\$ 20,231,912	\$ 17,043,647	\$ 23,568,018	\$ 31,048,987	\$ 27,899,547	\$ 32,338,754	\$ 37,084,319	\$ 29,653,281

Notes: GASB 54 was implemented in fiscal year 2011.

Source: Basic financial statements.

See accompanying independent auditors' report

CITY OF ST. PETERS, MISSOURI
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Years									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Sales tax (1)	\$ 20,655,597	\$ 20,719,476	\$ 21,700,665	\$ 22,580,369	\$ 27,449,016	\$ 30,617,497	\$ 33,692,605	\$ 30,685,115	\$ 29,458,446	\$ 31,111,342
Property tax (2)	12,606,100	12,217,710	12,698,014	11,874,878	12,780,606	12,582,607	13,176,609	10,015,474	10,720,099	11,638,362
Utility franchise tax	3,457,259	3,603,717	3,972,708	3,864,326	4,201,312	4,394,595	4,553,149	4,377,977	4,411,511	4,686,245
Cigarette tax	230,091	223,484	215,450	204,810	189,148	181,852	188,601	183,218	172,031	162,900
Licenses and permits	826,625	1,092,659	948,635	1,042,314	1,241,499	1,534,587	1,443,080	1,396,294	1,771,852	3,200,304
Interest	286,808	110,734	55,643	22,163	35,883	70,803	26,613	61,316	69,420	136,792
Intergovernmental	7,647,291	9,978,781	11,669,898	6,423,040	4,990,943	4,536,347	10,361,168	8,300,333	6,918,033	6,122,867
Fines and forfeitures	2,618,034	2,521,997	2,551,634	2,391,164	2,366,601	1,802,296	1,799,379	1,569,621	1,228,711	1,020,638
Charges for services	1,174,004	1,080,991	1,134,782	1,213,843	1,454,093	1,471,238	1,485,716	1,490,223	1,510,874	1,737,251
Miscellaneous	773,329	367,352	3,834,808	530,021	815,047	1,156,036	732,240	1,236,775	1,793,615	2,460,684
Total revenues	50,275,138	51,916,901	58,782,237	50,146,928	55,524,148	58,347,858	67,459,160	59,316,346	58,054,592	62,277,385
Expenditures										
General government	2,953,949	2,929,663	6,109,343	6,197,000	6,374,897	7,763,595	7,445,684	4,229,713	2,596,145	3,032,894
Administration	3,964,072	4,025,538	4,020,331	3,555,977	3,724,140	4,124,185	4,155,519	4,296,847	4,147,760	4,363,729
Police	10,309,193	10,756,677	11,062,800	11,144,650	11,658,421	11,963,592	12,379,373	12,527,568	12,933,986	13,412,656
Municipal court	439,981	463,630	425,757	393,393	414,265	443,018	431,073	430,355	483,962	507,552
Public works	8,319,193	7,879,484	8,685,647	7,083,746	7,051,909	8,571,245	9,101,062	8,832,730	9,859,595	9,744,372
Engineering	2,501,915	2,509,843	2,354,444	2,029,515	2,082,349	2,092,877	2,181,945	2,172,923	1,903,059	1,861,296
Maintenance	729,093	771,310	411,365	191,244	284,120	346,799	386,533	400,847	463,594	419,037
Health	588,106	586,799	517,257	552,634	556,075	618,089	654,199	678,597	1,497,010	1,541,122
Parks and recreation	4,796,454	4,965,617	4,961,281	4,894,888	5,284,614	5,618,086	5,780,053	5,494,111	4,571,489	4,458,842
Communications	945,554	925,874	822,657	846,632	854,999	823,337	920,607	957,504	988,676	1,055,938
Community & arts	200,287	212,144	161,354	182,730	185,330	184,880	213,475	187,796	199,438	208,150
Community development	-	963,000	-	-	-	-	-	-	-	-
Capital outlay	27,579,699	28,937,644	23,635,682	9,429,095	6,351,740	9,407,725	16,719,113	13,392,712	18,122,507	24,739,636
Debt service										
Principal retirement	4,720,000	7,595,000	6,730,000	3,235,000	3,596,000	4,103,000	5,336,000	4,103,700	2,710,000	3,255,000
Interest and arbitrage rebate	3,284,645	3,147,203	3,323,236	2,922,142	2,283,799	2,149,680	2,145,779	1,519,616	2,005,333	2,184,352
Payment to escrow agent	-	141,255	197,604	-	-	-	363,273	844,113	-	-
Other	60,693	174,914	209,418	56,433	103,864	136,911	172,923	426,813	210,856	239,533
Total expenditures	71,392,834	76,985,595	73,628,176	52,715,079	50,806,522	58,347,019	68,386,611	60,495,945	62,693,410	71,024,109
Excess of revenues over (under) expenditures	(21,117,696)	(25,068,694)	(14,845,939)	(2,568,151)	4,717,626	839	(927,451)	(1,179,599)	(4,638,818)	(8,746,724)
Other Financing Sources (Uses)										
Transfers in	7,964,523	7,756,444	2,711,733	504,624	2,105,049	1,193,681	2,018,039	2,397,460	2,151,371	2,902,533
Transfers out	(8,774,523)	(9,455,886)	(8,775,036)	(1,504,624)	(2,014,939)	(1,967,055)	(2,693,368)	(2,951,533)	(3,084,483)	(4,841,042)
Proceeds from sale of capital assets	3,452	34,357	140,360	24,289	185,659	89,428	201,607	127,700	153,365	246,371
Issuance of debt	6,150,000	14,898,000	11,720,000	185,000	5,885,000	9,675,000	7,050,000	8,000,000	12,000,000	7,000,000
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	-	129,687	324,216	218,886	744,461	277,493	103,687
Bond discount	-	(2,472,340)	(9,185)	-	-	-	-	-	-	(20,296)
Total other financing sources (uses)	5,343,452	10,592,368	702,211	(790,711)	4,590,456	9,315,270	(346,432)	7,970,378	11,497,746	5,391,253
Net change in fund balances	\$ (15,774,244)	\$ (14,476,326)	\$ (14,143,728)	\$ (3,358,862)	\$ 9,308,082	\$ 9,316,109	\$ (1,273,883)	\$ 6,790,779	\$ 6,858,928	\$ (3,355,471)
Total expenditures	71,392,834	76,985,595	73,628,176	52,715,079	50,806,522	58,347,019	68,386,611	60,495,945	62,693,410	71,024,109
Debt service	8,004,645	10,883,458	10,250,840	6,157,142	5,879,799	6,252,680	7,845,052	6,467,429	4,715,333	5,439,352
Capital outlay	(27,579,699)	(28,937,644)	(23,635,682)	(9,429,095)	(6,351,740)	(9,407,725)	(16,719,113)	(13,392,712)	(18,122,507)	(22,607,872)
Capital expenditures from functional categories	(2,908,965)	(5,098,067)	5,707,407	(314,903)	(291,335)	1,504,969	(1,645,268)	(992,539)	(1,364,364)	-
Debt service as a percentage of noncapital expenditures	19.6%	25.3%	18.4%	14.3%	13.3%	12.4%	15.7%	14.0%	10.9%	11.2%

(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.

See accompanying independent auditors' report

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
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%
2017	647,158,474	321,283,843	471,021	181,051,430	1,149,964,768	4,957,188,706	0.7700	23.20%
2018	710,514,718	332,448,401	433,764	189,028,500	1,232,425,383	5,349,152,600	0.7700	23.04%

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.

See accompanying independent auditors' report

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			
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
2017	0.6095	0.1605	0.7700	5.2465	5.5201	5.0185	0.1962	0.2240	1.5722
2018	0.5892	0.1808	0.7700	5.0467	5.3360	4.8527	0.1879	0.2116	1.7807

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	2018			2009		
	Assessed Value	Rank	Percentage of Total Assessed Valuation(1)	Assessed Value	Rank	Percentage of Total Assessed Valuation(2)
Airwick Industries, Inc.	\$ 17,924,047	1	1.45%	\$ 10,805,195	2	0.98%
Mid Rivers Mall LLC	17,804,177	2	1.44%	20,071,120	1	1.82%
Turnberry Apartments LLC	6,894,865	3	0.56%	5,957,260	3	0.54%
Menards	4,810,661	4	0.39%	-	-	0.00%
SSM Properties, Inc.	4,471,019	5	0.36%	3,861,140	7	0.35%
Walmart Real Estate Business Trust	4,257,945	6	0.35%	-	-	0.00%
Jungs Station Association	4,079,432	7	0.33%	3,538,560	10	0.32%
Grewe Limited Partnership	3,683,106	8	0.30%	3,954,260	6	0.36%
Costco Wholesale Corp	3,616,938	9	0.29%	-	-	0.00%
Bre Knight Sh MO Owner LLC	3,324,204	10	0.27%	-	-	0.00%
79 Crossing LLC	-	-	-	4,295,410	4	0.39%
Westfield America of MO Inc.	-	-	-	4,260,660	5	0.39%
94 Crossing LLC	-	-	-	3,733,060	8	0.34%
Colier Organization	-	-	-	3,681,180	9	0.33%

Notes:

(1) Based on calendar year 2017 assessed valuation equal to \$1,232,425,383

(2) Based on calendar year 2008 assessed valuation equal to \$1,103,032,932

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
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%	257	7,947	99.90%
2013	7,982	7,822	98.00%	149	7,971	99.86%
2014	7,851	7,645	97.38%	196	7,841	99.87%
2015	8,013	7,914	98.76%	90	8,004	99.89%
2016	8,748	8,534	97.55%	203	8,737	99.87%
2017	8,960	8,850	98.77%	92	8,942	99.80%
2018	9,589	9,476	98.82%	-	9,476	98.82%

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									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Sales Tax Collected For General Purposes	\$ 11,088,916	\$ 11,106,737	\$ 11,777,602	\$ 12,266,784	\$ 12,600,822	\$ 13,087,001	\$ 13,711,848	\$ 14,359,609	\$ 14,279,883	\$ 14,901,179
Sales Tax Collected For Transportation Purposes	5,544,419	5,553,379	5,888,805	6,133,395	6,300,412	6,543,500	6,855,926	7,269,803	7,139,943	7,450,675
Sales Tax Collected For Park and Storm Water Purposes	1,094,341	1,096,321	1,164,594	1,213,515	4,420,066	6,487,198	6,784,761	7,203,975	7,078,266	7,390,345
Total Direct Sales Tax Collected	17,727,676	17,756,437	18,831,001	19,613,694	23,321,300	26,117,699	27,352,535	28,833,387	28,498,092	29,742,199
City direct sales tax rate	1.60%	1.60%	1.60%	1.60%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Sales Tax Collected For Tax Increment Financing - City Centre	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	293,800	352,787	307,763	305,410	860,268	914,687	1,026,073	1,137,935	960,227	1,366,684
Sales Tax Collected For Tax Increment Financing - Lakeside 370	3,370	79	8	46	74	109	115	138	127	2,459
Total Tax Collected for Tax Increment Financing	2,927,921	3,029,474	2,869,664	2,966,675	4,127,716	4,499,798	6,340,070	1,671,728	960,354	1,369,143
Total Sales Tax Collected	\$ 20,655,597	\$ 20,785,911	\$ 21,700,665	\$ 22,580,369	\$ 27,449,016	\$ 30,617,497	\$ 33,692,605	\$ 30,505,115	\$ 29,458,446	\$ 31,111,342

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

See accompanying independent auditors' report

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
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%
2017	2.00%	1.50%	0.10%	0.125%	4.225%	7.950%
2018	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		
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
2017	60,387,790	-	-	13,305,000	7,584,879	31,176,531	14,316,900	-	126,771,100	2,411
2018	61,999,278	-	-	13,305,000	9,694,246	29,963,247	13,506,515	-	128,468,286	2,444

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)
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
2017	60,387,790	1,699,086	58,688,704	0.77%	1,116.29
2018	61,999,278	1,850,684	60,148,594	0.77%	1,144.05

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, 2018**

Jurisdiction	Debt Outstanding	Percentage Applicable to St. Peters	Share of Debt Applicable to St. Peters
Debt repaid with property taxes:			
St. Charles County*	\$ 2,767,000	14.61%	\$ 404,259
St. Charles County Ambulance District	2,865,000	14.61%	418,577
Central County Fire and Rescue	17,250,000	70.40%	12,144,000
St. Charles County Community College	20,545,000	14.69%	3,018,061
St. Charles School District R-VI	54,500,000	6.67%	3,635,150
Fort Zumwalt School District R-II	161,960,000	26.81%	43,421,476
Francis Howell School District	117,223,000	19.60%	22,975,708
Other Debt:			
St. Charles County	46,455,000	14.61%	6,787,076
St. Charles County Community College	4,830,000	14.69%	709,527
St. Charles School District R-VI	4,509,896	6.67%	300,810
Subtotal Overlapping Debt	\$ 432,904,896		\$ 93,814,642
City's direct debt			84,998,524
Total direct and overlapping debt			\$ 178,813,166

* 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.

See accompanying independent auditors' report

CITY OF ST. PETERS, MISSOURI

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

	City Purposes Basic Limit	Streets And Sewer Additional Limit
Assessed Valuation	\$ 1,232,425,383	\$ 1,232,425,383
Debt Limit - 10% off assessed valuation	123,242,538	123,242,538
Amount of debt applicable to debt limit		
Total general obligation debt	60,550,000	-
Less: Amount available in debt service fund	(1,850,684)	-
Net bond indebtedness applicable to debt limit	58,699,316	-
Legal debt margin	\$ 64,543,222	\$ 123,242,538

City Purposes Basic Limit											
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
Debt Limit	\$ 110,303,293	\$ 104,596,961	\$ 101,458,894	\$ 101,458,894	\$ 103,806,563	\$ 100,815,012	\$ 102,425,189	\$ 108,040,913	\$ 114,966,477	\$ 123,242,538	
Total net debt applicable to limit	38,135,054	31,561,927	32,949,221	32,061,822	34,691,554	43,033,272	41,362,444	47,725,768	57,225,914	60,148,563	
Legal Debt Margin	\$ 72,168,239	\$ 73,035,034	\$ 68,509,673	\$ 69,397,072	\$ 69,115,009	\$ 57,781,740	\$ 61,062,745	\$ 60,315,145	\$ 57,740,563	\$ 63,093,975	
Total net debt applicable to the limit as a % of debt limit	34.57%	30.17%	32.48%	31.60%	33.42%	42.69%	40.38%	44.17%	49.78%	48.81%	
Street and Sewer Additional Limit											
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
Debt Limit	\$ 110,303,293	\$ 104,596,961	\$ 104,501,701	\$ 101,458,894	\$ 103,806,563	\$ 100,815,012	\$ 102,425,189	\$ 108,040,913	\$ 114,966,477	\$ 123,242,538	
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-	
Legal Debt Margin	\$ 110,303,293	\$ 104,596,961	\$ 104,501,701	\$ 101,458,894	\$ 103,806,563	\$ 100,815,012	\$ 102,425,189	\$ 108,040,913	\$ 114,966,477	\$ 123,242,538	
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

See accompanying independent auditors' report

CITY OF ST. PETERS, MISSOURI

**PLEGDED-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	
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
2017	12,564,177	(8,946,974)	3,617,203	2,035,000	456,995	1.45	-	-	-	-
2018	13,812,084	(10,496,729)	3,315,355	2,090,000	451,745	1.30	-	-	-	-

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
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	3.80%
2016	52,575	40,050	3.40%
2017	52,575	39,885	2.70%
2018	52,575	40,970	2.10%

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, 2018

	2018			2009		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Barnes St. Peters Hospital	970	1	2.8%	685	1	2.0%
Fort Zumwalt School District R-11	709	2	2.1%	636	2	1.8%
City of St. Peters	581	3	1.7%	246	7	0.7%
Wal-mart Stores Inc.	461	4	1.3%	522	3	1.5%
RB Manufacturing (formerly Reckett & Benchkiser)	395	5	1.2%	216	8	0.6%
Dierbergs Markets	353	6	1.0%	353	4	-
Boone Center Inc.	350	7	1.0%	-	-	-
Francis Howell School District R-III	347	8	1.0%	347	5	1.0%
Schnucks Markets	311	9	0.9%	256	6	0.7%
Seyer Industries	252	10	0.7%	-	0	0.0%
Macys	-	-	-	196	9	0.6%
United Services Inc	-	-	-	123	10	0.4%
	4,729		13.8%	3,580		10.3%

Note: Percentage of Total City Employment was based on the employed labor force of 34,196 for September 2018 and 34,883 for September 2009. 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**

Function/Program	Fiscal Years									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
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	47.30	47.30	46.30	46.79	46.79	47.79	48.79	50.15	52.15	52.65
Police	113.20	114.50	116.20	115.50	115.50	115.05	116.05	121.05	117.38	121.38
Municipal Court	5.40	5.40	5.40	6.44	6.44	6.44	6.44	6.44	6.44	6.44
Public Works	40.20	41.00	41.50	32.88	40.38	41.58	44.88	47.88	46.88	46.88
Engineering	32.00	31.70	29.50	32.22	23.02	22.66	22.66	22.66	19.66	20.66
Maintenance	9.60	9.60	9.10	9.20	8.86	8.86	9.20	9.20	11.45	11.45
Health	8.15	8.15	8.30	8.88	8.58	8.13	8.13	8.41	8.41	8.41
Parks and Recreation	66.20	66.10	70.00	69.68	70.40	72.69	72.69	68.62	54.75	51.65
Communications	9.70	9.70	9.70	10.70	10.97	10.97	10.97	10.97	10.97	12.97
Community & Arts	2.40	2.40	2.40	2.44	2.44	2.44	3.88	3.88	3.88	3.88
Business-Type Activities:										
Waterworks/Sanitary Sewer	46.90	47.20	47.90	46.80	46.80	46.80	46.50	46.50	46.50	44.86
Solid Waste	26.85	27.20	27.50	26.05	26.55	26.55	27.55	28.55	28.67	31.53
Central Materials Processing Facility	25.45	25.50	25.10	24.61	24.61	26.41	29.93	26.93	26.22	27.22
Recreation	80.80	90.40	106.00	105.45	105.45	107.17	116.01	114.63	117.68	133.04
Total	522.05	534.05	552.80	545.54	544.69	551.44	571.58	573.77	558.94	580.92

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.

Source: City budget office.

See accompanying independent auditors' report

TABLE 19

CITY OF ST. PETERS, MISSOURI

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

Functions/Program	Fiscal Years									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities:										
Administration										
Citizen Concerns Received	784	802	302	262	350	335	253	242	352	149
No. of Concerns Responses within 72 hours	99%	99%	100%	100%	100%	100%	100%	100%	99%	99%
Police										
Average number of physical arrests per month	264	285	260	274	189	209	225	191	181	244
Average number of calls for service per month	2,404	2,543	2,682	2,700	2,639	2,224	2,414	2,937	2,593	3,014
Citizen Concerns Received	256	230	307	296	217	269	346	349	350	359
No. of Concerns Responses with 72 hours	96%	100%	100%	100%	99%	100%	100%	100%	100%	99%
Municipal court										
Average Number of Court Sessions per year	32	32	34	35	34	34	34	36	36	36
No. of tickets processed	25,783	26,244	22,999	22,783	22,911	19,728	15,134	11,959	9,602	8,594
Public Works										
Slab Replacement (Square Yards)	21,439	123,765	39,917	5,460	5,200	23,937	63,325	40,318	26,333	26,325
Asphalt overlay (Square Yards)	93,230	101,966	87,529	97,733	104,399	83,650	173,904	86,038	132,000	108,660
Curb Replacement (Lineal Feet)	20,747	19,550	17,607	8,891	7,500	12,352	18,555	415	3,720	1,030
Crackseal (Lineal Feet)	82,697	105,347	75,000	90,744	131,250	104,762	-	129,444	129,444	108,448
Sidewalk (Square Feet)	12,910	13,420	13,125	3,671	7,755	9,000	14,270	21,997	17,245	19,895
Citizen Concerns Received	775	909	1,145	649	749	999	1,115	957	884	956
No. of Concerns Responses with 72 hours	91%	94%	97%	99%	97%	97%	98%	98%	99%	99%
Engineering										
New Commercial Construction Unit Permits Issued	8	11	7	19	11	13	15	12	25	28
Value of New Commercial Construction Units	\$ 11,630,703	\$ 13,238,381	\$ 7,200,340	\$ 23,038,108	\$ 15,211,039	\$ 17,543,967	\$ 37,933,869	\$ 47,714,602	\$ 90,524,202	\$ 270,036,149
New Residential Construction Unit Permits Issued	261	309	347	238	526	274	176	115	23	83
Value of New Residential Construction Units	\$ 29,580,527	\$ 33,073,423	\$ 33,762,198	\$ 33,809,533	\$ 70,304,798	\$ 90,142,303	\$ 47,800,120	\$ 30,399,329	\$ 5,954,189	\$ 15,588,441
Citizen Concerns Received	910	1,034	1,103	1,007	1,203	990	1,172	1,127	895	1,001
No. of Concerns Responses with 72 hours	98%	98%	98%	96%	97%	95%	96%	96%	97%	95%
Health										
Citizen Concerns Received	186	188	132	129	203	168	175	163	87	106
No. of Concerns Responses with 72 hours	100%	100%	100%	100%	99%	100%	100%	100%	100%	100%
Animal Control										
Citizen Concerns Received	60	46	61	66	59	48	38	21	33	26
No. of Concerns Responses with 72 hours	98%	100%	100%	100%	99%	94%	100%	100%	100%	100%
Parks and Recreation										
REC-PLEX Annual Passes	2,784	3,201	3,335	3,413	3,324	3,671	4,003	4,322	4,932	4,877
Citizen Concerns Received	165	181	195	201	199	215	194	172	190	212
No. of Concerns Responses with 72 hours	100%	100%	99%	100%	99%	100%	100%	100%	100%	100%
Business-type activities:										
Waterworks/Sanitary Sewer										
Number of water service connections	17,790	17,803	17,994	18,233	18,534	18,821	18,972	19,069	19,145	19,372
Daily average water consumption in gallons	5,276,983	5,083,645	5,278,322	5,590,995	5,560,000	5,553,000	5,514,000	5,702,000	5,478,117	6,109,000
Number of sanitary sewer service connections	18,211	18,427	18,607	18,603	18,998	19,180	19,391	19,612	19,679	19,681
Daily average sanitary sewer treatment in gallons	7,600,000	5,490,918	5,290,000	4,970,000	5,370,000	5,220,000	5,895,000	5,915,000	5,557,000	5,372,000
Citizen Concerns Received	944	1,019	1,152	853	1,084	1,093	1,048	1,004	921	1,029
No. of Concerns Responses with 72 hours	100%	100%	99%	100%	99%	99%	99%	99%	99%	99%
Solid Waste										
Citizen Concerns Received	69	75	88	70	59	72	55	51	45	40
No. of Concerns Responses with 72 hours	100%	100%	100%	100%	100%	99%	100%	100%	100%	100%

Sources: Various city departments.

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

See accompanying independent auditors' report

CITY OF ST. PETERS, MISSOURI

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

Functions/Program	Fiscal Years									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
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)	230	230	243	297	297	297	297	297	303	304
Streetlights	2,652	2,652	3,103	3,235	3,215	3,268	3,295	3,295	3,384	3,396
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	21	21	21	21	21	21	21	21	21	21
Park acreage	1,286	1,286	1,284	1,284	1,284	1,284	1,284	1,284	1,287	1,287
Golf Courses	1	1	1	1	1	1	1	1	1	1
Outdoor swimming Pools	3	3	3	3	2	2	2	1	1	2
Tennis Courts	7	7	7	7	7	7	7	5	4	4
Miles of hiking/biking trails	14.1	14.6	21.5	22.4	22.6	22.6	22.6	22.6	24.0	24.0
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)	276	276	276	284.4	292.6	292.6	303.7	304.0	307.7	310.1
Fire hydrants	1895	1927	1948	1,953	1,968	1,976	2,048	2,066	2,062	2,059
Wastewater										
Sanitary sewers (miles)	243	243	243	257	258	258	260	260	265	267
Storm Sewers (miles)	161	161	175	186	214	214	230	250	250	250
Treatment capacity (thousands of gallons)	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000
Solid Waste										
Customers - Residential	16,438	16,631	16,871	16,855	17,214	17,446	17,693	17,982	18,038	18,031
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.

See accompanying independent auditors' report

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