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City of St. Peters

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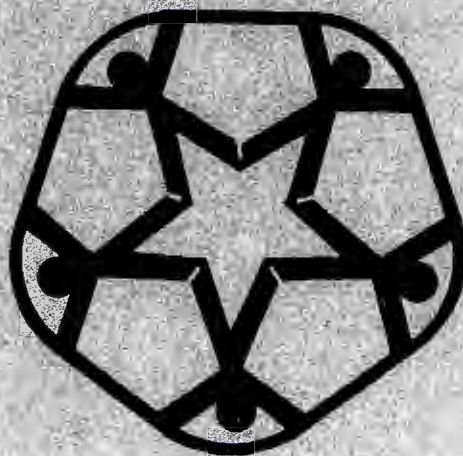
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CITY OF ST. PETERS, MISSOURI

*Comprehensive Annual Financial Report
Fiscal year ended September 30, 1997*



CITY OF ST. PETERS, MISSOURI
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 1997

Report issued by the Office of Administration

Timothy M. Wilkinson, CPA
Assistant City Administrator

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Part I - Introductory Section



January 9, 1998

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, 1997 is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The comprehensive annual financial report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the City's organizational chart, and a list of principal City officials. The financial section includes the independent auditors' report on the general purpose financial statements, the combining and individual fund and individual account group financial statements and schedules, and supplementary data. The statistical section includes selected financial and demographic information generally presented on a multiyear basis.

This report includes all funds and account groups of the City. The City provides a full range of services that include police protection; water and sanitary sewer service; residential trash collection; construction and maintenance of streets and infrastructure; planning, zoning and code enforcement; health; recreational activities; and cultural events. This report also includes the financial statements of the City of St. Peters Natatorium Foundation, a separate not-for-profit corporation established to support the City's new recreational complex. In addition, this report includes the financial statements of the City of St. Peters Public Improvement Corporation (the PIC), a separate not-for-profit corporation, established to finance the purchase of machinery and equipment for the solid waste collection operation.



THE CENTER OF DYNAMIC GROWTH IN ST. CHARLES COUNTY

ECONOMIC CONDITION AND OUTLOOK

St. Peters continues to be one of the fastest growing cities in Missouri. The City has had the largest population growth of any Missouri city during the past two decades. Since 1980, the population has more than tripled. The City has kept pace with this growth and the need for additional services while simultaneously reducing the ad valorem tax rate. This is due to the dramatic increase in sales tax receipts and the growth in assessed valuation of the City. The assessed valuation in the City is nearly triple the valuation in 1985.

The population of St. Peters is younger than that of the nation and the state of Missouri. The median age of the population in 1990 was 29.8 years compared to 33.5 years for Missouri. Approximately one-third of the population was under the age of 18 years. The percentage of young adults, ages 18-24, was 7.01%, while the older adults, 65 years and above, comprised only 4.5% of the population.

According to statistics from the United States Bureau of Census, in 1990, St. Peters' residents over the age of 3 enrolled in school totalled 13,995. The percentage of the City's adult population which graduated from high school was 89.8% and 25.5% of the population obtained a bachelor's degree or higher degree. This compares favorably to the State of Missouri which had a population graduated from high school of 73.9% and a population obtaining a bachelor's degree or higher of 17.8%.

As has been the trend for more than a decade, the City's economy continues to diversify with modern housing, numerous commercial enterprises, several shopping centers, support services, and some industries. Commercial growth is attributable to the City's transportation network, central location in the United States, and expanding resources of labor and materials. Residential growth has been considerable as an outgrowth of expanded employment opportunities in the area. At the same time, the City continues to grow as a suburban community.

The City currently has approximately 1,200 business establishments, of which approximately 30 are involved in manufacturing. In addition, there are approximately 600 home-based businesses operating in St. Peters. According to a survey of 20,000 cities published in the November, 1993 issue of Home Office Computing magazine, St. Peters was ranked in the top 10 best cities in America for running a home-based business.

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 350,000 in the 10-mile radius immediately

surrounding the City. The largest shopping center in St. Peters, Mid Rivers Mall (the "Mall"), is also the largest shopping center in St. Charles County. The Mall opened in 1987. Four major department stores anchor the Mall which has approximately 140 shops including a food court, restaurants, and a multi-screen theater. The Mall contains more than 900,000 square feet. The fourth anchor, J. C. Penney, opened on November 1, 1996. In addition, the Mall retail space for specialty stores expanded by approximately 56,000 square feet at that same time.

During fiscal year 1997, residential and commercial building permits were issued with estimated construction values of \$32,986,885 and \$25,961,590, respectively. Residential construction continues to be active, with 327 building permits issued during the year. During the year, the City had over 100,000 square feet of industrial space under construction, with an estimated value of \$5.2 million. Also during the year, 250,000 square feet of retail space, with a value of over \$8 million, was either added or re-occupied, and over 250,000 square feet of office and hotel space, with an estimated value of \$7.8 million, was constructed and occupied.

The economy of St. Peters has flourished even during periods of recession as evidenced by historical increases in assessed valuation, retail sales, and new construction. However, as a suburban community which is a part of a larger metropolitan area, the City's continued growth can be affected by economic events occurring outside its corporate limits. The City has strived to manage its dramatic growth. Future opportunities will be carefully and conservatively evaluated as the City continues to actively seek new development.

MAJOR INITIATIVES

Management Information Systems

The City's data processing system consists of two mini computers that run approximately 25 applications. These applications include police dispatching and records management, parks and recreation scheduling and programming, accounting and utility billing, and special PC based applications that are networked to improve data accessibility.

In addition to these basic applications, the City is involved in several other major data processing applications. The Westplex Information Network (WIN) was created to allow area residents access to the Internet. WIN was established as a separate non-profit entity with its initial directors representing several political subdivisions in St. Charles County. Basic service is free to all St. Charles County residents. In addition, WIN

offers special connections that allow users to view graphics on the Internet and download information and mail files directly to their computer. A fee is charged for these special services. WIN has approximately 15,000 registered users.

During the year, the City continued its development of a geographic information system and automated mapping/facilities management system (GIS system). This is a multi-year project that, when completed, will consist of computerized maps that can display information such as zoning, utility line locations, property lines, streets, topography, and school district boundaries.

Also during the year, the City enhanced its electronic infrastructure. Fiber optic connections were made to the Water Plant and the Central Materials Processing Facility, thereby completing the fiber connection of all major city facilities. The City has agreements with two separate companies providing for free access to a state-wide fiber optic network connecting government and educational institutions throughout Missouri.

In addition to the above, the City hired a consultant to review our data processing environment and make recommendations to streamline automated processes and better utilize today's technology. The existing financial and utility billing systems are over 8 years old and need to be replaced. The consultant will assist in the selection of the replacement systems.

Water Works/Sanitary Sewer Operations

The City has two sources of water supply. The first is a 6 million gallon per day treatment plant that is supplied by a well system. The second source of water is the City of St. Louis Howard Bend water treatment plant. Several years ago, the City and the City of St. Charles, Missouri formed a joint venture to build a pipeline to the Howard Bend plant. The City has a long-term agreement with St. Louis that provides for a supply of up to 9.858 million gallons of potable water per day. The City has been able to balance the use of these two sources of water such that energy costs associated with water production and distribution by the St. Peters plant have been reduced to less than one-half of fiscal year 1987 levels.

Fiscal Year 1997 was a year of major construction in the water and sanitary sewer operation. City crews constructed approximately 31,000 lineal feet of water main. This construction was necessary to allow the City to serve its expanding service area. During the year, 500 water meters were replaced under a plan to convert to an automated meter reading system. The system provides for meters to be read via a touch pad installed near the house. This remote read is digital

rather than pulse to ensure greater accuracy. The system includes hand-held computer reading units and route manager software. The system can be modified in the future to deliver readings through cable or phone lines. The remaining meters in the City will be replaced over a 5 to 7 year period.

Solid Waste Management

Fiscal year 1997 was the sixth full year for city-provided residential trash collection. This comprehensive service includes curb-side collection twice per week, yard waste collection one time per week, and bulk pickup service. The yard waste that is collected is disposed of at the City's composting facility.

During the year, construction was completed on a mixed municipal waste Central Materials Processing Facility (CMPF) and transfer station. The facility became operational in April, 1997. City collected residential trash is delivered to the CMPF for separation of material that can be either recycled or composted. The residual trash is then hauled to a landfill. Construction of the facility was partially funded by a grant of \$1,500,000 from the U.S. Department of Commerce Economic Development Administration. Total cost to construct and equip the facility was approximately \$5.6 million. The facility operates in conjunction with a "bluebag" collection system. City residents dispose of recyclables in blue bags, which are placed in their trash containers with other garbage. The blue bags are separated from the other trash at the CMPF, and the recyclables are sorted on various conveyor systems within the facility. Operation of the CMPF has enabled the City to achieve a 40% reduction of residential waste to landfills, as mandated by the State of Missouri.

Public Works

During fiscal year 1997, the City continued its program to repair and maintain existing roadways within the City limits. Asphalt overlay was applied to 5 miles of streets. In addition, the City replaced 5,800 square yards of concrete streets and replaced over 9,000 lineal feet of concrete curbing.

Fiscal Year 1997 was an active year for road construction. The most significant project was the construction of the extension of Spencer Road north over Interstate 70 to the new Highway 370. Construction on this project was completed in November, 1996. The total cost of the project was approximately \$9,300,000. Approximately 75% of this cost was funded by a combination of grants from the Federal Government, State of Missouri, and St. Charles County. Other significant projects that were completed

during the year include the reconstruction of Jungs Station Road from Highway 94 to the city limits, and the widening of the Mid Rivers Mall Drive overpass over Interstate 70.

Municipal Safety

During Fiscal Year 1997, the Police Department continued the highly successful Mall Watch and Business Watch programs. These programs are similar to neighborhood watch programs in that business owners work together and share information to prevent criminal activity. At Mid Rivers Mall, 90% of the businesses are participating in the program. During the year, the number of active neighborhood watch groups also continued to grow.

Also during the year, the City continued its drug abuse resistance education program known as D.A.R.E. This program was developed in 1983 by the Los Angeles Police Department and the Los Angeles Unified School District. Currently, the D.A.R.E. program is used in more than 3,500 communities throughout the United States. In St. Peters, the D.A.R.E. Program began in 1990, with one officer working with children at two elementary schools. In 1992, two officers were added to the program to serve four additional elementary schools.

Several new programs were initiated by the Police Department in Fiscal Year 1997. All these programs were intended to bring the Police and citizens closer together. A school resource officer program was started at two of the high schools in the City. Under this program, a police officer is assigned to work at a high school while classes are in session. Students get an opportunity to get to know these officers and establish a line of communication. Another program started during the year was the Citizens Police Academy. This is a 21-week program designed to educate citizens about the operation of the St. Peters Police Department. Included in the program are sessions on personal protection, firearms, and radio procedures. Another highly successful program was creation of Neighborhood Traffic Enforcement Teams. Citizens report the license numbers of traffic violators to police. These violators are then sent letters by the police, urging them to obey the speed limits for the safety of everyone.

Recreation Activities

Fiscal Year 1997 was the third full year of operation of the REC-PLEX. This multi-purpose recreation complex includes: an olympic caliber 50-meter competition pool and diving tank; an indoor recreational pool; an indoor ice rink; a gymnasium with an elevated running track; and many other assorted recreation components. When the facility initially opened, the City was in the national spotlight, as the aquatic events of the 1994 U.S. Olympic Festival and the Alamo World Diving trials were held at

the REC-PLEX in July and August of 1994. Thousands of sports fans flocked to the REC-PLEX to see America's top athletes in action. Since that time, the focus of activity has been on the everyday recreation enjoyment of area residents. In excess of 1,250,000 people visited the REC-PLEX and enjoyed the numerous recreation alternatives the facility offers. The facility was also the venue for numerous swimming, diving, skating, and ice hockey competitions.

Construction of the REC-PLEX was originally funded by a combination of private corporate donations and a portion of the proceeds from a \$16,000,000 general obligation (G.O.) bond issue issued in February, 1993. Major St. Louis corporations had a strong desire to construct world class competitive swimming and diving facilities in the St. Louis metropolitan area. To that end, these corporations donated approximately \$4,500,000 toward the REC-PLEX project. An additional \$1,000,000 was pledged by local businesses and individuals. Approximately \$2,000,000 of these donations were deposited in a permanent endowment fund, the City of St. Peters' Natatorium Foundation, the earnings of which will be used to defray operating expenses of the facility.

The G. O. bonds are linked to a newly created 581-acre Tax Increment Financing (TIF) District that includes the REC-PLEX site. As this economic development district develops, the incremental tax revenue generated by this development will be used to satisfy debt service on the general obligation bonds. To the extent that these incremental revenues are not available, the bonds will be supported as typical G. O. bonds.

The most significant project in Fiscal Year 1997 was the construction of Woodlands Park. This park encompasses approximately 105 acres, and includes 5 softball/baseball fields and 6 soccer fields. The park opened to the public in May, 1997. During the year, the City continued to expand its City-wide trail system. This system will eventually connect every park in the City.

FINANCIAL INFORMATION

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

Budgetary Controls

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. Activities of the general fund, special revenue funds, and debt service fund are included in the annual appropriated budget. Project-length financial plans are adopted for the capital projects funds. In addition, budgets for the water/sewer and solid waste operations are prepared on a basis similar to that of the general governmental funds in order to better manage these operations. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund level.

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 a purchase order or 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.

General Governmental Functions

The following schedule presents a budget basis summary of general fund, special revenue funds, and debt service fund revenues, expressed in thousands, for the fiscal year ended September 30, 1997, and the amount and percentage of increases and decreases in relation to prior year revenues.

<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 1996</u>	<u>Percent of Increase (Decrease)</u>
Taxes	\$20,337	66.54%	\$ 1,547	8.23%
Licenses and Permits	376	1.23	<26>	<6.47>
Interest	1,618	5.29	<29>	<1.76>
Intergovernmental	4,300	14.07	<501>	<10.44>
Fines and Forfeitures	700	2.29	159	29.39
Charges For Services	3,014	9.86	404	15.48
Miscellaneous	218	.72	<159>	<42.18>
Total	<u>\$30,563</u>	<u>100.00%</u>	<u>\$ 1,395</u>	

The most significant revenue source for general governmental functions is taxes. Tax revenues are a combination of four distinct resources: sales tax, property tax, utility franchise taxes, and the cigarette tax. Table 3 in the statistical section of this Comprehensive Annual Financial Report details a 10-year history of these revenues. The increase in these revenues is primarily the result of increases in sales tax revenue and property tax revenue of approximately \$1,185,000 and \$332,000, respectively. These increases are the result of strong retail commercial growth. A shopping center anchored by Dierberg's grocery store and Target opened in the southwest portion of the city, and J. C. Penney opened as the fourth anchor of Mid Rivers Mall.

Interest revenue in fiscal year 1997 was down slightly from fiscal year 1996. Interest rates were slightly higher than the previous year; however, funds available for investment declined in 1997. During fiscal year 1997, returns ranged from a low of 5.2% to a high of 6.1%, as compared to approximately 5.15% in 1996. Intergovernmental revenues in fiscal year 1997 were \$4.3 million. The most significant of these revenues were state motor vehicle fuel taxes and fees totalling approximately \$1.6 million, St. Charles County road and bridge taxes totalling approximately \$685,000, and approximately \$1.6 million from the Federal Government and St. Charles County for new road construction.

The increase in Fines and Forfeiture revenue is the result of an increased focus on traffic control in subdivisions. Charges for services increased as a result of user fee revenue generated at the REC-PLEX. REC-PLEX user fees amounted to nearly \$2,593,000 for the fiscal year. REC-PLEX revenue was approximately \$2,339,000 during fiscal year 1996.

Miscellaneous revenue decreased by approximately \$110,000 in fiscal year 1997. Increases in stormwater management contributions and communication tower site lease revenue of approximately \$38,000 and \$40,000, respectively, were offset by a decrease in developer contributions toward road projects of approximately \$210,000.

The following schedule presents a summary of general fund, special revenue funds, and debt service fund budget basis expenditures, expressed in thousands, for the fiscal year ended September 30, 1997, and the percentage of increases and decreases in relation to prior year amounts.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) From 1996</u>	<u>Percent of Increase (Decrease)</u>
General Government	\$ 594	2.01%	\$ <254>	<29.95>%
Administration	3,500	11.80	<143>	<3.93>
Police	4,922	16.68	849	20.84
Municipal Court	124	.42	<11>	<8.15>
Public Works	2,135	7.23	<435>	<16.93>
Engineering	1,421	4.81	51	3.72
Maintenance	668	2.26	10	1.52
Health	413	1.40	104	33.66
Parks and Recreation	5,468	18.52	761	16.17
Community Relations	404	1.37	30	8.02
Cultural/Civic Affairs	246	.83	42	20.59
Street Improvements	7,265	24.59	1,089	17.63
Debt Service	2,388	8.08	<38>	<1.57>
Total	\$29,548	100.00%	\$ 2,055	

The decrease in general government expenditures is primarily attributable to the cost of processing compost at the City's composting facility in 1996. A private contractor had been operating the facility and failed to keep up with the volume of yard waste accepted at the facility. The City hired a contractor, at a cost of approximately \$200,000, to process the stockpile of yard waste at the site. No such expenditure was needed in fiscal year 1997 because the City operated the facility at a lower volume, accepting City residents' yard waste only in 1997. In addition, consulting fees decreased by approximately \$65,000 in fiscal year 1997.

Administration expenses decreased by approximately \$143,000 during 1997. Capital expenditures decreased by approximately \$475,000 from the prior year. In 1996, approximately \$230,000 was spent to equip a facility for telecommuters. The facility, named Worklink, is designed to encourage private companies to allow employees to do their work away from their central offices and closer to home. Capital expenditures related to data processing and fiberoptic infrastructure also decreased in 1997. The above decreases were offset by increases in operating expenses. Worklink operating expenses were approximately \$100,000 higher in 1997. Administration salary and fringes increased by approximately \$105,000. City employees were eligible for pay increases ranging from 3% to 5% during the year. In addition, a consultant was engaged at a cost of approximately \$63,000 to assist in selection of new financial and police data processing systems. These systems are planned for replacement in 1998 and 1999.

In the Police Department, salaries and fringes increased by approximately \$549,000 as a result of pay increases and the addition of 10 full-time Police officers. In addition, capital expenditures amounted to approximately \$229,000 as compared to approximately \$75,000 in fiscal year 1996. Approximately \$93,000 was spent on police station building improvements and to expand parking at the facility.

Public works expenditures decreased by approximately \$435,000 in fiscal year 1997. Salaries actually increased approximately \$125,000. This increase was offset by a decrease of approximately \$549,000 in expenditures related to the City's street overlay program. Expenditures for street overlay were funded by the Transportation Trust Fund in 1997, and are shown under the Street Improvements category. Health expenditures increased in 1997. Capital expenditures were approximately \$45,000 higher in 1997 because of vehicle purchases. The balance of the increase was primarily related to operating expenses for animal control.

Expenditures for parks and recreation increased by approximately \$761,000 over fiscal year 1996. Salaries increased by \$126,000 because of pay increases and staffing additions in the park ranger and park maintenance areas. In addition, REC-PLEX operating expenses increased by approximately \$305,000 in 1997 to keep up with continued strong demand for use of the facility. Capital expenditures were approximately \$250,000 in 1997. The most significant project was the development of Woodlands Park.

Significant new road construction continued in fiscal year 1997. Approximately \$6,176,000 was spent on new construction in fiscal year 1997. Major projects include the widening of portions of Mexico Road, Mid Rivers Mall Drive, Jungs Station Road, and Salt Lick Road. In addition, \$1.1 million was spent to widen the Mid Rivers Drive overpass over Interstate 70 and \$2.1 million was contracted for construction of a new overpass over Interstate 70 between Mid Rivers Mall Drive and Cave Springs.

Fund Balance

On a budget basis, the fund balances of the general, special revenue, and debt service funds remained strong in fiscal year 1997. These fund balances are necessary for implementation of the long-range plan of the City. For instance, in the special revenue Transportation Trust Fund, several major road construction projects are planned for the next several fiscal years. In the General Fund, these accumulated funds will aid in meeting community needs in areas such as solid waste management, and provide funding for infrastructure improvements in the TIF District. Sound financial planning has allowed the City to keep pace with community needs while maintaining a strong financial

position. At the same time, the City has lowered its property tax rate by 7% from 1984 rates.

Enterprise Operations

The City's enterprise operations are comprised of three separate and distinct funds: the combined Waterworks/Sanitary Sewer Fund; the Solid Waste Fund; the City of St. Peters Public Improvement Corporation (the PIC); and the Central Materials Processing Facility (CMPF). The PIC was established in 1990 to finance capital projects of the City. The equipment and building that are used in the solid waste collection operation were financed with a \$2,055,000 PIC bond issue. This equipment is leased to the City on an annual appropriations basis. The City is obligated for lease payments to the extent that such payments are budgeted in a given budget year. Holders of the PIC bonds have a security interest in the equipment and real property financed by these bonds.

City-provided residential trash collection operated at a slight deficit in fiscal year 1997. Budget basis operating revenues for the solid waste collection operation amounted to \$1,779,188. This increase is primarily attributable to the growth in number of customers during 1997. The cost of collection, exclusive of depreciation, amounted to \$1,817,440. This represents an increase of approximately \$336,000 from the previous year. Capital expenditures amounted to approximately \$291,000, an increase of approximately \$144,000 over fiscal year 1996. Significant capital items purchased included an additional collection vehicle, a skid loader, and additional collection carts. Operating costs increased by approximately \$189,000 over the prior year. Salaries and fringes increased by approximately \$108,000 due to staffing increases and pay increases during the year. In addition, landfill disposal costs increased by approximately \$50,000. Recycling revenues and expenses amounted to \$17,959 and \$424,430, respectively. The shortfall was covered by an operating transfer from the General Fund. Two major items were funded in recycling in 1997. A yard waste grinder was purchased at a cost of \$145,000, and blue bags used by residents to dispose of recyclables were purchased at a cost of approximately \$96,000. Future purchases of blue bags will be funded as an expense of the CMPF operation. The CMPF began operation in April, 1997. Operating revenues and operating expenses were \$508,566 and \$674,674, respectively. The operating deficit was covered by a contribution from the General Fund.

The waterworks/sanitary sewer operation maintained its sound financial condition in fiscal year 1997. On a budget basis, total revenues exceeded total expenses (exclusive of capital expenditures) and debt service by approximately \$424,000. Operating revenues and expenses increased by 2.0% and 17.2%, respectively. The cost of disposing of sewer sludge increased

significantly in fiscal year 1996. The City spent approximately \$280,000 on a program to land apply this sludge. In addition, electric expense increased by approximately \$42,000 over the prior year.

Debt Administration

At September 30, 1997, the City had a number of debt issues outstanding. These issues included \$24,270,000 of general obligation (G.O.) bonds, \$11,075,000 of water/sewer revenue bonds, and \$410,000 of PIC leasehold revenue bonds. The City continues to maintain its A1 rating from Moody's Investor Service on general obligation issues.

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, 1997, the City was well within this limit with a legal debt margin of \$27,662,228. This does not include an additional debt limit of 10% of assessed valuation available for street, waterworks, or electric plant improvements. This additional debt margin amounted to \$49,432,228 at September 30, 1997.

During fiscal year 1991, the PIC issued \$2,055,000 of leasehold revenue bonds. The bonds outstanding at September 30, 1997, total \$410,000. These revenue bonds do not constitute a legal debt or liability for the City and do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Concurrent with the issuance of these bonds, the City entered into a lease agreement whereby the assets acquired or constructed by the PIC have been leased to the City. The lease terminates each September 30, and can be renewed for a period of ten years. At the end of the ten-year period, these assets become the property of the City.

Cash Management

Cash on hand during the year was invested in demand deposits, savings accounts, certificates of deposit, and obligations of the U.S. Treasury. The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Most City investments are in instruments that have a maturity of less than one year. This is necessary because surplus funds must be available for the next fiscal year should the Board of Aldermen decide to appropriate these monies. All City deposits and investments are either insured by federal depository insurance, collateralized, or held by the counterparty's trust department or agent in the City's name. Acceptable collateral are obligations of the U. S. Treasury, U. S. government agencies, State of Missouri, and local governments in Missouri with populations greater than 400,000. The City's primary investment risk is "Reinvestment Risk". This

is the risk that the City's short-term investments may be reinvested at lower yields upon maturity.

Risk Management

The City, along with various other local municipal governments, participates in the Missouri Intergovernmental Risk Management Association (MIRMA), an insurance association for workers' compensation, general liability, and property and casualty insurance. The purpose of MIRMA is to distribute the cost of self-insurance over similar entities. MIRMA requires an annual premium payment to cover estimated claims payable and reserves for claims from each entity. The members of MIRMA have no legal interest in the assets, liabilities, or fund balances of the insurance association. However, the City retains a contingent liability to fund its pro rata share of any deficit incurred by MIRMA should it cease operations at some future date.

MIRMA members are required to participate in its loss control program. Annually, each member is evaluated by MIRMA staff according to a loss control program rating form. Members scoring less than 80% on this evaluation are required to pay higher annual premiums. The City's 1997 evaluation score was 94%.

OTHER INFORMATION

Independent Audit

State statutes require an annual audit by independent certified public accountants. The accounting firm of Rubin, Brown, Gornstein, & Company was retained by the City. The independent auditors' report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Certificate of Achievement Award

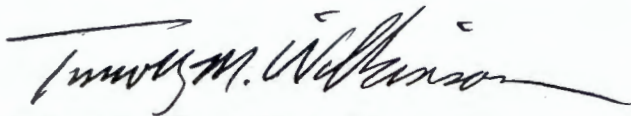
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of St. Peters for our Comprehensive Annual Financial Report for the fiscal year ended September 30, 1996. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. This is the sixth consecutive year that the City has received this prestigious award. We believe this report continues to conform to the Certificate of Achievement Program requirements. Since the Certificate of Achievement is valid for a period of one year only, we will be submitting this report to the GFOA for their review.

Acknowledgments

The preparation of the Comprehensive Annual Financial Report was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department and all City employees who supplied information have my sincere appreciation for the contributions made in the preparation of this report.

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

Respectfully submitted,

A handwritten signature in black ink, reading "Timothy M. Wilkinson". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

Timothy M. Wilkinson
Assistant City Administrator

City of St. Peters Missouri

Mayor
Thomas W. Brown

ALDERMEN

Ward I
**BETTY WOELFEL
JOYCE TOWNSEND**

Ward II
**JERRY HOLLINGSWORTH
JUDY BATEMAN**

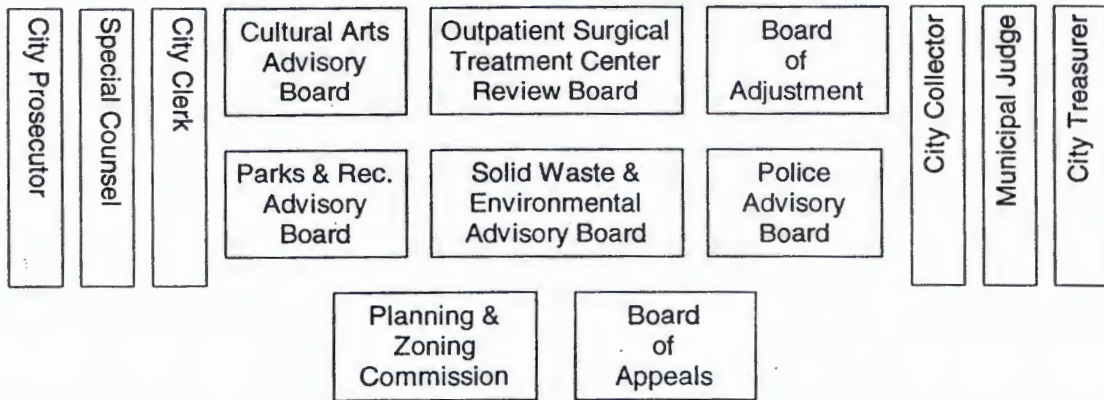
Ward III
**LEN PAGANO
JACK HUNT**

Ward IV
**DONALD AYLES
LEWIS McLAIN**

WILLIAM P. CHARNISKY
City Administrator

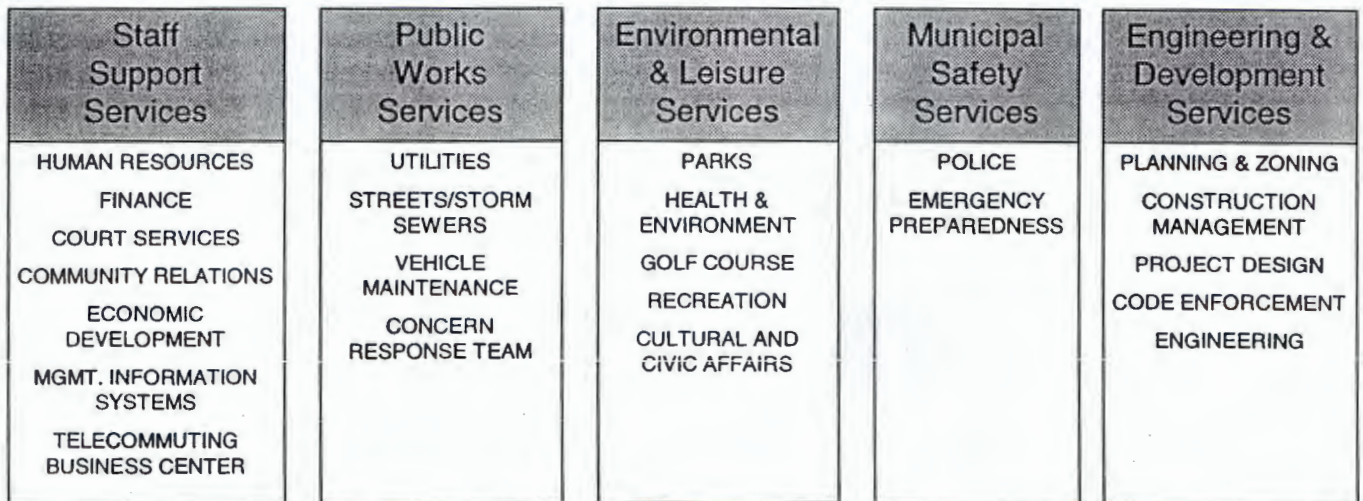
TIMOTHY M. WILKINSON
Asst. City Administrator

Organizational Structure St. Peters City Government



Mayor
Board of Aldermen

City Administrator



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of St. Peters,
Missouri

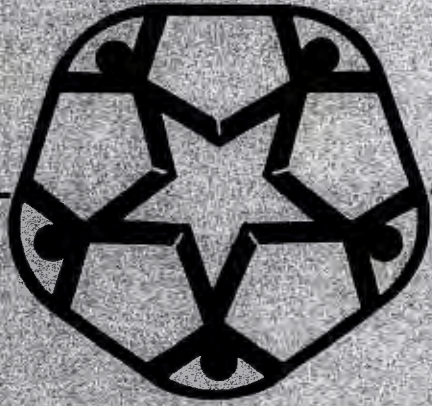
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 1996

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



Linda K. Savitsky
President

Jeffrey L. Essler
Executive Director



Part II - Financial Section

RBG&CO.

Independent Auditors' Report

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

We have audited the general purpose financial statements of the City of St. Peters, Missouri as of and for the year ended September 30, 1997, as listed in the table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

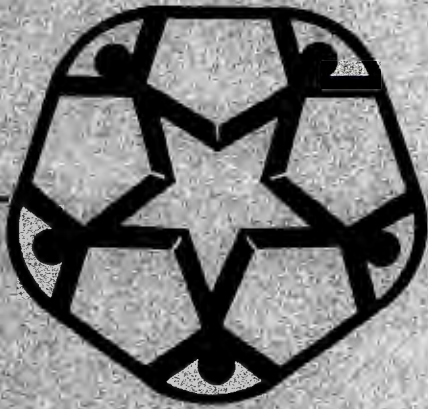
In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of St. Peters, Missouri at September 30, 1997, and the results of operations and cash flows of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund and individual account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of St. Peters, Missouri. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole. The statistical section has not been subjected to the procedures applied in the audit of the general purpose financial statements and, accordingly, we do not express an opinion on it.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 19, 1997 on our consideration of the City of St. Peter's internal control structure and a report dated December 19, 1997 on its compliance with laws and regulations.

Rubin, Brown, Gornstein & Co. LLP

December 19, 1997



General Purpose Financial Statements

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CITY OF ST. PETERS, MISSOURI

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS September 30, 1997

	Governmental Fund Types				Proprietary Fund Type Enterprise	Fiduciary Fund Types Trust And Agency	Account Groups		Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects			General Fixed Assets	General Long-Term Debt	1997	1996
Assets And Other Debits										
Cash and cash equivalents:										
Held by trustees	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 4,277,126	\$ —	\$ —	\$ 4,277,126	\$ 3,572,605
Unrestricted	7,120,912	21,674,498	1,139,709	2,595,528	1,112,425	—	—	—	33,643,072	37,484,790
Restricted	—	—	—	—	3,056,771	—	—	—	3,056,771	3,306,937
Investments:										
Restricted	—	—	—	—	1,375,444	—	—	—	1,375,444	1,377,238
Receivables, net of allowances where applicable:										
Taxes	1,533,357	387,092	40,779	—	—	—	—	—	1,961,228	1,595,215
Intergovernmental	416,746	682,635	—	—	1,597,768	—	—	—	2,697,149	2,090,379
Services	—	—	—	—	1,186,091	—	—	—	1,186,091	1,155,073
Accrued interest	24,119	87,641	—	9,818	50,794	15,301	—	—	187,673	295,348
Miscellaneous	151,597	111,529	—	250	90,672	—	—	—	354,048	408,184
Due from other funds	2,085,562	—	—	—	—	—	—	—	2,085,562	—
Investment in joint venture	—	—	—	—	2,659,829	—	—	—	2,659,829	2,701,920
Inventory/prepays	164,185	113,586	—	—	36,517	—	—	—	314,288	258,951
Property, plant and equipment, net of accumulated depreciation	—	—	—	—	40,093,325	—	48,975,734	—	89,069,059	82,826,810
Amount available for retirement of general obligation bonds	—	—	—	—	—	—	—	1,138,767	1,138,767	898,658
Amount to be provided for retirement of general obligation bonds	—	—	—	—	—	—	—	23,131,233	23,131,233	23,701,342
Total Assets And Other Debits	\$ 11,496,478	\$ 23,056,981	\$ 1,180,488	\$ 2,605,596	\$ 51,259,636	\$ 4,292,427	\$ 48,975,734	\$ 24,270,000	\$ 167,137,340	\$ 161,673,450

	Governmental Fund Types				Proprietary Fund Type Enterprise	Fiduciary Fund Types Trust And Agency	Account Groups		Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects			General Fixed Assets	General Long-Term Debt	1997	1996
Liabilities, Fund Equity And Other Credits										
Liabilities										
Accounts payable	\$ 723,173	\$ 1,826,999	\$ 802	\$ 60,070	\$ 514,622	\$ —	\$ —	\$ —	\$ 3,125,666	\$ 2,801,941
Accrued payroll	323,173	44,817	—	—	68,567	—	—	—	436,557	337,302
Accrued vacation	436,910	37,925	—	—	101,388	—	—	—	576,223	501,697
Accrued interest payable	—	—	—	—	300,453	—	—	—	300,453	319,235
Deposits held for others/guarantee bonds	—	100,924	—	—	68,225	—	—	—	169,149	164,316
Due to other funds	—	—	—	—	2,085,562	—	—	—	2,085,562	—
Deferred revenue	1,902,063	2,351,868	40,919	—	—	—	—	—	4,294,850	4,451,001
Revenue bonds payable	—	—	—	—	11,319,056	—	—	—	11,319,056	12,195,085
General obligation bonds payable	—	—	—	—	—	—	24,270,000	—	24,270,000	24,600,000
Deferred compensation benefits payable	—	—	—	—	—	1,924,668	—	—	1,924,668	1,279,971
Other liabilities	404,680	311	—	—	47,382	—	—	—	452,373	378,831
Total Liabilities	3,789,999	4,362,844	41,721	60,070	14,505,255	1,924,668	—	24,270,000	48,954,557	47,029,379
Fund Equity And Other Credits										
Investment in general fixed assets	—	—	—	—	—	—	48,975,734	—	48,975,734	47,108,315
Contributed capital	—	—	—	—	22,019,934	—	—	—	22,019,934	21,152,150
Retained earnings:										
Reserved for revenue bond requirements	—	—	—	—	4,432,215	—	—	—	4,432,215	4,464,621
Unreserved	—	—	—	—	10,302,232	—	—	—	10,302,232	9,199,465
Fund balances:										
Reserved for:										
Encumbrances	617,061	3,124,708	—	—	—	—	—	—	3,741,769	3,799,709
Capital improvements	—	251,237	—	—	—	—	—	—	251,237	150,648
Stormwater management	242,016	—	—	—	—	—	—	—	242,016	201,608
Inventory/prepays	164,185	113,586	—	—	—	—	—	—	277,771	258,691
Spencer Creek land sales	53,750	—	—	—	—	—	—	—	53,750	51,750
Other projects	257,970	29,100	—	—	—	—	—	—	287,070	258,464
Natatorium Foundation	—	—	—	—	—	2,367,759	—	—	2,367,759	2,306,493
Unreserved - undesignated	6,371,497	15,175,506	1,138,767	2,545,526	—	—	—	—	25,231,296	25,692,157
Total Fund Equity And Other Credits	7,706,479	18,694,137	1,138,767	2,545,526	36,754,381	2,367,759	48,975,734	—	118,182,783	114,644,071
Total Liabilities, Fund Equity And Other Credits	\$ 11,496,478	\$ 23,056,981	\$ 1,180,488	\$ 2,605,596	\$ 51,259,636	\$ 4,292,427	\$ 48,975,734	\$ 24,270,000	\$ 167,137,340	\$ 161,673,450

CITY OF ST. PETERS, MISSOURI

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES For The Year Ended September 30, 1997

	Governmental Fund Types				Fiduciary Fund Type Expendable Trust	Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects		1997	1996
Revenues							
Sales tax	\$ 8,616,883	\$ 4,318,133	\$ —	\$ —	\$ —	12,935,010	\$ 11,749,846
Property tax	3,709,144	119,717	1,305,259	—	—	5,134,120	4,766,572
Utility franchise tax	2,076,010	1,534	—	—	—	9,077,544	2,045,888
Cigarette tax	224,199	—	—	—	—	224,199	225,265
Licenses and permits	375,905	—	—	—	—	375,905	402,159
Interest	426,121	1,107,227	84,323	159,033	103,350	1,880,054	1,963,292
Intergovernmental	2,708,518	1,775,558	—	—	—	4,484,076	4,906,618
Fines and forfeitures	700,143	—	—	—	—	700,143	540,631
Charges for services	230,700	2,782,997	—	—	—	3,013,697	2,610,328
Contributions	43,039	—	—	—	2,864	45,903	75,037
Miscellaneous	41,737	133,072	—	80	97,796	279,685	531,863
Total Revenues	19,152,399	10,238,238	1,389,582	159,113	204,010	81,142,242	29,817,499
Expenditures							
Current:							
General government	640,747	2,525	—	—	—	640,272	824,272
Administration	3,159,484	—	—	—	142,744	3,302,226	2,808,369
Police	4,640,086	34,561	—	—	—	4,674,647	4,046,492
Municipal court	122,810	—	—	—	—	122,810	122,680
Public works	2,003,911	—	—	—	—	2,003,911	2,220,528
Engineering	1,386,313	—	—	—	—	1,386,313	1,302,297
Maintenance	656,338	—	—	—	—	656,338	583,269
Health	345,540	—	—	—	—	345,540	309,242
Parks and recreation	1,779,410	3,021,632	—	—	—	4,801,042	4,176,898
Community relations	387,148	—	—	—	—	387,148	359,715
Cultural and civic affairs	241,795	—	—	—	—	241,795	194,901
Capital outlay	1,721,789	6,076,118	—	1,108,212	—	9,006,120	9,060,054
Debt service:							
Principal retirement	—	2,147	547,853	—	—	550,000	800,000
Interest and fiscal charges	—	119,112	1,135,248	—	—	1,354,360	1,625,949
Other	—	—	653,130	—	—	653,130	—
Total Expenditures	17,085,371	10,256,096	2,336,231	1,108,212	142,744	30,928,654	28,434,666
Revenues Over (Under) Expenditures	2,067,028	(17,858)	(946,649)	(949,099)	61,266	214,688	1,382,833
Other Financing Sources (Uses)							
Operating transfers in (out)	(1,935,763)	267,465	1,115,000	—	—	(553,298)	(118,665)
Proceeds from refunding debt issuance	—	—	7,116,798	—	—	7,116,798	—
Payment to escrow agent	—	—	(7,045,040)	—	—	(7,045,040)	—
Total Other Financing Sources (Uses)	(1,935,763)	267,465	1,186,758	—	—	(481,540)	(118,665)
Revenues And Other Financing Sources Over (Under) Expenditures And Other Financing Uses	131,265	249,607	240,109	(949,099)	61,266	(266,852)	1,264,168
Fund Balances							
Beginning of year	7,575,214	18,444,530	898,658	3,494,625	2,306,493	32,719,520	34,955,352
Residual equity transfer	—	—	—	—	—	—	(3,500,000)
End of year	\$ 7,706,479	\$ 18,694,137	\$ 1,138,767	\$ 2,545,526	\$ 2,367,759	\$ 32,452,668	\$ 32,719,520

CITY OF ST. PETERS, MISSOURI

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS - GENERAL, BUDGETED SPECIAL REVENUE, AND DEBT SERVICE FUNDS For The Year Ended September 30, 1997

	General			Special Revenue			Debt Service		
	Revised Budget	Actual	Variance - Favorable (Unfavorable)	Revised Budget	Actual	Variance - Favorable (Unfavorable)	Revised Budget	Actual	Variance - Favorable (Unfavorable)
Revenues									
Sales tax	\$ 8,150,000	\$ 8,616,883	\$ 466,883	\$ 4,075,000	\$ 4,318,133	\$ 243,133	\$ —	\$ —	\$ —
Property tax	3,617,604	3,690,609	73,005	—	119,717	119,717	1,263,825	1,290,249	26,424
Utility franchise tax	1,919,000	2,076,010	157,010	—	1,534	1,534	—	—	—
Cigarette tax	215,000	224,199	9,199	—	—	—	—	—	—
Licenses and permits	373,500	375,905	2,405	—	—	—	—	—	—
Interest	300,000	426,121	126,121	530,000	1,107,227	577,227	75,000	84,323	9,323
Intergovernmental	4,732,063	2,708,518	(2,023,545)	4,637,618	1,591,879	(3,045,739)	—	—	—
Fines and forfeitures	580,000	700,143	120,143	—	—	—	—	—	—
Charges for services	354,953	230,699	(124,254)	2,908,000	2,782,997	(125,003)	—	—	—
Miscellaneous	36,500	84,778	48,278	210,900	133,072	(77,828)	—	—	—
Total Revenues	20,278,620	19,133,865	(1,144,755)	12,361,518	10,054,559	(2,306,959)	1,338,825	1,374,572	35,747
Expenditures									
General government	812,475	593,108	219,367	—	—	—	—	—	—
Administration	4,245,988	3,499,450	746,538	—	—	—	—	—	—
Police	5,005,584	4,868,508	137,076	53,500	53,811	(311)	—	—	—
Municipal Court	129,805	124,181	5,624	—	—	—	—	—	—
Public works	2,610,639	2,134,831	475,808	—	—	—	—	—	—
Engineering	1,895,899	1,421,239	474,660	—	—	—	—	—	—
Maintenance	687,335	668,146	19,189	—	—	—	—	—	—
Health	1,833,571	413,221	1,420,350	—	—	—	—	—	—
Parks and recreation	3,457,664	2,443,910	1,013,754	3,414,233	3,024,186	390,047	—	—	—
Community relations	553,042	404,350	148,692	—	—	—	—	—	—
Cultural and Civic Affairs	268,307	245,712	22,595	—	—	—	—	—	—
Street improvements	—	—	—	12,477,253	7,265,089	5,212,164	—	—	—
Debt service	—	—	—	—	123,784	(123,784)	2,386,912	2,264,473	122,439
Total Expenditures	21,500,309	16,816,656	4,683,653	15,944,986	10,466,870	5,478,116	2,386,912	2,264,473	122,439
Revenues Over (Under) Expenditures	(1,221,689)	2,317,209	3,538,898	(3,583,468)	(412,311)	3,171,157	(1,048,087)	(889,901)	158,186
Other Financing Sources (Uses)									
Operating transfers in (out)	(2,235,700)	(1,935,763)	299,937	277,830	267,465	(10,365)	1,115,000	1,115,000	—
Revenues And Other Financing Sources Over (Under) Expenditures And Other Financing Uses	(3,457,389)	381,446	3,838,835	(3,305,638)	(144,846)	3,160,792	66,913	225,099	158,186
Fund Balances									
Budget basis:									
Unreserved:									
Beginning of year	6,144,060	6,144,060	—	16,515,266	16,515,266	—	954,587	954,587	—
Transfer (to) from reserved	57,500	(93,745)	(151,245)	—	(100,589)	(100,589)	—	—	—
End of year	2,744,171	6,431,761	3,687,590	13,209,628	16,269,831	3,060,203	1,021,500	1,179,686	158,186
Reserved:									
Beginning of year	624,176	624,176	—	179,748	179,748	—	—	—	—
Transfer (to) from unreserved	(57,500)	93,745	151,245	—	100,589	100,589	—	—	—
End of year	566,676	717,921	151,245	179,748	280,337	100,589	—	—	—
Budget basis, end of year	\$ 3,310,847	7,149,682	\$ 3,838,835	\$ 13,389,376	16,550,168	\$ 3,160,792	\$ 1,021,500	1,179,686	\$ 158,186
Encumbrances, end of year		617,061			3,124,708				
Property Tax - Deferred revenue, end of year		(60,264)						(40,919)	
Intergovernmental - Deferred revenue, end of year					(691,164)				
Grant receivable adjustment					(289,575)				
GAAP basis, end of year		\$ 7,706,479			\$ 18,694,137			\$ 1,138,767	

CITY OF ST. PETERS, MISSOURI

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY - PROPRIETARY FUND TYPE - ENTERPRISE FUNDS

For The Year Ended September 30, 1997

(With Comparative Totals For Year Ended September 30, 1996)

	1997	1996
Operating Revenues		
Water	\$ 2,470,281	\$ 2,406,690
Sewer	2,247,506	2,217,333
Solid waste	1,712,611	1,670,224
Tap-on fees	378,448	157,261
Tipping fees	212,999	—
Rental income	37,000	—
Recycling income	313,526	—
Miscellaneous	802,925	608,601
Total Operating Revenues	8,175,296	7,060,109
Operating Expenses		
Personnel costs	2,590,305	2,272,347
Depreciation	2,224,871	2,019,061
Utilities	377,661	303,960
Purchased water	702,086	672,961
Wastewater treatment costs	59,051	57,673
Landfill fees	385,544	335,061
Repairs and maintenance	458,089	362,786
Chemicals and supplies	75,018	33,785
Professional services	585,497	114,344
Office expense	210,925	89,136
Insurance	31,130	35,361
Gasoline and fuel	81,313	72,274
Bad debts	17,601	26,139
Rent	70,793	48,253
Miscellaneous	241,613	44,489
Total Operating Expenses	8,111,497	6,487,630
Operating Income	63,799	572,479
Nonoperating Revenues (Expenses)		
Interest on investments	348,814	337,099
Bond interest and fees	(757,756)	(810,503)
Amortization of bond issue costs	(33,971)	(36,911)
Equity loss in joint venture	(42,091)	(44,254)
Nonoperating Expenses, Net	(485,004)	(554,569)
Income (Loss) Before Operating Transfers In	(421,205)	17,910
Operating Transfers In	553,298	118,665
Net Income	132,093	136,575
Depreciation on contributed assets	938,268	887,856
Increase In Retained Earnings	1,070,361	1,024,431
Fund Equity		
Contributed capital:		
Beginning of year, as previously reported	21,152,150	18,061,588
Contributions:		
Developers, net	524,362	162,340
Other governmental agencies	1,281,690	3,816,078
Depreciation on contributed assets	(938,268)	(887,856)
End of year	22,019,934	21,152,150
Retained earnings:		
Beginning of year, as previously reported	13,664,086	12,611,195
Prior period adjustment	—	28,460
Beginning of year, as restated	13,664,086	12,639,655
Increase in retained earnings	1,070,361	1,024,431
End of year	14,734,447	13,664,086
Total Fund Equity	\$ 36,754,381	\$ 34,816,236

CITY OF ST. PETERS, MISSOURI

**COMBINED STATEMENT OF CASH FLOWS -
PROPRIETARY FUND TYPE -
ENTERPRISE FUNDS**

**For The Year Ended September 30, 1997
(With Comparative Totals For Year Ended September 30, 1996)**

	1997	1996
Reconciliation Of Operating Income To Net Cash Provided By Operating Activities		
Operating income	\$ 63,799	\$ 572,479
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	2,224,871	2,019,061
Change in assets and liabilities:		
Increase in services receivable	(31,018)	(75,507)
Increase in miscellaneous receivables	(45,259)	(13,401)
Increase in inventory	(36,467)	—
(Increase) decrease in other assets	210	(189)
Increase (decrease) in accounts payable	(438,286)	123,056
Increase in accrued payroll	9,998	15,042
Increase in accrued vacation	21,568	12,029
Increase (decrease) in deposits held for others	875	(7,889)
Increase in other liabilities	14,151	1,760
Total Adjustments	1,720,643	2,073,962
Net Cash Provided By Operating Activities	1,784,442	2,646,441
Cash Flows Provided By Noncapital Financing Activities		
Operating transfers in	553,298	118,665
Advances on interfund balances	2,085,562	—
Net Cash Provided By Noncapital Financing Activities	2,638,860	118,665
Cash Flows From Capital And Related Financing Activities		
Equity transfer from General Fund	—	3,500,000
Principal paid on revenue bonds	(910,000)	(815,000)
Interest paid on revenue bonds	(776,538)	(826,339)
Acquisition and construction of capital assets	(6,051,707)	(2,390,308)
Net Cash Used In Capital And Related Financing Activities	(7,738,245)	(531,647)
Cash Flows From Investing Activities		
Interest on investments	359,654	317,486
Net Increase (Decrease) In Cash And Cash Equivalents	(2,955,289)	2,550,945
Cash And Cash Equivalents - Beginning Of Year	7,124,485	4,573,540
Cash And Cash Equivalents - End Of Year	\$ 4,169,196	\$ 7,124,485

Noncash investing, capital and financing activities: During fiscal year 1997, the waterworks/sanitary sewer fund received \$524,362 in contributed water and sewer transportation lines from developers. The Central Materials Processing Facility Fund capitalized \$1,281,691 of recognized contributed capital from grants and is included in Intergovernmental Receivables.

CITY OF ST. PETERS, MISSOURI

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

September 30, 1997

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 sanitation, residential trash collection, recreation, community development, health, planning and zoning, and general administrative expenses.

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

Reporting Entity

The City defines its reporting entity in accordance with Codification of Governmental Accounting and Financial Reporting Standards, Section 2100. The criteria used in determining the scope of the entity for financial reporting purposes includes, but is not limited to, the method of budget adoption, taxing authority, whether debt is secured by revenues or general obligations of the City, the obligation of the City to finance any deficits that may occur, and supervision over the accounting functions.

Component units are organizations for which the City, as the primary government, is financially accountable. To be considered financially accountable, the organization must be fiscally dependent on the City or the City must appoint a majority of the board of the organization and either 1) be able to impose its will on the organization or 2) the relationship must have the potential for creating a financial benefit or imposing a financial burden of the City.

Based on the foregoing, the City's general purpose financial statements include all funds, account groups, agencies, boards, commissions, and authorities that are controlled by or dependent on the City. Accordingly, the City of St. Peters Public Improvement Corporation (the PIC) and the City of St. Peters Natatorium Foundation, separate not-for-profit corporations, have been reported as component units of the City and blended as a separate enterprise fund and an expendable trust fund, respectively.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (*Continued*)

The PIC was formed in August 1990 for the purpose of facilitating the acquisition and construction of certain capital improvements and facilities solely for the benefit of the City. The City of St. Peters Natatorium Foundation was formed in November 1993 for the purpose of accepting contributions from the community and using the resources to fund improvements to the St. Peters Rec-Plex facility. There are no separate financial statements issued for these component units.

Fund Accounting

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

Governmental Fund Types

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (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 governmental fund types:

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

Special Revenue - 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.

Debt Service - The debt service fund is used to account for the accumulation of resources for, and the payment of, general 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 (other than those financed by the proprietary fund type).

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements *(Continued)*

Proprietary Fund Type - Enterprise

Proprietary funds are used to account for activities that are similar to those found in the private sector. The measurement focus is on the determination of net income and capital maintenance. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City has four enterprise funds which provide water and sewer treatment, solid waste collection, solid waste processing and public improvement financing services.

Fiduciary Fund Types - Trust And Agency Funds

Trust and agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, or other funds. When the assets are held under the terms of a formal trust agreement, a trust fund is used. Agency funds generally are used to account for assets that the City holds on behalf of others and are purely custodial in nature.

Account Groups

Account groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term debt as follows:

General Fixed Assets Account Group - This group of accounts is established to account for all fixed assets of the City, other than those accounted for in the proprietary fund type.

General Long-Term Debt Account Group - This group of accounts is established to account for all long-term debt of the City, except debt accounted for in the proprietary fund type.

Basis Of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (*Continued*)

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increase (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the general purpose financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The City records transactions during the year on the modified accrual basis of accounting for governmental fund types, the expendable trust fund and the agency fund, and the accrual basis of accounting for the proprietary fund type.

Under the modified accrual basis of accounting, revenues are recorded when both measurable and available. The term "available" is defined as collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized when the related fund liability is incurred, except for interest on general obligation debt which is recognized when due.

Licenses, permits, fines, fees, and miscellaneous revenues (except interest on investments) are recorded as revenues when received in cash because they are generally not measurable until actually received. Interest on investments is recorded as earned since it is measurable and available. Property taxes, utilities franchise taxes, and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and recognized as revenue at that time. Property tax revenue is recognized to the extent it is collected within the current period or expected to be collected within 60 days following the end of the current year.

Under the accrual basis of accounting used by the proprietary fund type, revenues are recognized when earned and expenses are recognized when incurred. Within the City's waterworks/sanitary sewer fund, an estimated amount has been recorded for services rendered but not billed as of the close of the fiscal year. The receivable was arrived at by taking the subsequent cycle billings and prorating the amount of days applicable to the current fiscal year.

Application Of FASB Standards

Governmental Accounting Standards Board (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*, offers the option of following all Financial Accounting Standards Board (FASB) standards issued after November 30, 1989, unless the latter conflict with or contradict GASB pronouncements. The City elected not to follow FASB standards issued after such date. The City had been applying the elected criteria; therefore, its adoption did not materially affect prior periods, and no restatement of prior period financial statements is necessary.

Budgetary Data

The Board of Aldermen follow the procedures outlined below in establishing the budgetary data reflected in the general purpose 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, transportation trust and recreation, 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, and central materials processing facility 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 Board of Aldermen 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. The amount of such supplemental appropriations for the year was not significant.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (*Continued*)

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, transportation trust and recreation special revenue funds, and debt service funds are adopted on a basis which is consistent with generally accepted accounting principles (GAAP), except for the following:

- For GAAP purposes, expenditures are recognized as incurred, whereas the City's budget basis recognizes encumbrances outstanding at year-end as expenditures of the current period. Accordingly, expenditures in the budget and actual comparisons (budget basis) for the general fund are less than expenditures in the combined statement of revenues, expenditures, and changes in fund balances by \$268,715 for the general fund and greater than expenditures in the combined statement of revenues, expenditures and changes in fund balances by \$210,774 for the special revenue funds. Encumbered appropriations do not lapse at year-end.
- Grant revenue is generally recognized when the qualifying expenditures are incurred. Due to the City's policy of recognizing encumbrances outstanding at year end as expenditures, certain grant revenues have also been recognized for budget purposes. Accordingly, intergovernmental revenue in the budget and actual comparisons (budget basis) for the special revenue funds is less than intergovernmental revenue in the combined statement of revenues, expenditures and changes in fund balances - all governmental fund types by \$183,679.
- Property tax revenue is recognized to the extent it is collected within the current period or expected to be collected within 60 days following the end of the fiscal period on a GAAP basis. Property tax revenue not received at year-end is recorded as deferred revenue. Property tax revenue is recognized on a budget basis at the point in time that the tax is levied. Accordingly, property tax revenues in the budget and actual comparisons (budget basis) for the general fund is less than the corresponding revenues in the combined statement of revenues, expenditures, and changes in fund balances - all governmental fund types by \$18,535. The Debt Service Fund's property tax revenues on a budget basis were \$15,010 less than the corresponding revenues in the combined statement of revenues, expenditures, and changes in fund balances - all government fund types.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements *(Continued)*

Prepaid Items

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

Prepaid items are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

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 by the governmental fund types. Encumbrances outstanding at year-end do not constitute expenditures or liabilities and are reported as a reservation of fund balance to indicate that a portion of the fund balance is not available for subsequent appropriation.

Fixed Assets And Depreciation

General Fixed Assets Account Group

Fixed assets purchased for general governmental purposes are recorded as expenditures in the governmental funds and capitalized at historical cost in the general fixed assets account group. Contributed fixed assets are recorded at fair market value at the date received.

Fixed assets consisting of certain improvements other than buildings including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, have not been capitalized. Such assets normally are immovable and of value only to the City. Therefore, the purpose of stewardship for capital expenditures can be satisfied without recording these assets.

No depreciation has been provided on general fixed assets.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (Continued)

Proprietary Fund Type

Property, plant and equipment acquired by the proprietary fund type is stated at cost, including interest capitalized during construction, where applicable. Contributed fixed assets are recorded at fair market value at the date received. Depreciation on assets acquired through contributions is charged to contributed capital.

Depreciation is provided using the straight-line method over the estimated useful lives of the property as follows:

	<u>Years</u>
Plant and structures	20
Water and sewer lines	50
Machinery and equipment	3 - 5

Bond Discounts/Issuance Costs

In governmental fund types, bond discounts and issuance costs are recognized in the current period. Bond discounts and issuance costs for proprietary fund types are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Both bond discounts and issuance costs are presented as a reduction of the face amount of bonds payable.

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 earned and any unused accumulated vacation is payable to employees upon termination. Accrued vacation is recorded in the respective governmental or proprietary fund type from which it will be paid. Sick leave benefits do not vest and are recorded as expenditures when paid.

Fund Equity

Contributed Capital

Contributed capital in the enterprise funds consist primarily of that portion of property, plant and equipment which was financed through government contributions and through Federal and state grant revenues. Federal and state grants are generally recognized as contributed capital when the related expenditure is made and amounts become subject to claim for reimbursement. Depreciation recorded on property, plant and equipment acquired with contributed funds is charged to operations and closed to the related contributed capital account.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements *(Continued)*

Retained Earnings - Reserved

Reserved retained earnings of the enterprise funds consist of amounts segregated from operating funds in accordance with the terms of revenue bond requirements. The related assets are reflected as restricted.

Fund Balance - Reserved

Reserved fund balances of the governmental fund types consist of reserves for encumbrances and various capital improvement projects legally segregated for a specific future use.

Interfund Transactions

The City has the following types of transactions among funds:

Operating Transfers

Legally required transfers are reported when incurred as "operating transfers in" by the recipient fund and as "operating transfers out" by the disbursing fund.

Reimbursements

Reimbursement of expenditures made by one fund for another are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Equity Transfers

Nonroutine or nonrecurring transfers between funds are reported as additions to or deductions from fund balances of governmental fund types and additions or deductions of contributed capital or retained earnings, as appropriate, of the proprietary fund type.

Quasi-External Transactions

Charges or collections for services rendered by one fund for another are recognized as revenues of the recipient fund and expenditures or expenses of the disbursing fund. These transactions are recorded as quasi-external transactions because they would be treated as revenues and expenditures or expenses if they involved organizations external to the City.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements *(Continued)*

Intergovernmental Revenues

Resources received by the City from other governments are accounted for within applicable funds based on the purpose and requirements of each grant. Revenues are recognized on an accounting basis consistent with the fund's measurement objective.

Revenues related to expenditure-driven grants are recognized to the extent expenditures are incurred. Any excess or deficiency of grant revenues received compared to expenditures incurred is recorded as deferred revenue or amounts receivable from the grantor.

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.

Totals (Memorandum Only)

The totals (memorandum only) column is the aggregate of the fund types and account groups. No consolidating or other eliminations between the fund types or account groups were made in arriving at the total; thus, it is not intended to present consolidated information.

Interfund Eliminations

All significant interfund transactions between the PIC and other City enterprise funds have been eliminated.

Statement Of Cash Flows

The proprietary fund type considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

2. Cash And Investments

Investments are stated at cost, except for investments in the deferred compensation agency fund which are recorded at market value.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (Continued)

Missouri state statutes authorize the City to invest in obligations of: the U.S. Treasury and U.S. Government agencies; the State of Missouri; and local governments in Missouri with populations greater than 400,000. Deposits in financial institutions must be collateralized by securities pledged to the City by these same institutions or covered by FDIC insurance.

Cash deposits with financial institutions amounted to \$36,336,832. Bank balance was \$36,727,289 which, at the balance sheet date, was entirely insured or collateralized by securities held by the City's agent in the City's name.

The City's investments are categorized below to give an indication of the level of risk assumed at year-end. Category 1 includes investments that are insured or registered, or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent, but not in the City's name.

	Category			Carrying Value	Market Value
	1	2	3		
Investments - U.S. Treasury obligations	\$ —	\$ 1,375,444	\$ —	\$ 1,375,444	\$ 1,399,817
Pooled investments:					
Government money market funds				363,011	363,011
Natatorium Endowment fund				2,352,458	2,352,458
Deferred compensation plan				1,924,668	1,924,668
Deposits				36,336,832	36,336,832
Total deposits and investments				<u>\$ 42,352,413</u>	<u>\$ 42,376,786</u>

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 \$.93 per \$100 of assessed valuation of which \$.66 is for general revenue purposes and \$.27 for the payment of principal and interest on general obligation bonds. Taxes are billed November 1, are due and collectible on December 31, and are delinquent and represent a lien on related property on January 1, of the following year. Taxes are billed, collected, and remitted to the City by the St. Charles County Collector.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (Continued)

4. Property, Plant And Equipment

The following represents a summary of changes in the general fixed assets account group for the year ended September 30, 1997:

	Balance, September 30, 1996	Additions	Deductions	Balance, September 30, 1997
Land	\$ 2,903,325	\$ 127,500	\$ —	\$ 3,030,825
Buildings	29,480,042	102,270	26,289	29,556,024
Improvements	4,240,472	679,677	8,157	4,911,992
Equipment	7,324,788	949,867	307,277	7,967,378
Furniture and fixtures	868,027	39,513	10,856	896,684
Vehicles and other	2,291,661	362,497	41,326	2,612,831
	<u>\$ 47,108,315</u>	<u>\$ 2,261,324</u>	<u>\$ 393,905</u>	<u>\$ 48,975,734</u>

The following summarizes property, plant and equipment held by the enterprise funds at September 30, 1997:

	Waterworks/ Sanitary Sewer	Solid Waste	Public Improvement Corporation	Central Materials Processing Facility	Total
Land	\$ 469,534	\$ —	\$ —	\$ 513,103	\$ 982,637
Plant and structures	20,227,876	201,373	486,827	3,836,304	24,752,380
Water lines	14,795,789	—	—	—	14,795,789
Sewer lines	14,624,262	—	—	—	14,624,262
Machinery and equipment	1,967,650	668,926	1,845,440	1,250,130	5,732,146
Other fixed assets	26,603	—	1,913	52,476	80,992
Less: Accumulated depreciation	(18,683,000)	(291,810)	(1,694,588)	(205,483)	(20,874,881)
	<u>\$ 33,428,714</u>	<u>\$ 578,489</u>	<u>\$ 639,592</u>	<u>\$ 5,446,530</u>	<u>\$ 40,093,325</u>

5. Employees' Retirement System

The following information is presented in accordance with the Governmental Accounting Standards Board Statement 27 (GAS 27), Accounting for Pensions by State and Local Governmental Employers.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements *(Continued)*

Plan Description

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

The Missouri Local Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, MO 65102 or by calling 1-800-447-4334.

Funding Policy

The City's full-time employees do not contribute to the pension plan. The political subdivision is required by state statute to contribute at an actuarially determined rate; the current rate is 8.0% (general) and 8.9% (police) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the political subdivision. The contribution provisions of the political subdivision are established by state statute.

Annual Pension Cost

For 1997, the political subdivision's annual pension cost of \$795,347 was equal to the required and actual contributions. The required contribution was determined as part of the February 28, 1996 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 7.0% per year, compounded annually, before retirement and 4.0% per year, compounded annually, after retirement, (b) projected salary increases of 4.0% per year, compounded annually, attributable to inflation, (c) additional projected salary increases ranging from 0.0% to 4.0% per year, depending on age, attributable to seniority/merit, and (d) pre- and post-retirement mortality based on the 1984 Group Annuity Mortality table set back no years for men and 6 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The amortization period at February 28, 1997 was 19 years.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (Continued)

Three-Year Trend Information			
Fiscal Year Ending	Annual Pension Costs (APC)	Percentage Of APC Contributed	Net Pension Obligation
June 30, 1995	\$ 477,383	100%	\$ 0
June 30, 1996	\$ 636,204	100%	\$ 0
June 30, 1997	\$ 795,347	100%	\$ 0

**Required Supplementary Information
Schedule Of Funding Progress**

Actuarial Valuation Date	(a) Actuarial Value Of Assets	(b) Entry Age Actuarial Liability	(b-a) Unfunded Accrued Liability (UAL)	(a/b) Funded Ratio	(c) Annual Covered Payroll	[(b-a)/c] UAL As A Percentage Of Covered Payroll
February 28, 1994	\$ 5,854,675	\$ 6,697,914	\$ 843,239	87	\$ 6,237,758	14
February 29, 1995	6,523,034	7,985,029	1,461,995	82	6,932,347	21
February 28, 1996	7,833,366	9,160,729	1,327,363	86	8,270,610	16
February 28, 1997	9,444,778	11,507,835	2,063,057	82	10,046,410	21

NOTE: The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 29, 1996 annual actuarial valuations.

6. Long-Term Debt

The following is a summary of the City's long-term debt transactions for the year ended September 30, 1997, including the long-term debt obligations of the Public Improvement Corporation (See Note 7):

	General Obligation Bonds Payable	Revenue Bonds Payable
Balance, October 1, 1996	\$ 24,600,000	\$ 12,395,000
Bond proceeds	7,170,000	—
Debt retired	550,000	910,000
Refunded debt retired	6,950,000	—
Balance, September 30, 1997	24,270,000	11,485,000
Less: Unamortized discount and bond issue costs	—	165,944
	\$ 24,270,000	\$ 11,319,056

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (Continued)

General Obligation Bonds Payable

All general obligation bonds are recorded in the general long-term debt account group and are serviced through the debt service fund. These bonds are supported by a pledge of the City's full faith and credit. The related bond ordinances require a levy and collection of a tax on all taxable, tangible property within the City sufficient to pay principal and interest on such bonds as they become due.

General obligation bonds payable are as follows:

	Balance, October 1, 1996	Additions	Reductions	Balance, September 30, 1997
Park Improvement general obligation bonds dated December 1, 1982, 9.00% to 10.00%, interest payable March 1 and September 1, principal payable September 1	\$ 200,000	\$ —	\$ 100,000	\$ 100,000
Highway general obligation bonds dated November 1, 1983, 8.80% to 9.25%, interest payable March 1 and September 1, principal payable March 1	1,550,000	—	300,000	1,250,000
Park Facilities, Pool, and City Hall general obligation bonds dated July 1, 1988, 6.40% to 7.25%, interest payable March 1 and September 1, principal payable September 1, beginning in 1995, refunded February 1997	3,350,000	—	3,350,000	—
Park Facilities, Pool, and City hall general obligation bonds dated February 1, 1989, 6.50% to 8.00%, interest payable March 1 and September 1, principal payable September 1, beginning in 1993, refunded February 1997	3,600,000	—	3,600,000	—
Recreation Facilities general obligation bonds dated February 1, 1993, 4.00% to 5.85%, interest payable January 1 and July 1, principal payable January 1, beginning in 1996	15,900,000	—	60,000	15,840,000
Refunding general obligation bonds dated February 26, 1997, 3.50% to 4.75%, interest payable March 1 and September 1, principal payable September 1, beginning in 1997	—	7,170,000	90,000	7,080,000
	\$ 24,600,000	\$ 7,170,000	\$ 7,500,000	\$ 24,270,000

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (Continued)

Revenue Bonds Payable (Excluding Public Improvement Corporation)

All revenue bonds payable are recorded in the appropriate enterprise funds since the ordinances authorizing the bond issues require that the bonds be repaid from operations of the respective enterprise fund.

Revenue bonds payable are comprised of the following individual issues:

	Balance, October 1, 1996	Additions	Reductions	Balance, September 30, 1997
Combined Waterworks and Sewerage System Refunding Revenue Bonds Series 1992A (Tax Exempt), (1992 Revenue Bonds Series A) dated June 10, 1992, 3.5% to 6.25%, interest payable November 1 and May 1, principal payable November 1, through 2009	\$ 7,695,000	\$ —	\$ 490,000	\$ 7,205,000
Combined Waterworks and Sewerage System Refunding Revenue Bonds Series 1992B (Taxable), (1992 Revenue Bonds Series B) dated June 10, 1992, 3.95% to 8.10%, interest payable November 1 and May 1, principal payable November 1, through 2005	4,170,000	—	300,000	3,870,000
	<u>\$ 11,865,000</u>	<u>\$ —</u>	<u>\$ 790,000</u>	11,075,000
Less: Unamortized discount and bond issue costs				<u>162,003</u>
				<u>\$ 10,912,997</u>

The 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 ordinance (City Ordinance No. 1873) requires the establishment of certain cash reserve accounts which are described in Note 10.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (Continued)

Principal Requirements To Maturity (Excluding Public Improvement Corporation)

The annual principal requirements to maturity of bonded debt outstanding as of September 30, 1997 are as follows:

Year Ending September 30,	General Obligation Bonds			Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
1998	\$ 1,030,000	\$ 1,316,925	\$ 2,346,925	\$ 825,000	\$ 691,477	\$ 1,516,477
1999	1,075,000	1,248,292	2,323,292	865,000	641,701	1,506,701
2000	1,140,000	1,181,905	2,321,905	910,000	587,915	1,497,915
2001	1,145,000	1,122,098	2,267,098	985,000	528,832	1,513,832
2002	1,190,000	1,069,277	2,259,277	1,045,000	463,317	1,508,317
2003 and thereafter	18,690,000	6,611,515	25,301,515	6,445,000	1,257,974	7,702,974
	\$ 24,270,000	\$ 12,550,012	\$ 36,820,012	\$ 11,075,000	\$ 4,171,216	\$ 15,246,216

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:

	City Purposes Basic Limit	Streets And Sewer Addi- tional Limit
Assessed valuation - 1996 tax year	\$ 506,822,282	\$ 506,822,282
Debt limit - 10% of assessed valuation	\$ 50,682,228	\$ 50,682,228
Amount of debt applicable to debt limit:		
Total bonded debt	34,505,000	1,250,000
Less: Revenue bonds	11,485,000	—
Bond indebtedness applicable to debt limit	23,020,000	1,250,000
Legal debt margin	\$ 27,662,228	\$ 49,432,228

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (Continued)

7. City Of St. Peters, Missouri Public Improvement Corporation

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

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

Concurrent with the issuance of these 1990 Leasehold Revenue Bonds, the City entered into a lease agreement dated October 1, 1990 whereby the assets acquired or constructed by the PIC have been leased to the City. The lease terminates each September 30 and can be renewed for a period of ten years. At the end of the ten-year period, the assets are intended to become the property of the Solid Waste enterprise fund. Rental payments by the City are to be sufficient at all times to pay the total amount of interest and principal (whether at maturity, by acceleration, or by redemption as provided in the bond indenture) and premium, if any, on the 1990 Leasehold Revenue Bonds as they become due. For fiscal year 1997, the City made rental payments totaling \$146,278.

Revenue bonds payable are comprised as follows:

	Balance, October 1, 1996	Additions	Reductions	Balance, September 30, 1997
Leasehold Revenue Bonds, Series 1990 (1990 Leasehold Revenue Bonds), dated October 25, 1990, 6.1% to 7.0%, payable in varying amounts through 2000	\$ 530,000	\$ —	\$ 120,000	\$ 410,000
Less: Unamortized discount and bond issue costs				3,941
				<u>\$ 406,059</u>

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements *(Continued)*

Annual principal and interest requirements to maturity on the 1990 Leasehold Revenue Bonds as of September 30, 1997 are as follows:

	Principal	Interest	Total
Year ending September 30:			
1998	\$ 130,000	\$ 28,305	\$ 158,305
1999	135,000	19,465	154,465
2000	145,000	10,145	155,145
	\$ 410,000	\$ 57,915	\$ 467,915

8. Defeased Debt

On February 26, 1997, the City of St. Peters issued general obligation bonds of \$7,170,000 with an interest rate of 4.47% to advance refund the 1988 and 1989 park facilities, pool and City Hall general obligation bonds with an average interest rate of 7.11% and a par value of \$6,950,000. The 1988 and 1989 general obligation bonds mature on September 1, 2007. The 1997 general obligation bonds were issued at a discount, and after paying issuance costs of \$71,757, the net proceeds were \$7,045,000. The net proceeds from the issuance of the 1997 general obligation bonds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the 1988 and 1989 general obligation bonds are due on September 1, 2007. The advance refunding met the requirements of an in-substance debt defeasance and the 1988 and 1989 general obligation bonds were removed from the City's General Long-Term Debt Account Group. As a result of the advance refunding, the City reduced its total debt service requirements by \$1,005,083, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$852,185.

9. Prior Years' Debt Defeasance

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is considered defeased and therefore removed as a liability from the City's General Long-Term Debt Account Group. As of September 30, 1997, the amount of prior years defeased debt outstanding but removed from the General Long-Term Debt Account Group amounted to \$5,990,000.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (Continued)

10. Enterprise Funds Revenue Bond Requirements

Cash and cash equivalents and investments restricted at September 30, 1997 are as follows:

Revenue fund	\$ 396,202
Operation and maintenance fund	223,385
1992A (Tax Exempt) and 1992B (Taxable)	
Bond and Interest Fund	1,054,347
Series 1992A (Tax exempt) Bond Reserve Fund	940,183
Series 1992B (Taxable) Bond Reserve Fund	581,290
Series 1990 Bond Reserve Fund	216,982
Depreciation Fund	225,000
Interest Reserve Fund	500,000
Contingency Fund	294,823
Cash held by Trustee	3
	<hr/>
	\$ 4,432,215
	<hr/>

The 1990 Leasehold Revenue Bond documents and the City Ordinance No. 1873, which authorized the issuance of the combined Waterworks and Sewerage System refunding revenue bonds Series 1992A (Tax exempt) and 1992B (Taxable), 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.

Operation And Maintenance Fund

Requirements - monthly credit of a sum sufficient to pay the expenses for that month.

Series 1992A (Tax Exempt) Bond And Interest Fund

Requirements - monthly credit of one-sixth (1/6) of the interest due on the succeeding interest payment date plus one-twelfth (1/12) of the principal amount due the next succeeding November 1, if any, to be used only for the payment of principal and interest.

Series 1992B (Taxable) Bond And Interest Fund

Requirements - monthly credit of one-sixth (1/6) of the interest due on the next succeeding interest payment date plus one-twelfth (1/12) of the principal amount due the next succeeding November 1, if any, to be used only for the payment of principal and interest.

Series 1992A (Tax Exempt) Bond Reserve Fund

Requirements - initial deposit of \$885,563 to be used only for the payment of principal and interest on the bonds in the event insufficient funds are available in the bond and interest fund. In the event monies are drawn from this fund, the City will replenish the fund to \$885,563 by making 12 monthly deposits into the fund in the 12 months immediately succeeding the use. The Bond Reserve Fund may also be used to call the Series 1992A (Tax Exempt) bonds for redemption and payment prior to their maturity.

Series 1992B (Taxable) Bond Reserve Fund

Requirements - initial deposit of \$545,376 to be used only for payment of principal and interest on the bonds in the event insufficient funds are available in the bond and interest fund. In the event monies are drawn from the fund, the City will replenish the fund to \$545,376 by making 12 monthly deposits into the fund in the 12 months immediately succeeding the use. The Bond Reserve Fund may also be used to call the Series 1992B (Taxable) bonds for redemption and payment prior to their maturity.

Series 1990 Bond Reserve Fund

Requirements - initial deposit of \$205,500 to be used only for the payment of principal and interest on the bonds in the event insufficient funds are available in the bond fund. In the event monies are drawn from this fund, the City will replenish the fund to \$205,500 by depositing the amount necessary to restore the fund to the bond reserve requirement.

Depreciation Fund

Requirements - initial transfer and credit of \$225,000 to be used only for the payment of principal and interest on the bonds in the event that insufficient funds are available in the bond or bond reserve funds to pay for the costs of necessary replacements to the Waterworks and Sewerage System. In the event monies are drawn from this fund, the City will replenish the fund to \$225,000 by making 24 equal monthly deposits into the fund in the 24 months immediately succeeding the use.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (Continued)

Interest Reserve Fund

Requirements - initial transfer and credit of \$500,000 and thereafter such amounts as appropriated by the Board of Alderman of the City from the Contingency Account, the General Fund of the City, or other available funds of the City. Monies in the Interest Reserve Account 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.

Contingency Fund

Requirements - amounts remaining in the revenue fund after disbursement to other funds based on individual fund requirements shall be deposited in the Contingency Fund for the purposes of paying the costs of improvements, extensions, or additions to the system, retiring bonds in advance of maturity or for any lawful purpose of the City.

Rate Covenant

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

The City meets all related revenue bond reserve requirements.

11. Interfund Balances

Individual fund interfund receivable and payable balances (before similar fund-type eliminations) as of September 30, 1997 are as follows:

Receivable Fund	Amount	Payable Fund	Amount
Public Improvement Corporation	\$ 13,192	Solid Waste	\$ 46,872
Central Materials Processing Facility	33,680	Central Materials Processing Facility	2,085,562
General Fund	2,085,562		
	<u>\$ 2,132,434</u>		<u>\$ 2,132,434</u>

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (Continued)

12. Segments Of Enterprise Activities

The following represents key financial information concerning the enterprise funds for the fiscal year ended September 30, 1997:

	Waterworks/ Sanitary Sewer	Solid Waste	Public Improvement Corporation	Central Materials Processing Facility
Operating revenues	\$ 5,853,153	\$ 1,812,793	\$ 146,278	\$ 509,350
Operating expenses:				
Depreciation	1,802,721	112,591	104,076	205,483
Other	3,582,129	1,780,876	—	670,848
Operating income (loss)	468,303	(79,725)	42,202	(366,981)
Nonoperating revenues (expenses):				
Interest on investments	250,479	42,417	10,829	45,089
Interest expense	(722,081)	—	(35,675)	—
Other	(73,332)	—	(2,730)	—
Operating transfers in	—	379,051	—	174,247
Net income (loss)	(76,631)	340,794	14,626	(147,645)
Current capital contributions	524,362	—	—	—
Investment in joint venture	2,659,829	—	—	—
Property, plant and equipment additions	1,707,435	201,614	—	4,692,536
Net working capital (excluding current restricted assets and liabilities payable from restricted assets)	299,816	1,047,446	10,833	(470,077)
Total assets	41,519,758	1,756,340	869,766	7,160,644
Bonds and other long-term liabilities - payable from operating revenues	10,087,997	—	276,059	—
Fund equity:				
Contributed capital	16,894,535	85,166	—	5,040,233
Retained earnings (deficit)	12,796,110	1,540,769	461,348	(63,780)

13. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (*Continued*)

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City (without being restricted to the provisions of benefits under the plan), subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the City's legal counsel that the City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The City believes that it is unlikely that it will use the plan assets to satisfy the claims of general creditors in the future.

14. 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, 1997 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.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (Continued)

During 1997, the City of St. Peters, Missouri purchased water from the Joint Venture and paid related pumping charges totalling \$722,789. 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, 1997 is as follows:

Assets	<u>\$ 8,204,579</u>
Liabilities	\$ 418,961
Partnership capital:	
St. Peters	2,903,699
St. Charles	6,227,431
Retained deficit:	
St. Peters	(427,873)
St. Charles	(917,639)
	<u>\$ 8,204,579</u>
Operating revenue	\$ 1,377,991
Operating expenses	1,541,844
Nonoperating revenue	<u>45,957</u>
Net Loss	<u>\$ (117,896)</u>

The joint venture issues a financial statement. That report may be obtained by writing to the St. Peters - St. Charles Water Pipeline Project, One St. Peters Centre Boulevard, St. Peters, Missouri 63376.

15. Insurance Programs

The City, along with various other local municipal governments, participates in the Missouri Intergovernmental Risk Management Association (MIRMA), an insurance association for workers' compensation, general liability, and property and casualty insurance. The purpose of MIRMA is to distribute the cost of self-insurance over similar entities. MIRMA requires an annual premium payment to cover estimated claims payable and reserves for claims from each entity. The members of MIRMA have no legal interest in the assets, liabilities, or fund balances of the insurance association. However, the City retains a contingent liability to fund its pro rata share of any deficit incurred by MIRMA should it cease operations at some future date. The City's 1997 premium payments to MIRMA were \$495,138.

CITY OF ST. PETERS, MISSOURI

Notes To General Purpose Financial Statements (*Continued*)

16. Expenditures Exceeding Appropriations And Retained Earning Deficit

During the year ended September 30, 1997, expenditures exceeded appropriations in the following funds:

<u>Fund</u>	<u>Expenditures Over Budget</u>
Drug Enforcement Agency Fund	\$ 311
Tax Increment Financing Fund	123,784

The Central Materials Processing Facility Enterprise Funds' retained earnings deficit was \$63,780 at September 30, 1997.

17. Contingencies

Litigation

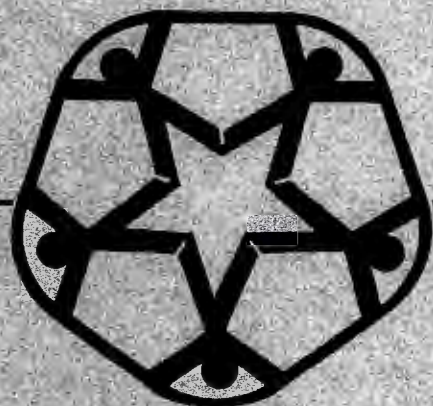
The City is a defendant in a number of lawsuits pertaining to matters which are incidental to performing routine governmental and other functions. Based on the current status of all of these legal proceedings, it is the opinion of management that they will not have a material effect on the City's financial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

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Supplementary Data



General Fund

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

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - BUDGET BASIS
GENERAL FUND**

For The Year Ended September 30, 1997

	Revised Budget	Actual	Variance - Favorable (Unfavorable)
Revenues			
Taxes:			
Sales	\$ 8,150,000	\$ 8,616,883	\$ 466,883
Property	3,617,604	3,690,609	73,005
Utility franchise:			
Electric	1,399,000	1,427,123	28,123
Gas	400,000	521,738	121,738
Cablevision	120,000	127,149	7,149
	<u>13,686,604</u>	<u>14,383,502</u>	<u>696,898</u>
Cigarette	215,000	224,199	9,199
Licenses and permits	373,500	375,905	2,405
Interest	300,000	426,121	126,121
Intergovernmental	4,732,063	2,708,518	(2,023,545)
Fines and forfeitures	580,000	700,143	120,143
Charges for services	354,953	230,699	(124,254)
	<u>6,555,516</u>	<u>4,665,585</u>	<u>(1,889,931)</u>
Miscellaneous	36,500	84,778	48,278
Total Revenues	20,278,620	19,133,865	(1,144,755)
Expenditures	21,500,309	16,816,656	4,683,653
Revenues Over (Under) Expenditures	(1,221,689)	2,317,209	3,538,898
Other Financing Sources (Uses)			
Operating transfers out	(2,235,700)	(1,935,763)	(299,937)
Revenues Over (Under) Expenditures And Other Financing Uses	(3,457,389)	381,446	3,838,835
Fund Balance:			
Unreserved:			
Beginning of year	6,144,060	6,144,060	—
Transfer (to) from reserved	57,500	(93,745)	(151,245)
End of year	<u>2,744,171</u>	<u>6,431,761</u>	<u>3,687,590</u>
Reserved:			
Beginning of year	624,176	624,176	—
Transfer to (from) unreserved	(57,500)	93,745	151,245
End of year	<u>566,676</u>	<u>717,921</u>	<u>151,245</u>
	<u>\$ 3,310,847</u>	<u>\$ 7,149,682</u>	<u>\$ 3,838,835</u>

CITY OF ST. PETERS, MISSOURI

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - BUDGET BASIS - GENERAL FUND For The Year Ended September 30, 1997

	Revised Budget	Actual	Variance - Favorable (Unfavorable)
General Government:			
Personal services	\$ 107,951	\$ 105,827	\$ 2,124
Capital outlay	13,500	—	13,500
Other	691,024	487,281	203,743
	812,475	593,108	219,367
Administration:			
Personal services	2,030,148	1,929,571	100,577
Capital outlay	539,304	354,853	184,451
Other	1,676,536	1,215,026	461,510
	4,245,988	3,499,450	746,538
Police:			
Personal services	4,315,141	4,129,675	185,466
Capital outlay	229,300	229,188	112
Other	461,143	509,645	(48,502)
	5,005,584	4,868,508	137,076
Municipal Court:			
Personal services	113,481	111,238	2,243
Capital outlay	1,500	1,371	129
Other	14,824	11,572	3,252
	129,805	124,181	5,624
Public Works:			
Personal services	1,167,318	1,025,242	142,076
Capital outlay	547,925	241,656	306,269
Other	895,396	867,933	27,463
	2,610,639	2,134,831	475,808
Engineering:			
Personal services	1,621,106	1,253,928	367,178
Capital outlay	37,375	35,142	2,233
Other	237,418	132,169	105,249
	1,895,899	1,421,239	474,660
Maintenance:			
Personal services	571,473	550,445	21,028
Capital outlay	6,750	10,830	(4,080)
Other	109,112	106,871	2,241
	687,335	668,146	19,189
Health:			
Personal services	370,714	251,318	119,396
Capital outlay	1,389,325	46,499	1,342,826
Other	73,532	115,404	(41,872)
	1,833,571	413,221	1,420,350
Parks And Recreation:			
Personal services	1,501,352	1,362,019	139,333
Capital outlay	1,603,630	661,798	941,832
Other	352,682	420,093	(67,411)
	3,457,664	2,443,910	1,013,754
Community Relations:			
Personal services	349,986	251,139	98,847
Capital outlay	14,355	13,501	854
Other	188,701	139,710	48,991
	553,042	404,350	148,692
Cultural And Civic Affairs:			
Personal services	158,066	134,473	23,593
Capital outlay	5,000	4,807	193
Other	105,241	106,432	(1,191)
	268,307	245,712	22,595
Total Expenditures	\$ 21,500,309	\$ 16,816,656	\$ 4,683,653

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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. The special revenue funds maintained by the City are as follows:

Transportation Trust Fund

Used to account for transportation sales tax revenues and grants to be used for the construction, reconstruction, repair, and maintenance of streets, roads, and bridges.

Drug Enforcement Agency Fund

Used to account for Federal grant proceeds and other revenues restricted for drug-related law enforcement purposes.

Recreation Fund

Used to account for revenues restricted for recreation purposes.

Tax Increment Financing Fund

Used to account for revenues generated by the TIF district for the payment of debt service expenditures.

CITY OF ST. PETERS, MISSOURI

COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS September 30, 1997

	Transportation Trust Fund	Drug Enforcement Agency Fund	Recreation Fund	Tax Increment Financing Fund	Total
Assets					
Cash and cash equivalents - unrestricted	\$ 20,406,180	\$ 144,105	\$ 1,113,878	\$ 10,335	\$ 21,674,498
Receivables, net of allowances:					
Taxes	387,092	—	—	—	387,092
Intergovernmental	682,635	—	—	—	682,635
Accrued interest	84,070	575	2,996	—	87,641
Miscellaneous	14,758	12,344	40,223	44,204	111,529
Inventory/prepays	108,645	—	4,941	—	113,586
Total Assets	\$ 21,683,380	\$ 157,024	\$ 1,162,038	\$ 54,539	\$ 23,056,981
Liabilities And Fund Balances					
Liabilities					
Accounts payable	\$ 1,740,488	\$ —	\$ 86,511	\$ —	\$ 1,826,999
Accrued payroll	8,207	—	36,610	—	44,817
Accrued vacation	12,688	—	25,237	—	37,925
Deposits/guarantee bonds	—	—	100,924	—	100,924
Deferred revenue	2,246,898	—	61,251	43,719	2,351,868
Other liabilities	—	—	311	—	311
Total Liabilities	4,008,281	—	310,844	43,719	4,362,844
Fund Balances					
Reserved for encumbrances	2,985,741	19,250	119,717	—	3,124,708
Reserved for capital improvements	—	—	251,237	—	251,237
Reserved for inventory/prepays	108,645	—	4,941	—	113,586
Reserved for grants	—	—	—	—	—
Other projects	—	—	29,100	—	29,100
Unreserved - undesignated	14,580,713	137,774	446,199	10,820	15,175,506
Total Fund Balances	17,675,099	157,024	851,194	10,820	18,694,137
Total Liabilities And Fund Balances	\$ 21,683,380	\$ 157,024	\$ 1,162,038	\$ 54,539	\$ 23,056,981

CITY OF ST. PETERS, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS
For The Year Ended September 30, 1997**

	Transportation Trust Fund	Drug Enforcement Agency Fund	Recreation Fund	Tax Increment Financing Fund	Total
Revenues					
Sales tax	\$ 4,308,379	\$ —	\$ —	\$ 9,754	\$ 4,318,133
Property tax	—	—	—	119,717	119,717
Utility franchise tax	—	—	—	1,534	1,534
Interest	1,050,068	8,923	44,801	3,435	1,107,227
Intergovernmental	1,738,893	36,665	—	—	1,775,558
Charges for services	—	—	2,782,997	—	2,782,997
Miscellaneous	5,405	—	127,667	—	133,072
Total Revenues	7,102,745	45,588	2,955,465	134,440	10,238,238
Expenditures					
General government	—	—	—	2,525	2,525
Police	—	34,561	—	—	34,561
Parks and recreation	—	—	3,021,632	—	3,021,632
Capital outlay	7,076,119	—	—	—	7,076,119
Debt service	—	—	—	121,259	121,259
Total Expenditures	7,076,119	34,561	3,021,632	123,784	10,256,096
Revenues Over (Under) Expenditures	26,626	11,027	(66,167)	10,656	(17,858)
Other Financing Sources					
Operating transfers in	—	—	267,465	—	267,465
Revenues And Other Financing Sources Over Expenditures	26,626	11,027	201,298	10,656	249,607
Fund Balances					
Beginning of year	17,648,473	145,997	649,896	164	18,444,530
End of year	\$ 17,675,099	\$ 157,024	\$ 851,194	\$ 10,820	\$ 18,694,137

CITY OF ST. PETERS, MISSOURI

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS - SPECIAL REVENUE FUNDS For The Year Ended September 30, 1997

	Transportation Trust Fund			Drug Enforcement Agency Fund			Recreation Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues									
Sales tax	\$ 4,075,000	\$ 4,308,379	\$ 233,379	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Property tax	—	—	—	—	—	—	—	—	—
Utility franchise tax	—	—	—	—	—	—	—	—	—
Interest	500,000	1,050,068	550,068	—	8,923	8,923	30,000	44,801	14,801
Intergovernmental	4,637,618	1,555,214	(3,082,404)	—	36,665	36,665	—	—	—
Charges for services	—	—	—	—	—	—	2,908,000	2,782,997	(125,003)
Miscellaneous	100,000	5,405	(94,595)	—	—	—	110,900	127,667	16,767
Total Revenues	9,312,618	6,919,066	(2,393,552)	—	45,588	45,588	3,048,900	2,955,465	(93,435)
Expenditures									
Police	—	—	—	53,500	53,811	(311)	—	—	—
Parks and recreation	—	—	—	—	—	—	3,414,233	3,024,186	390,047
Street improvements	12,477,253	7,265,089	5,212,164	—	—	—	—	—	—
Debt service	—	—	—	—	—	—	—	—	—
Total Expenditures	12,477,253	7,265,089	5,212,164	53,500	53,811	(311)	3,414,233	3,024,186	390,047
Revenues Over (Under) Expenditures	(3,164,635)	(346,023)	2,818,612	(53,500)	(8,223)	45,277	(365,333)	(68,721)	296,612
Other Financing Sources									
Operating transfers in	—	—	—	—	—	—	277,830	267,465	(10,365)
Revenues And Other Financing Sources Over (Under) Expenditures	(3,164,635)	(346,023)	2,818,612	(53,500)	(8,223)	45,277	(87,503)	198,744	286,247
Fund Balances									
Budget basis:									
Unreserved:									
Beginning of year	16,016,120	16,016,120	—	145,997	145,997	—	352,985	352,985	—
Transfers (to) from reserved	—	—	—	—	—	—	—	(100,589)	(100,589)
End of year	12,851,485	15,670,097	2,818,612	92,497	137,774	45,277	285,482	451,140	185,658
Reserved:									
Beginning of year	—	—	—	—	—	—	179,748	179,748	—
Transfer (to) from unreserved	—	—	—	—	—	—	—	100,589	100,589
End of year	—	—	—	—	—	—	179,748	280,337	100,589
Budget basis, end of year	<u>\$ 12,851,485</u>	<u>15,670,097</u>	<u>\$ 2,818,612</u>	<u>\$ 92,497</u>	<u>137,774</u>	<u>\$ 45,277</u>	<u>\$ 445,230</u>	<u>731,477</u>	<u>\$ 286,247</u>
Encumbrances, end of year		2,985,741			19,250			119,717	
Deferred revenue, end of year		(691,164)			—			—	
Grant receivable adjustment		(289,575)			—			—	
GAAP basis, end of year		<u>\$ 17,675,099</u>			<u>\$ 157,024</u>			<u>\$ 851,194</u>	

Continued

CITY OF ST. PETERS, MISSOURI

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS - SPECIAL REVENUE FUNDS For The Year Ended September 30, 1997

	Tax Increment Financing Fund			Total		
	Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
Revenues						
Sales tax	\$ —	\$ 9,754	\$ 9,754	\$ 4,075,000	\$ 4,318,133	\$ 243,133
Property tax	—	119,717	119,717	—	119,717	119,717
Utility franchise tax	—	1,534	1,534	—	1,534	1,534
Interest	—	3,435	3,435	530,000	1,107,227	577,227
Intergovernmental	—	—	—	4,637,618	1,591,879	(3,045,739)
Charges for services	—	—	—	2,908,000	2,782,997	(125,003)
Miscellaneous	—	—	—	210,900	133,072	(77,828)
Total Revenues	—	134,440	134,440	12,361,518	10,054,559	(2,306,959)
Expenditures						
Police	—	—	—	53,500	53,811	(311)
Parks and recreation	—	—	—	3,414,233	3,024,186	390,047
Street improvements	—	—	—	12,477,253	7,265,089	5,212,164
Debt service	—	123,784	(123,784)	—	123,784	(123,784)
Total Expenditures	—	123,784	(123,784)	15,944,986	10,466,870	5,478,116
Revenues Over (Under) Expenditures	—	10,656	10,656	(3,583,468)	(412,311)	3,171,157
Other Financing Sources						
Operating transfers in	—	—	—	277,830	267,465	(10,365)
Revenues And Other Financing Sources Over (Under) Expenditures	—	10,656	10,656	(3,305,638)	(144,846)	3,160,792
Fund Balances						
Budget basis:						
Unreserved:						
Beginning of year	164	164	—	16,515,266	16,515,266	—
Transfers (to) from reserved	—	—	—	—	(100,589)	(100,589)
End of year	164	10,820	10,656	13,209,628	16,269,831	3,060,203
Reserved:						
Beginning of year	—	—	—	179,748	179,748	—
Transfer (to) from unreserved	—	—	—	—	100,589	100,589
End of year	—	—	—	179,748	280,337	100,589
Budget basis, end of year	<u>\$ 164</u>	10,820	<u>\$ 10,656</u>	<u>\$ 13,389,376</u>	16,550,168	<u>\$ 3,160,792</u>
Encumbrances, end of year		—			3,124,708	
Deferred revenue, end of year		—			(691,164)	
Grant receivable adjustment		—			(289,575)	
GAAP basis, end of year		<u>\$ 10,820</u>			<u>\$ 18,694,137</u>	

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Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

The Rec-Plex fund is used to account for capital improvements for the construction of the City's recreational complex.

The Park Land Fund is used to account for the acquisition and capital improvements for a specified area of the City.

The Old Town Levy Fund is used to account for the City's share of capital improvements for the construction of a new Levy in St. Peters.

CITY OF ST. PETERS, MISSOURI

COMBINING BALANCE SHEET - CAPITAL PROJECTS FUNDS

September 30, 1997

	Rec-Plex Fund	Park Land Fund	Old Town Levy Fund	Total
Assets				
Cash and cash equivalents - unrestricted	\$ 39,478	\$ 14,235	\$ 2,541,815	\$ 2,595,528
Accrued interest receivable	—	—	9,818	9,818
Miscellaneous receivable	—	—	250	250
Total Assets	\$ 39,478	\$ 14,235	\$ 2,551,883	\$ 2,605,596
Liabilities And Fund Balances				
Liabilities				
Accounts payable	\$ 39,478	\$ 14,235	\$ 6,357	\$ 60,070
Fund Balances				
Unreserved - undesignated	—	—	2,545,526	2,545,526
Total Liabilities And Fund Balances	\$ 39,478	\$ 14,235	\$ 2,551,883	\$ 2,605,596

CITY OF ST. PETERS, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - CAPITAL PROJECTS FUNDS For The Year Ended September 30, 1997

	Rec-Plex Fund	Park Land Fund	Old Town Levy Fund	Total
Revenues				
Interest	\$ 6,821	\$ 1,261	\$ 150,951	\$ 159,033
Miscellaneous	80	—	—	80
Total Revenues	6,901	1,261	150,951	159,113
Expenditures				
Capital Outlay:				
Design and general	1,740	—	3,240	4,980
Land and land improvement	—	109,816	783,319	893,135
Building/structure	97,138	6,289	—	103,427
Miscellaneous	—	3,534	103,136	106,670
Total Expenditures	98,878	119,639	889,695	1,108,212
Revenues Under Expenditures	(91,977)	(118,378)	(738,744)	(949,099)
Fund Balances				
Beginning of year	161,215	49,140	3,284,270	3,494,625
Residual equity transfer	(69,238)	69,238	—	—
End of year	\$ —	\$ —	\$ 2,545,526	\$ 2,545,526

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Proprietary Fund Type - Enterprise Funds

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's operations for enterprise activities are:

Waterworks/Sanitary Sewer
Solid Waste
Public Improvement Corporation
Central Materials Processing Facility

CITY OF ST. PETERS, MISSOURI

COMBINING BALANCE SHEET - ENTERPRISE FUNDS September 30, 1997

	Waterworks/ Sanitary Sewer	Solid Waste	Public Improvement Corporation	Central Materials Processing Facility	Eliminations	Total
Assets						
Current Assets:						
Cash and cash equivalents:						
Unrestricted	\$ 306,116	\$ 806,209	\$ —	\$ 100	\$ —	\$ 1,112,425
Restricted	2,839,789	—	216,982	—	—	3,056,771
Investments - restricted	1,375,444	—	—	—	—	1,375,444
Receivables, net of allowances:						
Services	825,945	360,146	—	—	—	1,186,091
Intergovernmental	—	—	—	1,597,768	—	1,597,768
Accrued interest	48,057	2,737	—	—	—	50,794
Inventory/prepays	—	—	—	36,467	—	36,467
Miscellaneous	35,814	8,759	—	46,099	—	90,672
Due from other funds	—	—	13,192	33,680	(46,872)	—
Total Current Assets	5,431,165	1,177,851	230,174	1,714,114	(46,872)	8,506,432
Investment in joint venture	2,659,829	—	—	—	—	2,659,829
Other assets	50	—	—	—	—	50
Property, plant and equipment	52,111,714	870,299	2,334,180	5,652,013	—	60,968,206
Less: Accumulated depreciation	(18,683,000)	(291,810)	(1,694,588)	(205,483)	—	(20,874,881)
Property, plant and equipment, net	33,428,714	578,489	639,592	5,446,530	—	40,093,325
Total Assets	\$ 41,519,758	\$ 1,756,340	\$ 869,766	\$ 7,160,644	\$ (46,872)	\$ 51,259,636
Liabilities And Fund Equity						
Current Liabilities:						
Accounts payable	\$ 435,913	\$ 8,558	\$ —	\$ 70,151	\$ —	\$ 514,622
Accrued payroll	44,004	14,915	—	9,648	—	68,567
Accrued vacation	61,171	25,919	—	14,298	—	101,388
Accrued interest payable	298,094	—	2,359	—	—	300,453
Deposits held for others	68,225	—	—	—	—	68,225
Due to other funds	—	46,872	—	2,085,562	(46,872)	2,085,562
Current portion of revenue bonds						
payable (payable from restricted assets)	825,000	—	130,000	—	—	955,000
Other	8,709	34,141	—	4,532	—	47,382
Total Current Liabilities	1,741,116	130,405	132,359	2,184,191	(46,872)	4,141,199
Long-term portion of revenue bonds payable	10,087,997	—	276,059	—	—	10,364,056
Total Liabilities	11,829,113	130,405	408,418	2,184,191	(46,872)	14,505,255
Fund Equity:						
Contributed capital:						
Other governmental agencies	6,482,561	85,166	—	5,040,233	—	11,607,960
Developers	10,411,974	—	—	—	—	10,411,974
Total contributed capital	16,894,535	85,166	—	5,040,233	—	22,019,934
Retained earnings (deficit):						
Reserved for revenue bond requirements	4,215,233	—	216,982	—	—	4,432,215
Unreserved	8,580,877	1,540,769	244,366	(63,780)	—	10,302,232
Total retained earnings (deficit)	12,796,110	1,540,769	461,348	(63,780)	—	14,734,447
Total Fund Equity	29,690,645	1,625,935	461,348	4,976,453	—	36,754,381
Total Liabilities And Fund Equity	\$ 41,519,758	\$ 1,756,340	\$ 869,766	\$ 7,160,644	\$ (46,872)	\$ 51,259,636

CITY OF ST. PETERS, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY - ENTERPRISE FUNDS For The Year Ended September 30, 1997

	Waterworks/ Sanitary Sewer	Solid Waste	Public Improvement Corporation	Central Materials Processing Facility	Eliminations	Total
Operating Revenues						
Water	\$ 2,470,281	\$ —	\$ —	\$ —	\$ —	\$ 2,470,281
Sewer	2,247,506	—	—	—	—	2,247,506
Solid waste	—	1,712,611	—	—	—	1,712,611
Tap-on fees	378,448	—	—	—	—	378,448
Tipping fees	—	—	—	212,999	—	212,999
Rental income	37,000	—	146,278	—	(146,278)	37,000
Recycling income	—	17,959	—	295,567	—	313,526
Miscellaneous	719,918	82,223	—	784	—	802,925
Total Operating Revenues	5,853,153	1,812,793	146,278	509,350	(146,278)	8,175,296
Operating Expenses						
Personnel costs	1,636,476	716,555	—	237,274	—	2,590,305
Depreciation	1,802,721	112,591	104,076	205,483	—	2,224,871
Utilities	338,670	11,898	—	27,093	—	377,661
Purchased water	702,086	—	—	—	—	702,086
Wastewater treatment costs	59,051	—	—	—	—	59,051
Landfill fees	—	385,544	—	—	—	385,544
Repairs and maintenance	257,837	187,612	—	12,640	—	458,089
Chemicals and supplies	41,919	284	—	32,815	—	75,018
Professional services	312,957	109,772	—	162,768	—	585,497
Office expense	71,361	139,564	—	—	—	210,925
Insurance	21,544	9,586	—	—	—	31,130
Gasoline and fuel	29,224	50,188	—	1,901	—	81,313
Bad debts	8,619	8,982	—	—	—	17,601
Rent	57,832	154,886	—	4,353	(146,278)	70,793
Miscellaneous	44,553	5,056	—	192,004	—	241,613
Total Operating Expenses	5,384,850	1,892,518	104,076	876,331	(146,278)	8,111,497
Operating Income (Loss)	468,303	(79,725)	42,202	(366,981)	—	63,799
Nonoperating Revenues (Expenses)						
Interest on investments	250,479	42,417	10,829	45,089	—	348,814
Bond interest and fees	(722,081)	—	(35,675)	—	—	(757,756)
Amortization of bond issue costs	(31,241)	—	(2,730)	—	—	(33,971)
Equity loss in joint venture	(42,091)	—	—	—	—	(42,091)
Total Nonoperating Revenues (Expenses)	(544,934)	42,417	(27,576)	45,089	—	(485,004)
Income (Loss) Before Operating Transfers In	(76,631)	(37,308)	14,626	(321,892)	—	(421,205)
Operating Transfers In	—	379,051	—	174,247	—	553,298
Net Income (Loss)	(76,631)	341,743	14,626	(147,645)	—	132,093
Depreciation on contributed assets	880,733	—	—	57,535	—	938,268
Increase (Decrease) In Retained Earnings	804,102	341,743	14,626	(90,110)	—	1,070,361
Fund Equity						
Contributed capital:						
Beginning of year	17,250,906	85,166	—	3,816,078	—	21,152,150
Contributions:						
Developers, net	524,362	—	—	—	—	524,362
Other governmental agencies	—	—	—	1,281,690	—	1,281,690
Depreciation on contributed assets	(880,733)	—	—	(57,535)	—	(938,268)
End of year	16,894,535	85,166	—	5,040,233	—	22,019,934
Retained earnings:						
Beginning of year	11,992,008	1,199,026	446,722	26,330	—	13,664,086
Increase (decrease) in retained earnings	804,102	341,743	14,626	(90,110)	—	1,070,361
End of year	12,796,110	1,540,769	461,348	(63,780)	—	14,734,447
Total Fund Equity	\$ 29,690,645	\$ 1,625,935	\$ 461,348	\$ 4,976,453	\$ —	\$ 36,754,381

CITY OF ST. PETERS, MISSOURI

COMBINING STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS For The Year Ended September 30, 1997

	Waterworks/ Sanitary Sewer	Solid Waste	Public Improvement Corporation	Central Materials Processing Facility	Total
Reconciliation Of Operating Income To Net Cash Provided By Operating Activities					
Operating income (loss)	\$ 468,303	\$ (79,725)	\$ 42,202	\$ (366,981)	\$ 63,799
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	1,802,721	112,591	104,076	205,483	2,224,871
Change in assets and liabilities:					
(Increase) decrease in services receivable	28,284	(59,302)	—	—	(31,018)
Increase in miscellaneous receivables	(8,424)	(1,083)	—	(35,752)	(45,259)
Increase in inventory	—	—	—	(36,467)	(36,467)
Decrease in other assets	—	210	—	—	210
Decrease in accounts payable	(167,080)	(42,745)	—	(228,461)	(438,286)
Increase (decrease) in accrued payroll	(157)	1,569	—	8,586	9,998
Increase (decrease) in accrued vacation	7,551	(281)	—	14,298	21,568
Increase in deposits held for others	875	—	—	—	875
Increase in other liabilities	4	9,615	—	4,532	14,151
Total Adjustments	1,663,774	20,574	104,076	(67,781)	1,720,643
Net Cash Provided By (Used In) Operating Activities	2,132,077	(59,151)	146,278	(434,762)	1,784,442
Cash Flows From Noncapital Financing Activities					
Operating transfers in	—	379,051	—	174,247	553,298
Advances (payments) on interfund balances	—	33,843	(163)	2,051,882	2,085,562
Net Cash Provided By (Used In) Noncapital Financing Activities	—	412,894	(163)	2,226,129	2,638,860
Cash Flows From Capital And Related Financing Activities					
Principal paid on revenue bonds	(790,000)	—	(120,000)	—	(910,000)
Interest paid on revenue bonds	(740,193)	—	(36,345)	—	(776,538)
Acquisition and construction of capital assets	(1,181,190)	(201,614)	—	(4,668,903)	(6,051,707)
Net Cash Used In Capital And Related Financing Activities	(2,711,383)	(201,614)	(156,345)	(4,668,903)	(7,738,245)
Cash Flows Provided By Investing Activities					
Interest on investments	262,710	41,026	10,829	45,089	359,654
Net Increase (Decrease) In Cash And Cash Equivalents	(316,596)	193,155	599	(2,832,447)	(2,955,289)
Cash And Cash Equivalents - Beginning Of Year	3,462,501	613,054	216,383	2,832,547	7,124,485
Cash And Cash Equivalents - End Of Year	\$ 3,145,905	\$ 806,209	\$ 216,982	\$ 100	\$ 4,169,196

Noncash investing, capital and financing activities: During fiscal year 1997, the waterworks/sanitary sewer fund received \$524,362 in contributed water and sewer transportation lines from developers. The Central Materials Processing Facility Fund capitalized \$1,281,691 of recognized contributed capital from grants and is included in Intergovernmental Receivables.

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL -
BUDGET BASIS - ENTERPRISE FUND -
WATERWORKS/SANITARY SEWER FUND -
(UTILITY OPERATING FUND)
For The Year Ended September 30, 1997**

	Revised Budget	Actual*	Variance - Favorable (Unfavorable)
Revenues			
Water and sewer	\$ 4,686,000	\$ 4,717,787	\$ 31,787
Interest	230,000	239,905	9,905
Miscellaneous	768,671	756,608	(12,063)
Total Revenues	5,684,671	5,714,300	29,629
Expenses			
Personnel costs	1,880,564	1,636,476	244,088
Utilities	310,700	338,670	(27,970)
Purchased water	804,825	702,086	102,739
Wastewater treatment costs	62,000	59,051	2,949
Repairs and maintenance	287,750	361,798	(74,048)
Professional services	401,220	383,270	17,950
Gas and fuel	28,000	29,224	(1,224)
Rent	92,000	49,678	42,322
Supplies and other expenses	211,362	200,097	11,265
Total Expenses	4,078,421	3,760,350	318,071
Net Revenues Before Capital Expenditures And Debt Service And Fees			
	1,606,250	1,953,950	347,700
Capital expenditures	956,790	698,789	258,001
Debt service and fees	1,530,000	1,530,193	(193)
Expenses Over Revenues	\$ (880,540)	\$ (275,032)	\$ 605,508

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

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL -
BUDGET BASIS - ENTERPRISE FUND - SOLID WASTE FUND
For The Year Ended September 30, 1997**

	Revised Budget	Actual	Variance - Favorable (Unfavorable)
Revenues			
Trash collection	\$ 1,700,000	\$ 1,712,611	\$ 12,611
Sale of recyclables	55,000	17,959	(37,041)
Miscellaneous	364,000	82,223	(281,777)
Interest	22,000	42,417	20,417
Total Revenues	2,141,000	1,855,210	(285,790)
Expenses			
Personnel costs	961,573	716,555	245,018
Utilities	9,170	11,898	(2,728)
Landfill fees	537,600	385,544	152,056
Repairs and maintenance	268,190	187,612	80,578
Capital expenditures	502,505	448,174	54,331
Professional services	19,970	112,722	(92,752)
Gas and fuel	45,000	50,188	(5,188)
Rent	162,330	154,886	7,444
Other expense	173,896	173,886	10
Total Expenses	2,680,234	2,241,465	438,769
Expenses Over Revenues	\$ (539,234)	\$ (386,255)	\$ 152,979

CITY OF ST. PETERS, MISSOURI

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL - BUDGET BASIS - ENTERPRISE FUND - CENTRAL MATERIALS PROCESSING FACILITY FUND For The Year Ended September 30, 1997

	Revised Budget	Actual	Variance - Favorable (Unfavorable)
Revenues			
Tipping fees	\$ 300,000	\$ 212,999	\$ (87,001)
Recycling fees	182,000	161,966	(20,034)
Sale of recyclables	140,000	133,601	(6,399)
Interest	—	45,089	45,089
Miscellaneous	—	784	784
Total Revenues	622,000	554,439	(67,561)
Expenses			
Personnel costs	732,519	237,274	495,245
Landfill fees	192,550	167,747	24,803
Utilities	26,100	27,093	(993)
Capital expenditures	7,500	5,460	2,040
Professional services	31,500	162,768	(131,268)
Repairs and maintenance	39,200	12,640	26,560
Gas and fuel	7,800	1,901	5,899
Supplies and other expenses	48,650	59,791	(11,141)
Total Expenses	1,085,819	674,674	411,145
Expenses Over Revenues	\$ (463,819)	\$ (120,235)	\$ 343,584

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Fiduciary Fund Type

Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds.

Trust And Agency Funds

The Natatorium Foundation Trust Fund is used to Account for Endowment assets held in a trustee capacity for the operation of the REC-Plex.

The Agency Fund is used to account for changes in assets and liabilities related to the deposits held by a third-party insurance company related to the City's deferred compensation plan established pursuant to IRS Section 457 guidelines.

CITY OF ST. PETERS, MISSOURI

**FIDUCIARY FUND TYPES
COMBINING BALANCE SHEET
September 30, 1997**

	Natatorium Foundation Trust Fund	Employees' Deferred Compensation Agency Fund	Total
Assets			
Cash And Cash Equivalents - Held By Trustees	\$ 2,352,458	\$ 1,924,668	\$ 4,277,126
Accrued interest receivable	15,301	—	15,301
Total Assets	\$ 2,367,759	\$ 1,924,668	\$ 4,292,427
Liabilities And Fund Balances			
Liabilities			
Deferred compensation benefits payable	\$ —	\$ 1,924,668	\$ 1,924,668
Fund Balances			
Reserved for Natatorium Foundation	2,367,759	—	2,367,759
Total Liabilities And Fund Balances	\$ 2,367,759	\$ 1,924,668	\$ 4,292,427

CITY OF ST. PETERS, MISSOURI

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUND**

For The Year Ended September 30, 1997

	Balance, October 1, 1996	Additions	Deductions	Balance, September 30, 1997
Deferred Compensation				
Assets - cash and cash equivalents - <i>held by trustees</i>	\$ 1,279,971	\$ 653,200	\$ 8,503	\$ 1,924,668
Liabilities - deferred compensation <i>benefits payable</i>	\$ 1,279,971	\$ 653,200	\$ 8,503	\$ 1,924,668

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General Fixed Assets Account Group

The Account Group is established to account for all fixed assets of the City, other than those accounted for in the proprietary funds.

CITY OF ST. PETERS, MISSOURI

SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE
September 30, 1997

General Fixed Assets	
Land	\$ 3,030,825
Buildings	29,556,024
Improvements	4,911,992
Machinery and equipment	7,967,378
Furniture and fixtures	896,684
Vehicles and other	2,612,831
	<hr/>
Total General Fixed Assets	\$ 48,975,734
	<hr/>
Investment In General Fixed Assets	
General fund revenues	\$ 18,263,064
Special revenue fund revenues	771,103
General obligation bonds	29,607,834
Gifts	269,417
State grants	64,316
	<hr/>
Total Investment In General Fixed Assets	\$ 48,975,734
	<hr/>

CITY OF ST. PETERS, MISSOURI

SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY
September 30, 1997

Function And Activity	Land	Buildings	Improvements	Machinery And Equipment	Furniture And Fixtures	Vehicles And Other	Total
General government	\$ 1,071,513	\$ 6,399,310	\$ 384,434	\$ 346,864	\$ 297,206	\$ —	\$ 8,499,327
Administration	41,305	2,406,875	542,522	3,636,894	191,112	123,182	6,941,890
Police	—	1,085,295	64,891	811,980	87,045	528,928	2,578,139
Public works	111,087	371,657	250,166	1,130,329	17,593	878,911	2,759,743
Engineering	—	—	7,486	167,822	50,977	329,116	555,401
Maintenance	—	—	113,579	188,513	1,971	58,364	362,427
Health	175,986	—	—	26,561	2,146	59,070	263,763
Parks and recreation	1,630,934	19,292,887	3,487,425	1,381,265	179,406	604,040	26,575,957
Community relations	—	—	61,489	277,150	69,228	31,220	439,087
	\$ 3,030,825	\$ 29,556,024	\$ 4,911,992	\$ 7,967,378	\$ 896,684	\$ 2,612,831	\$ 48,975,734

CITY OF ST. PETERS, MISSOURI

**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY
FUNCTION AND ACTIVITY
For The Year Ended September 30, 1997**

Function And Activity	Balance, October 1, 1996	Additions	Deductions	Balance, September 30, 1997
General government	\$ 8,496,545	\$ 2,782	\$ —	\$ 8,499,327
Administration	6,496,531	554,651	109,292	6,941,890
Police	2,454,322	351,869	228,052	2,578,139
Public works	2,653,522	125,585	19,364	2,759,743
Engineering	526,520	28,881	—	555,401
Maintenance	354,673	16,325	8,571	362,427
Health	228,048	35,715	—	263,763
Parks and recreation	25,474,500	1,129,453	27,996	26,575,957
Community relations	423,654	16,063	630	439,087
	\$ 47,108,315	\$ 2,261,324	\$ 393,905	\$ 48,975,734

Other Information

CITY OF ST. PETERS, MISSOURI

SCHEDULE OF INSURANCE COVERAGE AND OTHER DATA September 30, 1997

Insurance Coverage:

(1) Workmen's Compensation

Limits: \$10,725,000
Deductible: None
Risks covered: Workmen's compensation
Insurer: Missouri Intergovernmental Risk Management Association
Expires: June 30, 1998

(2) Employer's Liability

Limits: \$1,000,000
Deductible: None
Risks covered: Employer's liability
Insurer: Missouri Intergovernmental Risk Management Association
Expires: June 30, 1998

(3) Comprehensive General Liability

Limits: \$2,000,000
Deductible: None
Risks covered: Manufacturers and contractors; owners, landlords, and tenants; contractual; products; completed operations; fire damage legal, liquor; public officials; police professional; and special events
Insurer: Missouri Intergovernmental Risk Management Association
Expires: June 30, 1998

(4) Automobile (Bodily Injury And Property Damage)

Limits: \$2,000,000 per occurrence
Deductible: None
Risks covered: Bodily injury and property damage liability
Insurer: Missouri Intergovernmental Risk Management Association
Expires: June 30, 1998

(5) Automobile (Physical Damages)

Limits: Actual cash value
Deductible: \$1,000 on vehicles 3/4 ton and under
\$2,500 on vehicles over 3/4 ton
Risks covered: Physical damage
Insurer: Missouri Intergovernmental Risk Management Association
Expires: June 30, 1998

CITY OF ST. PETERS, MISSOURI

SCHEDULE OF INSURANCE COVERAGE AND OTHER DATA (CONTINUED) September 30, 1997

Insurance Coverage (Continued):

(6) Automobile (Uninsured Motorist)

Limits: \$25,000 per person
\$50,000 per occurrence
Deductible: None
Risks covered: Uninsured motorist
Insurer: Missouri Intergovernmental Risk Management
Association
Expires: June 30, 1998

(7) Contractor's Equipment

Limits: \$2,610,289
Deductible: \$1,000
Risks covered: Contractor's equipment
Insurer: Missouri Intergovernmental Risk Management
Association
Expires: June 30, 1998

(8) Fire and Extended Coverage

Limits: 100% replacement cost
Deductible: \$1,000 per occurrence
Risks covered: All locations, including earthquake
Insurer: Missouri Intergovernmental Risk Management
Association
Expires: June 30, 1998

(9) Money And Securities and Employee Fidelity

Limits: \$100,000 per occurrence
Deductible: None
Risks covered: Employee dishonesty
Insurer: Missouri Intergovernmental Risk Management
Association
Expires: June 30, 1998

(10) Boiler Machinery

Limits: \$10,000,000 per occurrence
Deductible: \$2,500 on all objects except \$5,000 on the sewage
and water treatment plants, refrigeration systems,
compressors and electric motors 100 HP and larger,
ice-making machinery and equipment at the Rec-Plex
Risks covered: Accident or sudden explosion or other damage to
electric motors, boilers, etc.
Insurer: Kemper National Insurance Co.
Expires: July 1, 1998

CITY OF ST. PETERS, MISSOURI

SCHEDULE OF INSURANCE COVERAGE AND OTHER DATA (CONTINUED)
September 30, 1997

Insurance Coverage (Continued):

(11) Flood Insurance

Limits:	\$500,000
Deductible:	\$500
Risks covered:	Headworks Building
Insurer:	American Modern Home Insurance Co.
Expires:	April 3, 1998

(12) Flood Insurance

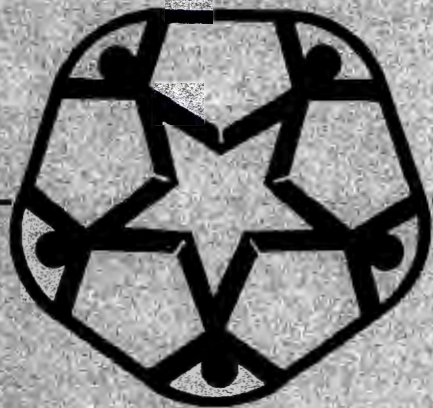
Limits:	\$250,000
Deductible:	\$500
Risks covered:	Sludge Pump Building
Insurer:	American Modern Home Insurance Co.
Expires:	April 3, 1998

(13) Flood Insurance

Limits:	\$110,000
Deductible:	\$500
Risks covered:	Sludge Vehicle Garage
Insurer:	American Modern Home Insurance Co.
Expires:	April 3, 1998

Other Data - Number of Customer Connections

18,027 at September 30, 1997



Part III - Statistical Section

CITY OF ST. PETERS, MISSOURI

Table 2

GENERAL GOVERNMENTAL REVENUES BY SOURCE-BUDGET BASIS (1)
LAST TEN FISCAL YEARS
 (amounts expressed in thousands)

<u>SOURCE</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>	<u>1990</u>	<u>1989</u>	<u>1988</u>
Taxes	\$20,337	\$18,790	\$17,918	\$17,316	\$16,057	\$14,760	\$13,969	\$13,095	\$11,936	\$10,951
Licenses and Permits	376	402	415	344	286	230	269	356	284	302
Interest	1,618	1,647	1,661	1,097	940	1,009	1,201	1,640	1,450	708
Intergovernmental	4,300	4,801	8,301	3,447	1,760	1,713	1,759	2,568	6,170	6,558
Fines and Forfeitures	700	541	528	370	323	264	206	120	149	196
Charges for Services	3,014	2,610	2,455	624	303	594	565	487	426	379
Special Assessments	0	0	0	0	0	0	0	0	0	78
Miscellaneous	<u>218</u>	<u>377</u>	<u>96</u>	<u>68</u>	<u>48</u>	<u>58</u>	<u>202</u>	<u>54</u>	<u>255</u>	<u>56</u>
Total	<u>\$30,563</u>	<u>\$29,168</u>	<u>\$31,374</u>	<u>\$23,266</u>	<u>\$19,717</u>	<u>\$18,628</u>	<u>\$18,171</u>	<u>\$18,320</u>	<u>\$20,670</u>	<u>\$19,228</u>

(1) Includes general, special revenue, and debt service funds.

CITY OF ST. PETERS, MISSOURI

Table 3

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE-BUDGET BASIS (1)
 LAST TEN FISCAL YEARS
 (amounts expressed in thousands)

SOURCE	1997	1996	1995	1994	1993	1992	1991	1990	1989	1988
Sales Tax	\$12,935	\$11,750	\$11,437	\$11,010	\$9,796	\$8,818	\$8,187	\$7,656	\$7,020	\$6,543
Property Tax	5,101	4,769	4,433	4,280	4,183	4,054	3,755	3,587	3,142	2,725
Utility Franchise Tax:										
Electric	1,428	1,445	1,362	1,281	1,334	1,234	1,332	1,166	1,116	1,044
Gas	522	479	349	434	392	288	309	300	289	269
Cablevision	127	122	108	99	95	80	87	71	62	54
Cigarette Tax	<u>224</u>	<u>225</u>	<u>229</u>	<u>212</u>	<u>257</u>	<u>286</u>	<u>299</u>	<u>315</u>	<u>307</u>	<u>316</u>
Total	<u>\$20,337</u>	<u>\$18,790</u>	<u>\$17,918</u>	<u>\$17,316</u>	<u>\$16,057</u>	<u>\$14,760</u>	<u>\$13,969</u>	<u>\$13,095</u>	<u>\$11,936</u>	<u>\$10,951</u>

(1) Includes general, special revenue, and debt service funds.

CITY OF ST. PETERS, MISSOURI
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Table 4

<u>FISCAL YEAR</u>	<u>TOTAL TAX LEVY</u>	<u>CURRENT TAX COLLECTIONS</u>	<u>PERCENTAGE OF CURRENT TAXES COLLECTED</u>	<u>DELINQUENT TAX COLLECTIONS</u>	<u>TOTAL TAX COLLECTIONS</u>	<u>RATIO OF TOTAL TAX COLLECTIONS TO TOTAL TAX LEVY</u>	<u>OUTSTANDING DELINQUENT TAXES</u>	<u>RATIO OF OUTSTANDING DELINQUENT TAXES TO TOTAL TAX LEVY</u>
1988	\$2,657	\$2,630	98.98%	\$21	\$2,651	99.77%	\$119	4.48%
1989	2,993	2,963	99.00%	24	2,987	99.80%	120	4.01%
1990	3,412	3,301	96.75%	45	3,346	98.07%	177	5.19%
1991	3,572	3,495	97.84%	92	3,587	100.42%	153	4.28%
1992	3,849	3,740	97.17%	73	3,813	99.06%	189	4.91%
1993	3,983	3,879	97.39%	79	3,958	99.37%	214	5.37%
1994	4,075	3,986	97.82%	88	4,074	99.98%	215	5.28%
1995	4,210	4,154	98.67%	123	4,277	101.59%	148	3.52%
1996	4,536	4,455	98.21%	78	4,533	99.93%	151	3.33%
1997	4,755	4,696	98.76%	93	4,789	100.72%	117	2.46%

CITY OF ST. PETERS, MISSOURI

Table 5

ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY(1)
LAST TEN FISCAL YEARS

Fiscal Year	Real Property		Personal Property		Total		Ratio of Total Assessed Value To Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1988	\$ 243,819,986	\$ 1,063,777,893	\$ 35,836,880	\$ 107,618,258	\$ 279,656,866	\$ 1,171,396,151	23.87%
1989	271,590,777	1,180,260,306	50,239,460	150,869,249	321,830,237	1,331,129,555	24.18%
1990	308,531,564	1,345,569,624	58,377,520	175,307,868	366,909,084	1,520,877,492	24.12%
1991	321,342,553	1,403,703,558	62,778,230	188,523,213	384,120,783	1,592,226,771	24.12%
1992	342,033,321	1,503,608,635	71,812,839	215,654,171	413,846,160	1,719,262,806	24.07%
1993	348,223,214	1,535,402,238	75,428,778	226,512,847	423,651,992	1,761,915,085	24.04%
1994	352,730,222	1,551,788,814	83,134,540	249,653,273	435,864,762	1,801,442,087	24.20%
1995	360,543,736	1,599,190,051	90,799,211	272,670,303	451,342,947	1,871,860,354	24.11%
1996	385,235,344	1,718,572,159	99,218,910	297,954,685	484,454,254	2,016,526,844	24.02%
1997	397,499,362	1,780,611,526	109,322,920	328,297,057	506,822,282	2,108,908,583	24.03%

- (1) Property is subclassified for purposes of assessment as follows:
 (i) commercial real property - 32% of true value, (ii) residential real property - 19% of true value, (iii) agricultural property - 12% of productivity value, and (iv) personal property - 33-1/3% of book value.

Source: Office of the St. Charles County Clerk.

CITY OF ST. PETERS, MISSOURI

Table 6

PROPERTY TAX RATES
 DIRECT AND OVERLAPPING GOVERNMENTS
 LAST TEN FISCAL YEARS
 (Per \$100 of Assessed Valuation)
 Overlapping School Districts(1)

Fiscal Year	Fort Zumwalt			St. Charles			Francis Howell			St. Charles County Community College		
	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total
1988	\$ 2.23	\$ 0.79	\$ 3.02	\$ 2.89	\$ 0.45	\$ 3.34	\$ 3.14	\$ 0.89	\$ 4.03	\$ 0.10	\$ -	\$ 0.10
1989	2.98	0.79	3.77	2.92	0.45	3.37	3.19	0.89	4.08	0.10	-	0.10
1990	3.00	0.79	3.79	3.33	0.46	3.79	3.24	0.89	4.13	0.10	0.15	0.25
1991	2.98	0.79	3.77	3.32	0.46	3.78	3.69	0.89	4.58	0.10	0.15	0.25
1992	3.02	0.79	3.81	3.31	0.40	3.71	3.71	0.89	4.60	0.10	0.15	0.25
1993	3.30	0.79	4.09	3.35	0.40	3.75	3.73	0.89	4.62	0.10	0.15	0.25
1994	3.26	0.83	4.09	3.45	0.40	3.85	3.73	0.89	4.62	0.11	0.14	0.25
1995	3.23	0.86	4.09	3.45	0.40	3.85	3.75	0.89	4.64	0.13	0.12	0.25
1996	3.24	0.86	4.10	3.61	0.41	4.02	4.29	0.89	5.18	0.13	0.12	0.25
1997	3.21	0.89	4.10	3.65	0.41	4.06	4.29	0.89	5.18	0.13	0.12	0.25

(1) The City is served by three school districts and the St. Charles County Community College District, which began operations in 1986. While all three school districts overlap the City, none of the school districts overlap another school district.

Source: Tax rates provided by respective school district.

CITY OF ST. PETERS, MISSOURI

Table 6, Cont.

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

Fiscal Year	City of St. Peters			St. Charles County			School District(1)	Others(2)	Total
	Operating	Debt Service	Total	Operating	Debt Service	Total			
1988	\$0.55	\$0.40	\$0.95	\$0.34	\$0.00	\$0.34	\$4.13	\$0.74	\$6.16
1989	0.55	0.38	0.93	0.28	0.06	0.34	4.18	0.74	6.19
1990	0.48	0.45	0.93	0.33	0.04	0.37	4.38	0.93	6.61
1991	0.48	0.45	0.93	0.31	0.04	0.35	4.83	0.93	7.04
1992	0.48	0.45	0.93	0.32	0.04	0.36	4.85	0.88	7.02
1993	0.48	0.45	0.93	0.33	0.04	0.37	4.87	0.92	7.09
1994	0.28	0.65	0.93	0.34	0.04	0.38	4.87	0.95	7.13
1995	0.68	0.25	0.93	0.31	0.04	0.35	4.89	1.20	7.37
1996	0.68	0.25	0.93	0.30	0.03	0.33	5.43	1.24	7.93
1997	0.68	0.25	0.93	0.30	0.03	0.33	5.43	1.24	7.93

(1) The City is served by three school districts and the St. Charles County Community College District, which began operations in 1986. While all three school Districts overlap the City, none of the school districts overlap another school district.

Accordingly, the tax rate for the School District represents the largest rate for a school district in any year plus the tax rate for the Community College.

(2) Includes the tax rate for St. Peters Fire District, St. Charles County Ambulance District, Handicapped Facilities Board, St. Charles County Dispatch & Alarm Agency and St. Charles County Library District.

(3) In addition to the tax rate shown, there is a \$.53 tax rate (surcharge) imposed on all commercial properties located in St. Charles County.

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

CITY OF ST. PETERS, MISSOURI

Table 7

RATIO OF NET GENERAL OBLIGATION BONDED DEBT
TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

Fiscal Year	Population(1)	Assessed Value	Gross Bonded Debt	Less Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
1988	35,700	\$279,656,866	\$11,223,000	\$1,449,543	\$9,773,457	3.49%	\$274
1989	38,200	321,830,237	15,180,000	1,237,818	13,942,182	4.33%	365
1990	42,747	366,909,084	14,555,000	1,184,772	13,370,228	3.64%	313
1991	44,000	384,120,783	13,830,000	1,242,494	12,587,506	3.28%	286
1992	45,000	413,846,160	12,905,000	1,233,545	11,671,455	2.82%	259
1993	46,300	423,651,992	27,705,000	1,068,579	26,636,421	6.29%	575
1994	49,250	435,864,762	26,355,000	464,642	25,890,358	5.94%	526
1995	50,500	451,342,947	25,400,000	827,698	24,572,302	5.44%	487
1996	52,500	484,454,254	24,600,000	898,658	23,701,342	4.89%	451
1997	57,000	506,822,282	24,270,000	1,138,767	23,131,233	4.56%	406

(1) The 1990 population is from the United States Bureau of Census.
All other years are estimates made by the City.

CITY OF ST. PETERS, MISSOURI

Table 8

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL OBLIGATION BONDED DEBT
TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Governmental Expenditures</u>	<u>Ratio of Debt Service to General Governmental Expenditures</u>
1988	\$435	\$606	\$1,041	\$16,972	6.1%
1989	543	1,019	1,562	17,359	9.0%
1990	625	1,103	1,728	16,503	10.5%
1991	725	1,061	1,786	13,962	12.8%
1992	925	1,015	1,940	13,884	14.0%
1993	1,200	956	2,156	17,557	12.3%
1994	1,350	2,157	3,507	20,350	17.2%
1995	955	1,688	2,643	27,464	9.6%
1996	800	1,626	2,426	27,493	8.8%
1997	550	1,838 (1)	2,388	29,548	8.1%

(1) Includes \$ 581,000 contribution from bond reserves toward the refunding of the 1988 and 1989 general obligation bonds.

CITY OF ST. PETERS, MISSOURI

Table 9

COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
GENERAL OBLIGATION BONDS
SEPTEMBER 30, 1997

Jurisdiction	Net General Obligation Bonded Debt Outstanding(1)	Percentage Applicable to St. Peters(2)	Amount Applicable to St. Peters
Direct:			
City of St. Peters	\$24,270,000	100.00%	\$24,270,000
Overlapping:			
St. Charles County	2,675,000	18.90%	505,575
St. Charles County Community College	23,955,000	19.01%	4,553,846
St. Charles School District	38,304,137	7.22%	2,765,559
Fort Zumwalt School District R-II	61,925,000	38.80%	24,026,900
Francis Howell School District	<u>80,175,000</u>	23.86%	<u>19,129,755</u>
	<u>\$231,304,137</u>		<u>\$75,251,635</u>

(1) Outstanding bond amounts were provided by the respective taxing district.

(2) Percentages were based on total assessment data provided by the respective taxing district and by the office of the St. Charles County Assessor.

CITY OF ST. PETERS, MISSOURI

Table 10

REVENUE BOND COVERAGE
 WATERWORKS/SANITARY SEWER FUND-BUDGET BASIS
 LAST TEN FISCAL YEARS
 (amounts expressed in thousands)

Fiscal Year	Gross Revenues	Operating Expenses(1)	Net Revenue Available For Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1988	\$3,614	\$1,830	\$1,784	\$0	\$1,133	\$1,133	1.575
1989	3,874	1,793	2,081	90	1,215	1,305	1.595
1990	3,970	1,912	2,058	245	1,230	1,475	1.395
1991	4,198	2,220	1,978	265	1,208	1,473	1.343
1992	4,267	2,388	1,879	335	603	938	2.003
1993	4,010	2,323	1,687	640	774	1,414	1.193
1994	4,487	2,601	1,886	605	844	1,449	1.302
1995	4,903	2,774	2,129	675	815	1,490	1.429
1996	5,351	3,139	2,212	705	783	1,488	1.487
1997	5,714	3,760	1,954	790	740	1,530	1.277

(1) Represents total budget basis operating expenses less capital outlay.

CITY OF ST. PETERS, MISSOURI

Table 11

PRINCIPAL TAXPAYERS
SEPTEMBER 30, 1997

<u>Taxpayer</u>	<u>Type of Business</u>	<u>1996 Assessed Value</u>	<u>Percentage of Total Assessed Valuation(1)</u>
May Development Co. of Oregon	Mid Rivers Mall	\$13,727,930	2.71%
Reckitt & Coleman, Inc.	Chemicals	6,680,390	1.32%
Continental Sprayers	Injection Molded Parts	2,780,420	0.55%
Sears, Roebuck and Company	Department Store	2,443,350	0.48%
May Department Store	Department Store	2,339,620	0.46%
Central Area Data Processing	Data Processing Services	2,319,460	0.46%
May Center, Inc.	Famous Barr	2,256,220	0.45%
Woodbridge Corporation	Automobile Seat Foam Mnfg.	2,229,180	0.44%
St. Charles Hotel Co.	Motel (Holiday Inn)	2,049,550	0.40%
Construction Developers	Department Store	2,010,180	0.40%

(1) Based on 1996 assessed valuation equal to \$506,822,282.

Source: Office of the St. Charles County Assessor.

CITY OF ST. PETERS, MISSOURI

Table 12

**DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Population(1)</u>	<u>Per Capita Income(2)</u>	<u>Unemployment Rate(3)</u>
1988	35,700		4.20%
1989	38,200		3.80%
1990	42,747	15,468	3.40%
1991	44,000		5.20%
1992	45,000		4.10%
1993	46,300		5.00%
1994	49,250		3.30%
1995	50,500		3.00%
1996	52,500		2.60%
1997	57,000		na

School Enrollment Last Ten Years(4)

<u>Year</u>	<u>Fort Zumwalt</u>	<u>St. Charles</u>	<u>Francis Howell</u>
1988	9,100	6,258	12,525
1989	9,482	6,230	12,829
1990	10,000	6,180	13,341
1991	10,500	6,240	13,760
1992	11,165	6,380	14,645
1993	11,850	6,395	15,432
1994	12,000	6,393	15,491
1995	11,449	6,380	16,413
1996	12,595	6,561	17,325
1997	13,720	6,587	18,240

- (1) The 1990 population is from the United States Bureau of Census.
All other years are estimates made by the City.
- (2) Per capita income represents the periodic estimates made by the Bureau of Census.
- (3) All figures are estimates of the Missouri Division of Employment Security except for 1990 which is an official estimate of the United States Bureau of Census.
- (4) Data provided by the respective school district.

CITY OF ST. PETERS, MISSOURI
PROPERTY VALUE AND CONSTRUCTION
LAST TEN FISCAL YEARS

Table 13

Year	Property Value				Commercial Construction(1)		Residential Construction(2)	
	Residential	Commercial	Agricultural	Total	Number Of Units	Value	Number Of Units	Value
1988	740,435,947	321,680,613	1,661,333	1,063,777,893	40	18,341,712	573	42,806,878
1989	813,236,315	365,164,991	1,859,000	1,180,260,306	37	36,266,777	450	33,607,096
1990	935,974,736	407,724,888	1,870,000	1,345,569,624	42	40,871,985	479	33,229,306
1991	980,316,684	421,379,791	2,007,083	1,403,703,558	24	15,679,214	498	41,493,135
1992	1,066,802,632	434,620,503	2,185,500	1,503,608,635	13	5,909,415	405	32,040,733
1993	1,097,436,684	435,771,888	2,193,667	1,535,402,238	15	4,144,079	565	48,978,445
1994	1,098,131,526	448,231,788	5,425,500	1,551,788,814	51	27,116,434	421	42,359,327
1995 (3)	1,156,450,105	438,447,113	4,292,833	1,599,190,051	29	28,914,889	381	41,791,488
1996	1,259,878,053	454,076,106	4,618,000	1,718,572,159	44	37,487,781	340	38,310,621
1997	1,320,006,163	457,127,738	3,477,625	1,780,611,526	50	25,961,590	327	32,986,885

(1) Excludes permits issued for miscellaneous purposes and tenant finishes.

(2) Excludes permits issued for miscellaneous purposes.

(3) The decline in commercial property assessment and increase in residential assessment is attributable to a legislative change which reclassified apartments from commercial to residential.

Source: Property values were provided by the St. Charles County Clerk.
 Construction data from the City of St. Peters, Missouri.

CITY OF ST. PETERS, MISSOURI*Table 14***MISCELLANEOUS STATISTICS****SEPTEMBER 30, 1997**

Date of Incorporation	1910
Form of Government	City Administrator
Number of employees (excluding police officers):	
Full-time	276
Part-time and seasonal	263
Area in square miles	21.1
City of St. Peters facilities and services:	
Miles of streets	215
Number of street lights	1,956
Culture and recreation:	
Community centers:	
City Hall	1
Cultural Arts Center	1
Sports Center(gymnasium)	1
Senior Citizen Center	1
REC-PLEX(2 pools; ice rink; gymnasium; fitness facilities)	1
Parks	18
Park acreage	580
Golf Courses	1
Outdoor swimming pools	3
Tennis Courts	7
Miles of hiking/biking trails	8
Police Protection:	
Number of stations	1
Number of police officers	69
Average number of physical arrests per month	219
Average number of calls for service per month	2,625
Sewerage System:	
Miles of sanitary sewers	192
Number of treatment plants	1
Number of service connections	16,045
Daily average treatment in gallons	5,092,000
Daily capacity of treatment plant in gallons	6,900,000
Miles of storm sewers	132
Water System:	
Miles of water mains	206
Number of service connections	14,277
Number of fire hydrants	1,900
Daily average consumption in gallons	4,500,000
Maximum daily capacity in gallons:	
Water treatment plant	6,000,000
City of St. Louis system(per contract)	9,858,000

MISCELLANEOUS STATISTICS

SEPTEMBER 30, 1997

Facilities and services not included in the reporting entity:

Fire Protection(1):

Number of stations	4
Number of employees:	
Full-time	46
Volunteers	6
Average number of calls per month	190
Average number of inspections conducted per month	202

Education:

Number of elementary schools(2)	9
Number of elementary school instructors(2)	262
Number of secondary schools(2)	4
Number of secondary school instructors(2)	390
Number of community colleges(3)	1
Number of universities(satellite campus)	1

Hospitals:

Number of hospitals	1
Number of patient beds	130

Largest Employers:

Number of employees:	
MEMC (4)	2,400
Fort Zumwalt School District R-II	623
Continental Sprayers	364
Francis Howell School District R-III	320
Barnes St. Peters Hospital	299
Wainwright Industries	251
Reckitt & Coleman (Airwick Industries)	250
Central Area Data Processing	215
Didion & Sons Foundry Company	160
Woodbridge Corporation	143

- (1) Three districts provide fire protection to the City. These statistics are for for St. Peters Fire District as it covers the majority of the City.
- (2) The City is served by three public school districts. These numbers reflect private schools and schools in the public districts that are within the City limits.
- (3) The community college campus is less than one mile from the City limits.
- (4) Located adjacent to corporate limits of St. Peters.