



CITY OF FLORISSANT

2009 Simplified Annual Financial Report



In an ongoing effort to keep residents informed on the use of resources, I am pleased to present this Simplified Annual Financial Report. The information contained in this report is taken from the City's annual audited Financial Report for the year ended November 30, 2009. I hope you will find the information contained herein to be both interesting and useful.

Mayor Robert G. Lowery, Sr.

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Financial Activity Statement

For Years Ended November 30, 2005, 2006, 2007, 2008 & 2009

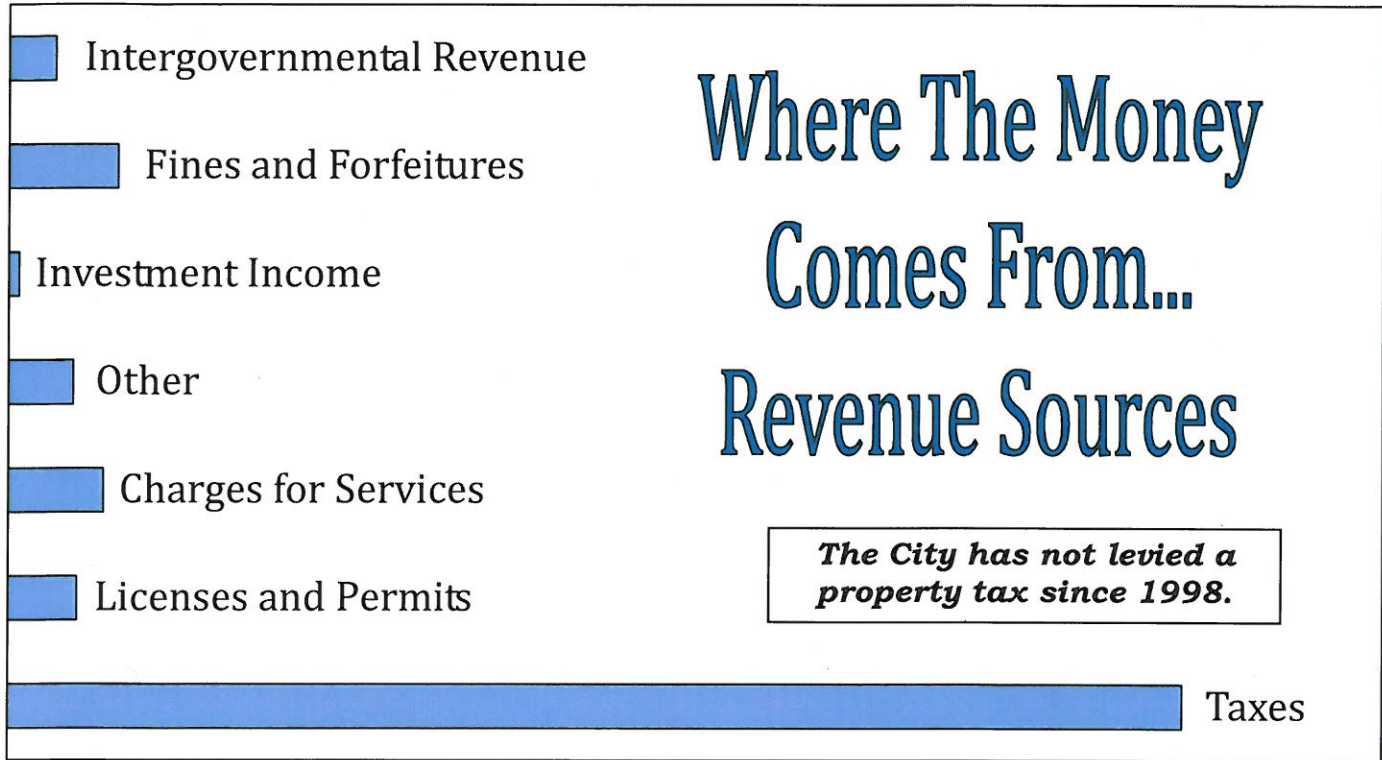
All Governmental Fund Types*

REVENUES:	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Taxes	\$ 18,487,971	\$ 18,833,240	\$ 20,065,150	\$ 23,417,586	\$ 21,342,196
Licenses and Permits	1,362,073	1,357,132	1,281,834	1,306,077	1,231,113
Charges for Services	1,063,481	1,843,461	1,776,420	1,611,522	1,684,900
Other	856,994	925,515	971,462	923,093	1,171,837
Investment Income	523,595	632,030	675,724	463,488	195,164
Fines & Forfeitures	1,624,311	1,889,723	2,476,778	2,115,308	1,961,675
Intergovernmental	<u>437,013</u>	<u>522,392</u>	<u>1,410,657</u>	<u>1,002,701</u>	<u>842,912</u>
Total Revenues	24,355,438	26,003,493	28,658,025	30,839,775	28,429,797
EXPENDITURES BY FUNCTION					
General Government	3,860,257	3,910,283	3,941,635	4,147,104	4,146,718
Culture & Recreation	4,407,095	5,955,787	5,624,381	5,672,696	5,923,225
Public Safety	8,064,441	8,465,806	8,985,241	9,630,268	10,234,946
Public Works & Health	4,490,957	4,476,294	5,037,788	5,341,838	5,408,501
Economic Development	0	1,979,431	0	0	0
Capital Outlay	2,625,091	3,229,292	4,147,779	3,331,209	4,008,287
Debt Service	<u>1,428,856</u>	<u>1,530,370</u>	<u>1,541,605</u>	<u>1,736,637</u>	<u>1,849,962</u>
Total Expenditures	24,876,697	29,547,263	29,278,429	29,859,752	31,571,639
Transfers in	1,340,002	1,306,279	1,337,866	1,345,653	1,300,224
Transfers out	(1,354,715)	(1,630,508)	(1,337,866)	(1,345,653)	(1,300,224)
Bond Proceeds	0	2,330,000	0	0	0
Proceeds from Capital Lease	0	425,081	0	0	0
Net Change in Fund Balance	\$ (535,972)	\$ (1,112,918)	\$ (620,404)	\$ 980,023	\$(3,141,842)

*Includes general, capital, park, sewer lateral, debt service and other minor funds.

Tax revenue dropped off dramatically in 2009 due to the effects of a deep recession. Taxes were down \$2,075,390 or 9% largely due to a drop in sales tax collections. Investment income was down \$268,324 or 58% due to a sharp drop in interest rates. Intergovernmental revenue or grants was down \$159,789 or 16%.

The change in fund balance for all funds combined was a decrease of \$3,141,842. The park improvement fund dropped \$686,952 and the general fund dropped \$2,502,979.



Taxes: 75.1%

Includes the 1% general sales tax, 1/2% capital sales tax, 1/2% parks sales tax, 5% utility tax, cigarette tax, gasoline tax, and the road and bridge tax.

Investment Income: 0.7%

Revenue earned by investing city funds.

Charges for Services: 5.9%

Revenue from the use of park facilities, recreational programs and activities. Facilities include two civic centers, three pools, an ice rink, golf course, skateboard park, theater, park pavilions, ball fields, and class and league fees.

Other: 4.1%

Derived from various sources such as cable TV franchise fees, land rental fees, police reports, property maintenance payments and many other sources.



Licenses and Permits: 4.3%

Revenue generated by business licenses, liquor licenses, building permits, residential and commercial occupancy permits, inspection permits, sign permits and other permits. The primary revenue source is the business license.



Intergovernmental Revenue: 3.0%

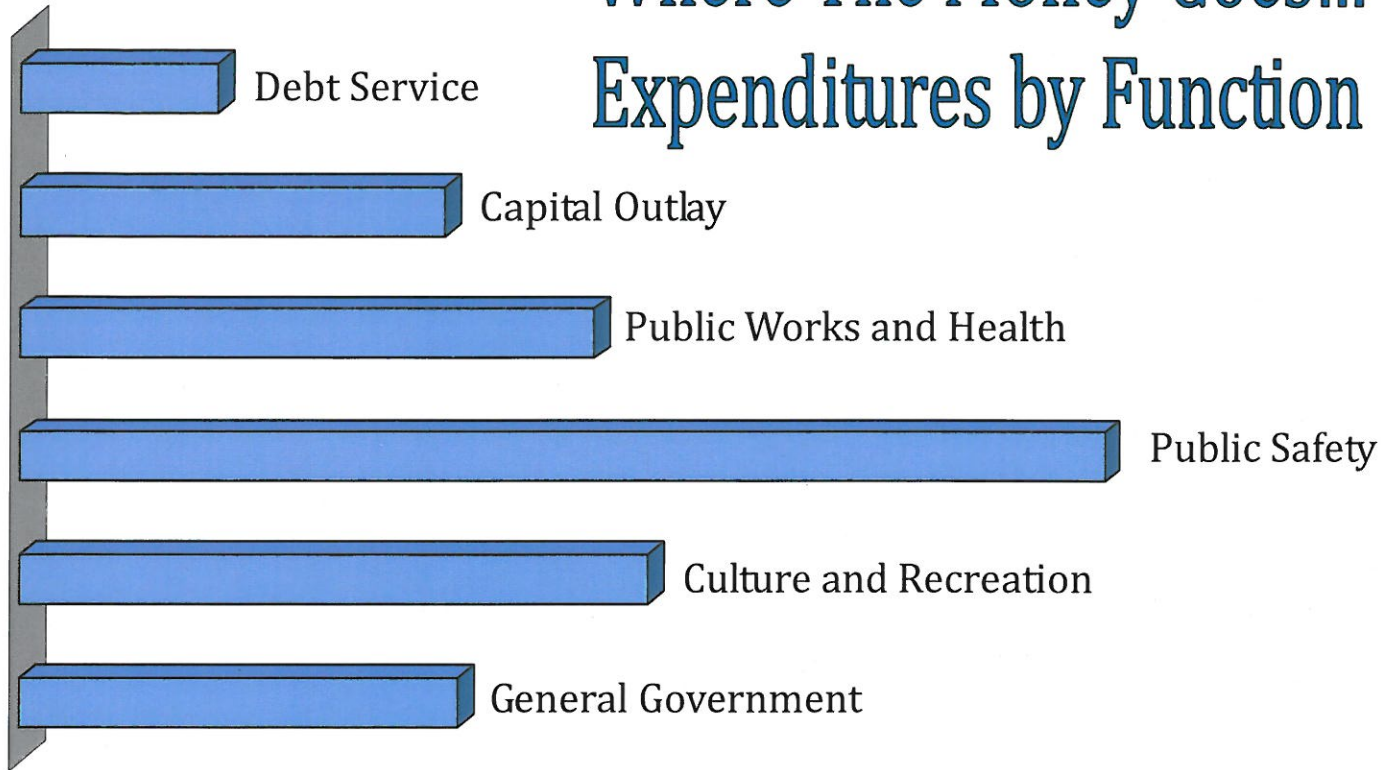
Grants and reimbursements from the Federal government, the state of Missouri, local school districts, the municipal parks grant commission, and other sources.

Fines and Forfeitures: 6.9%

Revenue from fines and costs collected in the municipal court.

Where The Money Goes...

Expenditures by Function



General Government: 13.1%

Expenditures relating to the City Council, City Clerk, Mayor's office, finance department, purchasing, municipal court, insurance coverage, economic development, and other citywide functions.

Culture & Recreation: 18.8%

Parks and recreation activities including maintenance of parks and park facilities, programs, classes, sports leagues, cultural opportunities, and other activities.

Public Works & Health: 17.1%

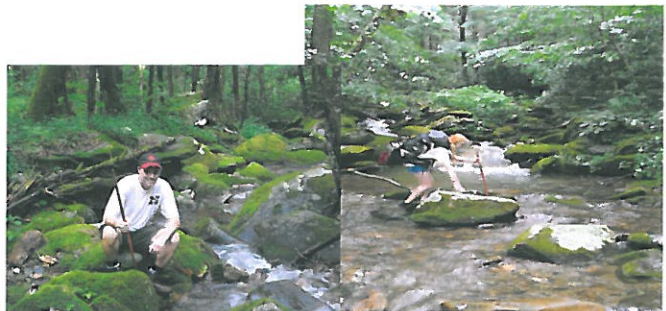
Expenditures to provide services such as maintenance of streets and bridges, engineering, recycling, sewer lateral program, maintenance of housing stock, animal control,



in-town bus service for seniors, property maintenance for derelict or abandoned properties, and maintenance of city buildings.

Public Safety: 32.4%

Expenditures for the police department include administration, investigation, patrol, corrections, dispatching, and physical plant and properties.

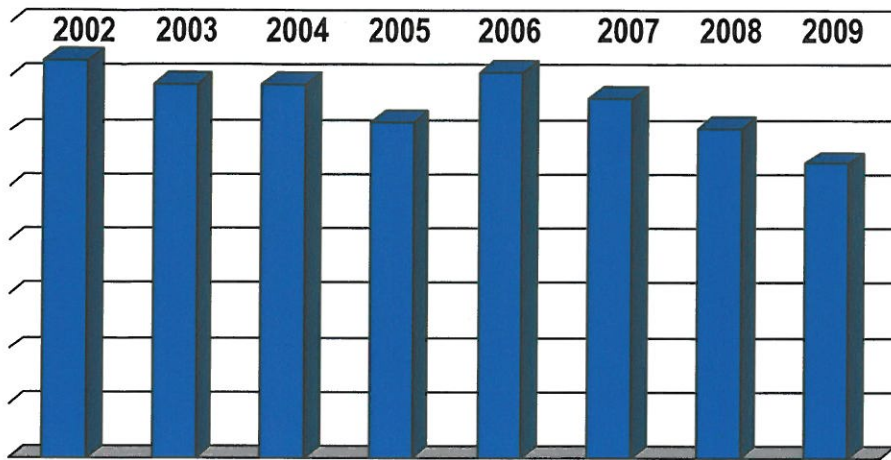


Capital Outlay: 12.7%

Accounts for the financial resources used for the purchase of capital items and the construction, reconstruction, maintenance, or acquisition of major capital facilities including capital projects.

Debt Service: 5.9%

Included principal and interest payments for renovations to the two civic centers and Bangert pool in 2002, the Koch Plaza TIF project in 2006 and the capital lease for golf carts in 2006.



Long-term Debt 2002-2009

COPS	\$7,760,000
TIF Bonds	1,950,000
Capital Lease	195,523
Absences	904,087
Total Debt	\$10,809,610

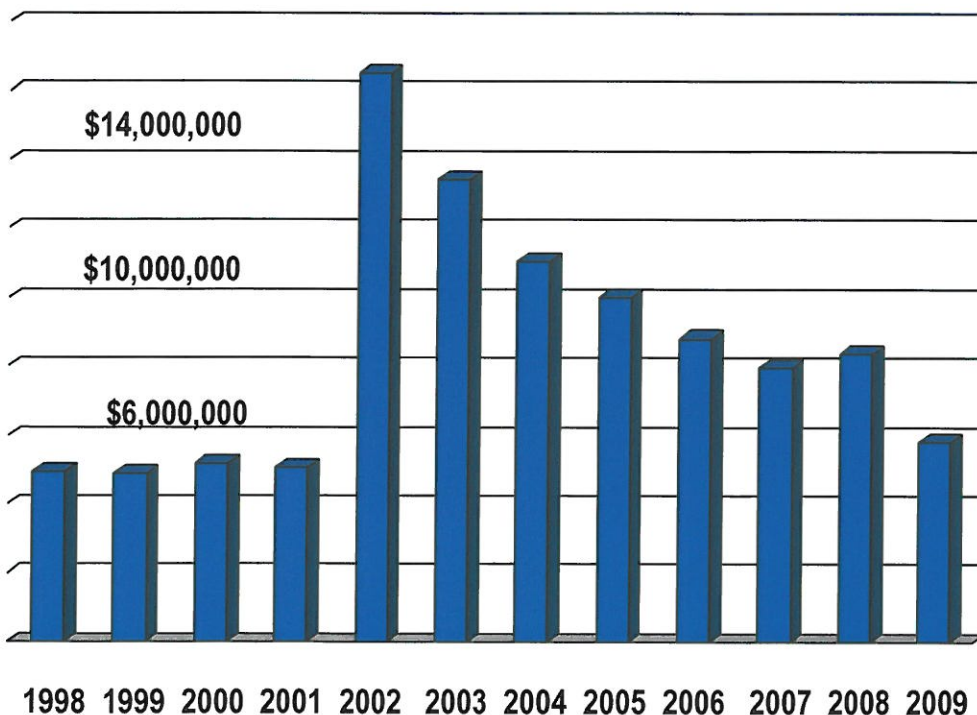
2002 Certificates of Participation (COPS) - Issued to finance the renovation of the two civic centers and Bangert Park pool. Debt matures in 2022.

Compensated Absences - Reflects the outstanding liability on the city's financial statement for the value of employees accumulated vacation. Vacation will be used during the normal course of operations.

2006 Tax Increment Financing (TIF) Bonds - Funding for infrastructure improvements related to the Koch Plaza redevelopment. These bonds do not constitute a general obligation of the city. Debt matures in 2028.

2006 Capital Lease Payable - Funds used to acquire a golf cart fleet. Debt matures in 2012.

General Fund Unreserved Fund Balance



The sale of the water distribution system in 2002 for \$14,500,000 dramatically increased reserve balances.

The 2009 unreserved general fund balance is \$5,810,625.

Highlights From 2009

In March 2009 President Obama stated that the United States was experiencing the worst recession since the Great Depression. Florissant finances have not been immune to the effects of this recession. Revenues slipped precipitously in 2009. The General Fund was hit particularly hard with revenues short of the budget goal by \$2,026,967.

Combined sales taxes for the general, capital improvement and the park improvement funds missed their combined budget goal by \$934,659. Miscellaneous revenue was short by \$460,616 due to a failure to complete a long-term lease on a cell phone tower, utility tax was short by \$280,195 due to a less than expected increase from telephone receipts, interest was short by \$199,343 due to a precipitous drop in interest rates, and fines and forfeitures were short by \$261,786. Revenues were down across-the-board.

In October 2009 the city filed suit against the Missouri Dept. of Revenue (DOR) seeking payment of back taxes resulting from DOR's failure to adjust the city's population for four annexations dating back to 2002. DOR shorted the city



in excess of \$850,000. In December the city met with DOR and agreed upon the basic framework for DOR to pay-back the money.

In April 2009 voters approved the annexation of the Paddock Estates area. After some discussion DOR agreed to accept an affidavit from the city attesting to the population change. Based on that they would adjust the city's population for future tax distributions. It is not clear that DOR actually did adjust the city's population as they have not responded to repeated inquiries seeking confirmation.

In February 2009 a theft was uncovered in the Park Department. An employee had been systematically stealing funds under his control. The police were called in to investigate. The employee was terminated and charges filed. Restitution was received from the city's insurance carrier.



In September, 2009 construction was completed on the Nature Lodge at Sunset Park. This is a beautiful building located on the bluffs overlooking the Missouri River floodplain. Plans are being considered on how best to utilize this facility.

In December 2009 the Missouri State Auditor's Office began a *Petition Audit* in response to a petition submitted by a group of residents. The audit, which will be a performance audit rather than a financial audit, is expected to take from four to six months to complete and is estimated to cost \$24,000.

The city continues to actively pursue development projects and opportunities. Currently, a senior living community budgeted at \$56,000,000 is under construction. The project is known as the "*Garden Plaza of Florissant*." Christian Hospital Northwest has started construction of a new medical building at an estimated cost of \$6,000,000.

The city is actively working to promote return of the 2010 census form by city residents. It is vital to the long term health and vitality of the city to get a complete and accurate count. The city receives it's largest portion of revenue from various pools based on the city's population in those pools.



These highlights are taken from the *Management's Discussion and Analysis (MD&A)* which is located in the front of the audited financial report. Further information on the topics highlighted above and other information can be found in the MD&A.