



**CITY OF FLORISSANT,  
MISSOURI**

**FINANCIAL REPORT  
(Audited)**

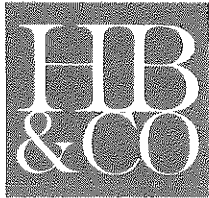
Year Ended November 30, 2013

**CITY OF FLORISSANT, MISSOURI**  
**FINANCIAL REPORT**

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**Hochschild, Bloom & Company LLP**  
Certified Public Accountants  
Consultants and Advisors

## **INDEPENDENT AUDITOR'S REPORT**

March 12, 2014

Honorable Mayor and City Council  
**CITY OF FLORISSANT, MISSOURI**

### **REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **CITY OF FLORISSANT, MISSOURI** (the City) as of and for the year ended November 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

#### **Management's Responsibility for the Financial Statements**

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

#### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of November 30, 2013, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Required Supplemental Information**

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

## **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2014 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Hochschild, Bloom & Company LLP*  
CERTIFIED PUBLIC ACCOUNTANTS

**CITY OF FLORISSANT, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED NOVEMBER 30, 2013**

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The City of Florissant, Missouri (the City) presents this narrative to help readers review the accompanying annual financial statements for the year ended November 30, 2013. We have prepared the management's discussion and analysis (MD&A) of the City's financial activities to add additional information to the financial schedules and the note disclosures.

### **FINANCIAL HIGHLIGHTS**

- Total assets at the close of the fiscal year were \$84,676,199. Capital assets, the largest single asset category, comprised \$63,278,375 or 74.7% of total assets.
- Total net position (total assets and deferred outflows of resources less total liabilities) was \$75,660,561. Excluding the amount invested in capital assets, net of related debt, total net position was \$17,705,265.
- The largest single liability of \$5,337,652 is for noncurrent liabilities due in more than one year. This includes \$5,033,644 for the Certificates of Participation, \$166,000 for the Koch Plaza TIF bonds, and \$138,008 for the golf cart lease.
- The City has \$12,883,477 in unrestricted net position and \$4,821,788 in restricted net position.
- Total net position increased \$1,077,157.
- Total fund balances increased \$197,455 to a total of \$18,548,698.
- The General Fund unassigned fund balance is \$10,689,143 or 43.9% of the final adopted budget which easily exceeds the target established in the City's Fund Balance Policy of 10%.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The MD&A is intended to introduce the City's basic financial statements. Basic financial statements include three major sections: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplemental information, the budgetary comparisons, to provide additional information that readers can use to analyze the City's finances.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with an overview of the City's finances, presenting all funds in a more simplified format. This section is similar to financial reporting used by commercial entities.

The statement of net position presents information on all the City's assets, deferred outflows of resources, and liabilities, including long-term debt and capital assets in the governmental funds. The difference between assets, deferred outflows of resources, and liabilities is reported as net position.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as transactions occur, regardless of when the related cash flows are reported. Therefore, some revenues and expenses included in this statement may reflect cash flows that actually occur in future periods.

**CITY OF FLORISSANT, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED NOVEMBER 30, 2013**

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Government-wide statements are separated into two major categories: 1) governmental activities that are principally supported by taxes and intergovernmental revenues and 2) business-type activities that are supported with user fees and charges. Governmental activities include general government, culture and recreation, public safety, and public works and health. The City has no business-type activities.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate organization, the Industrial Development Authority. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

**Fund financial statements.** Funds are used in government accounting to separate resources that are designated for specific programs or activities. The City, like other state and local governments, uses fund accounting to demonstrate compliance with the laws, regulations, and contractual agreements that establish the authority for the City's programs and services. Governments has two types of funds: governmental and fiduciary funds.

**Governmental funds.** Governmental funds are used to account for the City's basic services, the same services that are included in the governmental activities on the government-wide statements. However, the information in the fund statements is measured differently. Governmental funds focus on current financial resources rather than economic resources. Therefore, the statements include the short-term resources, such as cash, investments, and receivables that will be collected within 60 days and liabilities that will be retired with these monies. This information is important for assessing the City's current financial resources.

The reconciliation in the fund statements explains the difference between the governmental funds in the fund statements and the governmental activities found in the government-wide financial statements. This reconciliation will explain the adjustments necessary to compile the long-term resources and liabilities for the government-wide statements with the current picture presented in the fund statements.

The City uses the following governmental funds:

**Major Funds**

- ✓ General
- ✓ Capital Improvements
- ✓ Park Improvements
- ✓ Sewer Lateral

**Nonmajor Funds**

- ✓ Community Development
- ✓ Home Equity Assurance
- ✓ Koch TIF
- ✓ Neighborhood Stabilization Program
- ✓ Property Revitalization

The larger funds are presented as major funds while the other funds are presented in the combining statements for nonmajor funds. Both major and nonmajor fund statements include a balance sheet and statement of revenues, expenditures, and changes in fund balances.

The budgetary comparison for the General, Capital Improvements, Park Improvement, and Sewer Lateral Funds are included with the required supplemental information. Budgetary comparisons for all other funds are presented with other supplemental information.



**CITY OF FLORISSANT, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

**Fiduciary funds.** 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 governments, and/or other funds. The City is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries such as court bond deposits, construction deposits, and other deposits. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. These activities are excluded from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

**Notes to financial statements.** Notes provide additional information that is essential to a full understanding of the information included in the financial schedules. Notes provide additional details about the balances and transactions in the City's financial statements.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The first statement in the government-wide statements is the statement of net position. The following table summarizes the statement of net position for the governmental activities as of November 30, 2013 and 2012 (dollars in thousands):

	<u>November 30</u>		<u>2013 Change</u>	
	<u>2013</u>	<u>2012</u>	<u>Amount</u>	<u>Percent</u>
<b>ASSETS</b>				
Current and other assets	\$ 21,398	20,798	600	2.9 %
Capital assets, net	63,278	63,562	(284)	(0.4)
Total Assets	<u>84,676</u>	<u>84,360</u>	<u>316</u>	<u>0.4</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charges on refunding	172	192	(20)	(10.4)
<b>LIABILITIES</b>				
Long-term debt outstanding	7,739	8,668	(929)	(10.7)
Other liabilities	1,448	1,300	148	11.4
Total Liabilities	<u>9,187</u>	<u>9,968</u>	<u>(781)</u>	<u>(7.8)</u>
<b>NET POSITION</b>				
Net investment in capital assets	57,955	58,292	(337)	(0.6)
Restricted	4,822	4,815	7	0.1
Unrestricted	12,884	11,477	1,407	12.3
Total Net Position	<u>\$ 75,661</u>	<u>74,584</u>	<u>1,077</u>	<u>1.4 %</u>

The statement of net position is an accrual based financial statement. The statement of net position presents the same information as a balance sheet, it assesses the balance of the City's assets, the resources it can use to provide service and operate, against its liabilities, its obligations to turn over resources to other organizations or

**CITY OF FLORISSANT, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED NOVEMBER 30, 2013**

individuals. The difference between the City's assets, deferred outflows of resources, and its liabilities is called *net position*. In other words, this statement quantifies what the City would have remaining after satisfying its liabilities. The bulk of net position is comprised of capital assets which are not liquid assets.

It must be noted that this is a combined statement which reflects information incorporated from a number of separate funds. This type of presentation provides a broad perspective. The City is legally required to account for certain restricted assets using separate funds. In actual practice, balances between funds cannot be comingled.

Assets include \$15,649,443 in unrestricted cash and investments, \$4,086,434 in receivables and \$233,000 in restricted assets - investments for the Koch Plaza TIF. Total net position increased by \$1,077,157.

The second statement in the government-wide statements is the statement of activities. This statement outlines the City's primary programs or governmental activities. The following table outlines the major components of the statement of activities for the years ended November 30, 2013 and 2012 (dollars in thousands):

	<b>For The Years</b>		<b>2013 Change</b>	
	<b>Ended November 30</b>	<b>Ended November 30</b>	<b>Amount</b>	<b>Percent</b>
	<b>2013</b>	<b>2012</b>		
<b>REVENUES</b>				
Program revenues:				
Charges for services	\$ 5,389	6,227	(838)	(13.5) %
Operating grants and contributions	2,626	2,813	(187)	(6.6)
Capital grants and contributions	336	344	(8)	(2.3)
General revenues:				
Sales tax	13,775	13,466	309	2.3
Utility tax	6,329	6,272	57	0.9
Investment income	20	24	(4)	(16.7)
Licenses and permits	815	788	27	3.4
Other general revenues	1,610	1,310	300	22.9
Total Revenues	<u>30,900</u>	<u>31,244</u>	<u>(344)</u>	<u>(1.1)</u>
<b>PROGRAM EXPENSES</b>				
General government	4,310	4,505	(195)	(4.3)
Culture and recreation	6,634	6,576	58	0.9
Public safety	10,592	10,483	109	1.0
Public works and health	8,066	8,243	(177)	(2.1)
Interest on long-term debt	221	293	(72)	(24.6)
Total Program Expenses	<u>29,823</u>	<u>30,100</u>	<u>(277)</u>	<u>(0.9)</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ 1,077</u>	<u>1,144</u>	<u>(67)</u>	<u>(5.9) %</u>

**CITY OF FLORISSANT, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED NOVEMBER 30, 2013**

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The statement of activities is the second of two accrual based financial statements introduced into the financial report by GASB 34. The statement of activities is a government-wide statement which comingles information from a number of completely separate funds. In actual practice, the City is legally restricted from combining assets in these funds.

Revenues and expenses are presented by major function or program. Net revenues (expenses) are all negative which, not surprisingly, shows that governmental functions are not self-supporting. The City, like all cities, depends on tax revenues to provide funding for governmental services and activities such as police, parks, and public works.

Program revenue decreased by \$1,032,644. General revenue increased by \$688,698 primarily due to an increase in sales tax receipts and the settlement received from the Reliance Insurance litigation. Combined program and general revenue decreased by \$343,946.

### **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

The fund statements present the City's financial information in a more detailed format, but there are other differences as well. Fund statements provide important information about the City's compliance with laws and regulations that define the local government environment in Missouri. The measurement principles in the fund statements are also different than the government-wide statements. Fund statements focus on current and short-term resources, while government-wide statements present the long-term view.

Financial information for the City's governmental funds is summarized in the balance sheet - governmental funds and the statement of revenues, expenditures, and changes in fund balances - governmental funds. Total governmental fund balances increased \$197,455. The General Fund balance increased \$570,566 to \$12,750,594, the Capital Improvement Fund balance decreased \$748,083 to \$1,824,620, the Park Improvement Fund balance increased \$132,487 to \$895,917, and the Sewer Lateral Fund balance decreased \$208,287 to \$2,094,540.

Other governmental funds include the Community Development, Home Equity Assurance, Koch TIF, Property Revitalization, and Neighborhood Stabilization Program. These funds are combined for this report because their revenues and expenses are smaller than other funds of the City. You can find details about these funds in the combining statements for the nonmajor governmental funds.

### **BUDGETARY HIGHLIGHTS - MAJOR FUNDS**

The information presented in the Required Supplemental Information section presents information about both the original budget and the final budget as amended through the course of the year. Generally, budgets are amended to add projects, programs, commodities, grants, and services that were not anticipated at the time the budget was originally adopted.

**CITY OF FLORISSANT, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED NOVEMBER 30, 2013**

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Revisions to the adopted budget fall into three general categories:

- Transfers between departmental accounts.
- Appropriations from reserve balances to prevent budget overruns and to fund various projects, programs, commodities, grants, and services.
- Advances from one fund to another where no reserve balances are available within the fund and no existing budget accounts within the fund have sufficient balances for a departmental transfer.

Supplemental budget appropriations of \$25,000 or more include the following:

- \$72,823 - Police forfeiture funds for various capital purchases
- \$30,000 - Residential sewer lateral repairs

Total General Fund revenue exceeded the budget of \$22,549,080 by \$765,765 or 3.4%. Gasoline tax finished at \$1,533,341 which was \$16,659 short of the budget. Sales tax finished at \$7,186,217 which was \$186,217 ahead of the budget. Utility tax finished at \$6,313,703 which was \$213,703 ahead of the budget. Cable television continued to grow and finished at \$636,457 which was \$86,457 ahead of the budget. Building permits finished at \$194,277 which was \$55,723 less than the budget due to the lack of any one large permit fee. Charges for services or recreation finished at \$1,469,930 which was \$231,327 less than the budget. The golf course was \$144,216 under budget, the outdoor pools combined were \$36,979 under the budget, park concessions were \$35,243 under the budget, and theater was \$27,330 under the budget.

Other miscellaneous revenue in the General Fund includes the distribution of \$354,443 from the Reliance Insurance bankruptcy settlement. In 2001 a major hail storm pummeled Florissant and the City's insurance carrier at that time, Reliance, went bankrupt before the City had been reimbursed for all the damage. The case has been in litigation since that time. The General Fund also includes \$62,773 in revenue which represents the return of the fund balance resulting from terminating the Home Equity Assurance Fund.

The Capital Improvement Fund sales tax finished at \$3,228,540 which exceeded the budget by \$128,540. The Park Improvement Fund sales tax finished at \$3,038,832 which exceeded the budget by \$138,832.

#### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

The City invests substantial resources in capital assets that support the services provided to the public. Except for the tax increment revenue bonds, all of the City's scheduled long-term debt has been used to acquire or construct capital assets.

**CITY OF FLORISSANT, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

**Capital assets.** The following table summarizes the capital assets, net of depreciation, for the governmental activities as of November 30, 2013 and 2012 (dollars in thousands):

	<u>November 30</u>		<u>2013 Change</u>	
	<u>2013</u>	<u>2012</u>	<u>Amount</u>	<u>Percent</u>
Land	\$ 4,686	4,686	-	- %
Construction in progress	984	519	465	89.6
Buildings	4,400	4,539	(139)	(3.1)
Improvements	8,914	8,729	185	2.1
Land improvements	138	149	(11)	(7.4)
Infrastructure	40,676	41,970	(1,294)	(3.1)
Vehicles and equipment	3,480	2,970	510	17.2
Total	<u>\$ 63,278</u>	<u>63,562</u>	<u>(284)</u>	<u>(0.4) %</u>

Capital assets, other than land and construction in progress, reflect a depreciated value as required by GASB 34. The largest single capital asset is infrastructure or streets, roads and bridges with a depreciated value of \$40,676,466. Total capital assets decreased \$283,227. Construction-in progress of \$984,198 represents on-going street projects and building improvements. Additional information on capital assets can be found in Note C of the financial statements.

**Long-term debt.** The following table summarizes the City's scheduled long-term outstanding debt for the governmental activities as of November 30, 2013 and 2012 (dollars in thousands):

	<u>November 30</u>		<u>2013 Change</u>	
	<u>2013</u>	<u>2012</u>	<u>Amount</u>	<u>Percent</u>
Certificates of participation	\$ 5,730	6,460	(730)	(11.3) %
Tax increment revenue bonds	516	854	(338)	(39.6)
Capital lease payable	188	236	(48)	(20.3)
Total	<u>\$ 6,434</u>	<u>7,550</u>	<u>(1,116)</u>	<u>(14.8) %</u>

The City has \$5,730,000 in debt outstanding from the \$7,200,000 in Series 2011 Certificate of Participation debt issued to refinance the Series 2002 Certificate of Participation debt and to pay for HVAC improvements to City buildings, construction of a salt storage facility, improvements to the aquatic center, and improvements to the bandstand at St. Ferdinand Park. Certificates of Participation are not included in the calculation of the City's legal debt margin. Since there are no general obligation debt issues outstanding, the City has not committed any funds against the legal debt margin.

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Tax increment revenue bonds in the amount of \$516,000 represent the outstanding principal balance from the Tax-Exempt Tax Increment Improvement and Refunding Revenue Bonds, Series 2006 issued for the Koch Plaza Redevelopment Project in September 2006 in the amount of \$2,330,000.

The capital lease payable in the amount of \$188,005 represents the balance on the lease entered into by the City to provide golf carts for the municipal golf course.

**HIGHLIGHTS FROM 2013 AND THE OUTLOOK FOR THE FUTURE**

The general economy continues to remain moribund. The City's 2013 combined assessed value for real estate and personal property was \$540,106,487, which is down \$30,883,919 or 5.4% from 2012. The assessed value for real estate continues to be the biggest area of concern with assessed value for real estate alone down \$31,282,950 or 6.5% from 2012. The City's combined assessed value peaked in 2007 at \$684,127,277 and is down \$144,020,790 or 21.1% from that peak. Real estate assessed value alone is down \$130,385,340 or 22.5% from the peak in 2007.

In an effort to help stabilize the local housing market, address issues with rental property and attract and retain and increase owner occupied residential property, the City Council created a new dedicated fund known as the "Property Acquisition Fund." The Council authorized the transfer of \$500,000 from general fund reserves to create this fund. Within this fund there are two programs designed to address areas of concern.

The *Property Acquisition Program* will allow the City to accept assignment of certain properties within the City limits that are delinquent in real estate property taxes and have been offered for sale by the St. Louis County Collector of Revenue at least three times and the property was not sold. The City will then stabilize the properties and seek to find buyers that will bring the properties up to code compliance and occupancy standards. This program is intended to foster greater community stability and strengthen the tax base of the City by preserving and improving single-family home values.

The *Homeownership Assistance Program* will provide forgivable loans to be used toward a down payment on the purchase of a residence to eligible individuals and families for the purpose of benefiting all residents, homeowners, businesses, and school districts in the City. Applicants who purchase a home as their primary residence in the City limits will be eligible to receive a matching loan equal to the amount of their down payment, up to a maximum of \$6,000. If the applicant lives in the single-family residence for five years, the loan will be forgiven.

General Fund revenue of \$23,314,845 exceeded the budget by \$765,765. Total revenues included \$354,443 from the Reliance Insurance settlement, which has been in litigation since the hail storm of April, 2001 and \$62,773 from closing out the Home Equity Assurance Program. Without this one time money, General Fund revenue would have exceeded the budget by \$348,549.

Gasoline tax receipts finished at \$1,533,341 which was \$16,659 under of the budget of \$1,550,000 and \$28,790 less than last year. This is significantly down from the years 2011 and 2010 which finished at \$1,729,523 and \$1,757,886, respectively.

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Utility license tax receipts finished at \$6,313,703 which was \$213,703 over the budget allocation of \$6,100,000. This total was \$22,479 more than receipts from 2012 but \$153,519 less than 2011. Road and bridge tax receipts were up \$7,138 from 2012 and \$11,887 over budget.

The general fund sales tax is received from two sources, the countywide 1% sales tax and the statewide motor vehicle sales tax. The countywide 1% sales tax is distributed based on a formula which reflects the City's population as part of a pooled population of other cities and St. Louis County. Receipts of \$7,186,217 were \$186,217 over the budget of \$7,000,000 and up \$154,799 from 2012.

Capital improvement sales tax finished at \$3,228,540 which was \$128,540 over the budget of \$3,100,000 and \$59,732 over 2012. The park improvement sales tax totaled \$3,038,832 which was \$138,832 over the budget of \$2,900,000 and \$36,759 over 2012.

In November a Missouri appeals court issued a decision that the City's red light photo enforcement ordinances were in conflict with state law because the tickets are issued to the owner of the vehicle rather than to the driver. In response, the City has discontinued all active prosecution of red light camera tickets and has discontinued any further issuance of tickets.

The City continues to aggressively pursue redevelopment opportunities throughout the City. Recent developments include the following:

- A new *Here Today* store opened in the Florissant Meadows Shopping Center. This is the first of these stores in the St. Louis area.
- *CVS Pharmacy* has been approved for a store at the corner of New Florissant and Dunn Road.
- *Rally's Restaurant* has reopened in a former site on Lindbergh Boulevard.
- *Wal-Mart* has been approved at a site near the intersection of North Hwy 67 and New Halls Ferry Road. Construction is scheduled to start in November, 2013 with an opening slated for the spring of 2015.
- A *Show Me's Restaurant* has opened at the intersection of New Florissant Road and Lindbergh Boulevard.
- The Plaza Madrid redevelopment project remains in the due diligence stage. The City is working with a developer on this project. The site has an odd shape, a poor location and is proving very difficult to redevelop.

**CITY OF FLORISSANT, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED NOVEMBER 30, 2013**

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**REQUESTS FOR INFORMATION**

The MD&A is designed to provide a general overview of the information contained in the financial report and the City's finances in general. Questions concerning any of the information contained in the MD&A or in the body of the financial report should be addressed to: Randal J. McDaniel, Director of Finance, City of Florissant, 955 Rue St. Francois, Florissant, Missouri 63031.



**CITY OF FLORISSANT, MISSOURI**  
**STATEMENT OF NET POSITION**  
**NOVEMBER 30, 2013**

	<b>Primary Government</b>	<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Industrial Development Authority</b>
<b>ASSETS</b>		
Cash	\$ 10,603,542	35,983
Investments	5,045,901	1,257,393
Prepaid items	99,278	-
Receivables:		
Taxes	3,294,240	188,004
Interest	682	-
Intergovernmental	339,616	-
Court	397,983	-
Golf	53,913	-
Due from Fiduciary Fund	269,620	-
Inventories	4,775	-
Restricted assets:		
Investments	233,000	-
Net pension asset	1,055,274	-
Capital assets:		
Land and construction in progress	5,670,466	-
Other capital assets, net of accumulated depreciation	57,607,909	-
Total Assets	84,676,199	1,481,380
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred charges on refunding	172,254	-
<b>LIABILITIES</b>		
Accounts payable	802,520	-
Accrued interest payable	53,512	57,152
Accrued payroll	593,349	-
Noncurrent liabilities:		
Due within one year	2,114,616	850,000
Due in more than one year	5,337,652	12,090,000
Due in more than one year - net OPEB obligation	286,243	-
Total Liabilities	9,187,892	12,997,152
<b>NET POSITION</b>		
Net investment in capital assets	57,955,296	-
Restricted:		
Capital improvements	1,348,304	-
Park improvements	895,917	-
Sewer lateral	2,094,540	-
Debt service	233,000	1,257,393
Neighborhood stabilization	71,519	-
Tax increment financing	178,508	-
Unrestricted	12,883,477	(12,773,165)
Total Net Position	\$ 75,660,561	(11,515,772)

See notes to financial statements

**CITY OF FLORISSANT, MISSOURI**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

	Program Revenues				Net Revenues (Expenses) And Changes In Net Position	
	Expenses	Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Primary	Component
					Government	Unit
					Governmental	Industrial
					Activities	Development Authority
<b>FUNCTIONS/PROGRAMS</b>						
<b>Primary Government</b>						
<b>Governmental Activities</b>						
General government	\$ 4,309,730	-	293,019	-	(4,016,711)	-
Culture and recreation	6,634,628	1,483,478	-	265,860	(4,885,290)	-
Public safety	10,591,816	3,006,846	245,595	69,849	(7,269,526)	-
Public works and health	8,066,022	899,030	2,087,375	-	(5,079,617)	-
Interest on long-term debt	221,241	-	-	-	(221,241)	-
Total Governmental Activities	\$ 29,823,437	5,389,354	2,625,989	335,709	(21,472,385)	-
<b>Component Unit</b>						
Industrial Development Authority	\$ 760,267	-	-	-	-	(760,267)
<b>General Revenues</b>						
Taxes:						
Sales					13,775,456	1,137,203
Utility					6,328,878	3,507
Property					119,676	453,460
Other					134,502	-
Investment income					20,483	45,668
Licenses and permits					815,192	-
Other					1,355,355	-
Total General Revenues					22,549,542	1,639,838
<b>CHANGES IN NET POSITION</b>						
NET POSITION, DECEMBER 1					1,077,157	879,571
NET POSITION, NOVEMBER 30					74,583,404	(12,395,343)
					\$ 75,660,561	(11,515,772)

**CITY OF FLORISSANT, MISSOURI**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**NOVEMBER 30, 2013**

	General Fund	Capital Improvements Fund	Park Improvement Fund	Sewer Lateral Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash	\$ 7,949,956	1,316,574	307,321	441,497	588,194	10,603,542
Investments	2,800,000	476,316	-	1,617,640	151,945	5,045,901
Prepaid items	99,278	-	-	-	-	99,278
Receivables:						
Taxes	2,202,442	527,476	491,070	46,689	26,563	3,294,240
Interest	415	-	-	267	-	682
Intergovernmental	73,683	-	257,710	-	8,223	339,616
Court	397,983	-	-	-	-	397,983
Golf	53,913	-	-	-	-	53,913
Restricted assets:						
Investments	-	-	-	-	233,000	233,000
Inventories	4,775	-	-	-	-	4,775
Due from other funds	272,473	-	-	-	-	272,473
<b>Total Assets</b>	<b>\$ 13,854,918</b>	<b>2,320,366</b>	<b>1,056,101</b>	<b>2,106,093</b>	<b>1,007,925</b>	<b>20,345,403</b>
<b>LIABILITIES</b>						
Accounts payable	\$ 150,915	495,746	123,090	11,553	21,216	802,520
Accrued payroll	555,426	-	37,094	-	829	593,349
Due to other funds	-	-	-	-	2,853	2,853
<b>Total Liabilities</b>	<b>706,341</b>	<b>495,746</b>	<b>160,184</b>	<b>11,553</b>	<b>24,898</b>	<b>1,398,722</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenues - court	397,983	-	-	-	-	397,983
<b>FUND BALANCES</b>						
Nonspendable:						
Inventories	4,775	-	-	-	-	4,775
Prepaid items	99,278	-	-	-	-	99,278
Restricted for:						
Capital improvements	-	1,824,620	-	-	-	1,824,620
Park improvements	-	-	895,917	-	-	895,917
Sewer lateral	-	-	-	2,094,540	-	2,094,540
Debt service	-	-	-	-	233,000	233,000
Neighborhood stabilization	-	-	-	-	71,519	71,519
Tax increment financing	-	-	-	-	178,508	178,508
Committed for:						
Property revitalization	-	-	-	-	500,000	500,000
Assigned to:						
Purchases on order	266,813	-	-	-	-	266,813
Subsequent year's budget	1,690,585	-	-	-	-	1,690,585
Unassigned	10,689,143	-	-	-	-	10,689,143
<b>Total Fund Balances</b>	<b>12,750,594</b>	<b>1,824,620</b>	<b>895,917</b>	<b>2,094,540</b>	<b>983,027</b>	<b>18,548,698</b>
<b>Total Liabilities, Deferred Inflows Of Resources, And Fund Balances</b>	<b>\$ 13,854,918</b>	<b>2,320,366</b>	<b>1,056,101</b>	<b>2,106,093</b>	<b>1,007,925</b>	<b>20,345,403</b>

**CITY OF FLORISSANT, MISSOURI**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERN-**  
**MENTAL FUNDS TO THE STATEMENT OF NET POSITION**  
**NOVEMBER 30, 2013**

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Total Fund Balances - Governmental Funds \$ 18,548,698

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of the assets is \$136,296,217 and the accumulated depreciation is \$73,017,842.	63,278,375
Municipal court receivables are assessed by the City, but are not collected as of November 30, 2013 and deferred within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements.	397,983
The net pension asset is not a financial resource and, therefore, is not reported in the governmental funds.	1,055,274
The net OPEB obligation is not a financial resource and, therefore, is not reported in the governmental funds.	(286,243)
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:	
Accrued interest payable	(53,512)
Certificates of participation	(5,783,644)
Tax increment revenue bonds	(516,000)
Capital lease payable	(188,005)
Compensated absences	(964,619)
Unamortized deferred charges	172,254

Total Net Position Of Governmental Activities \$ 75,660,561

**CITY OF FLORISSANT, MISSOURI**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

	<u>General Fund</u>	<u>Capital Improvements Fund</u>	<u>Park Improvement Fund</u>	<u>Sewer Lateral Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>						
Taxes	\$ 15,713,316	3,290,661	3,020,637	468,804	417,930	22,911,348
Licenses and permits	1,245,418	-	-	-	-	1,245,418
Charges for services	1,481,038	-	-	-	-	1,481,038
Other	1,383,945	-	-	-	76,920	1,460,865
Investment income	11,340	10	-	9,117	16	20,483
Fines and forfeitures	2,966,669	-	-	-	-	2,966,669
Intergovernmental	318,606	181	265,860	-	216,099	800,746
Total Revenues	<u>23,120,332</u>	<u>3,290,852</u>	<u>3,286,497</u>	<u>477,921</u>	<u>710,965</u>	<u>30,886,567</u>
<b>EXPENDITURES</b>						
Current:						
General government	4,000,095	-	-	-	306,028	4,306,123
Culture and recreation	3,805,416	-	1,799,889	-	-	5,605,305
Public safety	10,256,505	-	-	-	-	10,256,505
Public works and health	4,373,986	-	-	187,651	-	4,561,637
Capital outlay	-	3,719,862	786,881	116,606	-	4,623,349
Debt service:						
Principal	47,635	262,800	467,200	-	338,000	1,115,635
Interest	10,853	56,273	100,040	-	53,392	220,558
Total Expenditures	<u>22,494,490</u>	<u>4,038,935</u>	<u>3,154,010</u>	<u>304,257</u>	<u>697,420</u>	<u>30,689,112</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>625,842</u>	<u>(748,083)</u>	<u>132,487</u>	<u>173,664</u>	<u>13,545</u>	<u>197,455</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	444,724	-	-	-	500,000	944,724
Transfers out	(500,000)	-	-	(381,951)	(62,773)	(944,724)
Total Other Financing Sources (Uses)	<u>(55,276)</u>	<u>-</u>	<u>-</u>	<u>(381,951)</u>	<u>437,227</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	570,566	(748,083)	132,487	(208,287)	450,772	197,455
<b>FUND BALANCES, DECEMBER 1</b>	<u>12,180,028</u>	<u>2,572,703</u>	<u>763,430</u>	<u>2,302,827</u>	<u>532,255</u>	<u>18,351,243</u>
<b>FUND BALANCES, NOVEMBER 30</b>	<u><u>\$ 12,750,594</u></u>	<u><u>1,824,620</u></u>	<u><u>895,917</u></u>	<u><u>2,094,540</u></u>	<u><u>983,027</u></u>	<u><u>18,548,698</u></u>

**CITY OF FLORISSANT, MISSOURI**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES OF**  
**GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

Net Change In Fund Balances - Governmental Funds \$ 197,455

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

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$4,684,591) exceeded capital outlays over the capitalization threshold totaling \$4,498,424 in the current period.	(186,167)
The net effect of contributed assets and various transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase (decrease) net position. Cost of disposals, net of accumulated depreciation	(97,060)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	40,177
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Increase in net pension asset	199,519
Decrease in accrued interest payable	13,003
Increase in net OPEB obligation	(114,940)
Increase in compensated absences	(76,779)
	20,803
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources of the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, the governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Repayments:	
Certificates of participation	730,000
Tax increment revenue bonds	338,000
Capital lease payable	47,635
Amortization	(13,686)
	1,101,949
Change In Net Position Of Governmental Activities	\$ 1,077,157

See notes to financial statements

**CITY OF FLORISSANT, MISSOURI**  
**STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS**  
**NOVEMBER 30, 2013**

	<b>Pension Trust Fund</b>	<b>Agency Fund</b>
<b>ASSETS</b>		
Cash	\$ -	1,237,145
Investments	12,029,200	-
Total Assets	12,029,200	1,237,145
<b>LIABILITIES</b>		
Due to others:		
Court bonds	-	332,725
Construction deposits	-	90,151
Other deposits	-	544,649
	-	967,525
Due to other funds	-	269,620
Total Liabilities	-	1,237,145
<b>NET POSITION</b>		
Held in trust for pension benefits	\$ 12,029,200	-

**CITY OF FLORISSANT, MISSOURI**  
**STATEMENT OF CHANGES IN FIDUCIARY**  
**NET POSITION - PENSION TRUST FUND**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

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**ADDITIONS**

Employer contributions	<u>\$ 973,417</u>
Investment income:	
Net appreciation in fair value of investments and interest and dividends	886,852
Investment expense	<u>(72,073)</u>
Net Investment Income	<u>814,779</u>
Total Additions	<u>1,788,196</u>

**DEDUCTIONS**

Benefits	<u>616,373</u>
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**NET INCREASE**

1,171,823

NET POSITION - ASSETS HELD IN TRUST FOR PENSION  
BENEFITS, DECEMBER 1

10,857,377

**NET POSITION - ASSETS HELD IN TRUST FOR PENSION**  
**BENEFITS, NOVEMBER 30**

\$ 12,029,200



**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The **CITY OF FLORISSANT, MISSOURI** (the City) was founded in 1786 and incorporated in 1829. The City operates under a Mayor-Council form of government and provides the following services: police, engineering and public works, recreation, legislative, municipal court, health, welfare, and administration. The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing government accounting and financial reporting principles. The more significant of the City's accounting policies are described below:

**1. Reporting Entity**

The financial statements of the City include the financial activities of the City and any component units, entities which are financially accountable to the City. Included within the reporting entity are all units of government including the Industrial Development Authority of the City of Florissant (IDA).

The IDA was incorporated on April 10, 1996. All of the directors of the IDA are appointed by the Mayor of the City and confirmed by the City Council. The IDA is organized to develop and promote commercial, industrial, agricultural, and manufacturing facilities in the City. The IDA is a component unit of the City and is discretely presented as such in the financial statements.

Complete financial statements for the component unit may be obtained at the City's administrative offices.

**2. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as is the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be measurable and available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

**General Fund** -- This 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.

**Capital Improvements Fund** -- This fund is used to account for the acquisition or improvement of capital assets within the City's departments.

**Park Improvement Fund** -- This fund is used to account for improvements in the City's parks.

**Sewer Lateral Fund** -- This fund is used to account for special assessments to be utilized for maintenance of sewer lateral lines within the City.

Additionally, the City reports the following fund types:

**Pension Trust Fund** -- This fund is used to account for assets held in a trustee capacity for the City's eligible employees.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)**

**Agency Fund** -- The Escrow and Court Bond Fund is used to account for the collection and release of monies in connection with construction permits being issued and to be held as bond deposits to ensure defendants' appearances in court.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

**4. Cash, Cash Equivalents, and Investments**

State statutes authorize the City to invest in obligations of the U.S. Treasury, federal agencies, certain commercial paper, repurchase agreements, bankers' acceptances, and time deposits.

The Pension Trust Fund is also authorized to invest in corporate common or preferred stocks, bonds and mortgages, real or personal property, and other evidence of indebtedness or ownership, but excluding any debt of the City itself and individual insurance policies. Investments are stated at fair value or amortized cost which approximates fair value.

Certain amounts have been noted as restricted since they are required to be used in accordance with certain debt requirements.

**5. Inventories**

Inventories are recorded at cost on the first-in, first-out basis. Governmental fund types use the consumption method for inventory which means it is recorded as an expenditure when it is used rather than when purchased.

**6. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items on the consumption method. Prepaid items are recorded as expenditures when consumed rather than when purchased.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**7. Interfund Transactions**

In the fund financial statements, the City has the following types of transactions among funds:

**Transfers** -- Transfers of resources from a fund receiving revenue to the fund through which resources are to be expended are recorded as transfers. Such transfers are reported as other financing sources (uses).

**Due To/From Other Funds** -- Current portions of long-term interfund loans receivable/payable are considered "available spendable resources" and are reported as assets and liabilities of the appropriate funds.

Elimination of interfund activity has been made for governmental activities in the government-wide financial statements.

**8. Capital Assets**

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

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation is being computed on the straight-line method, using asset lives as follows:

Assets	Years
Buildings and improvements	15 - 50
Land improvements	10 - 40
Infrastructure	5 - 33 $\frac{1}{3}$
Vehicles and equipment	3 - 15

**9. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration of the various funds. Encumbrances outstanding at year-end do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. For the budgetary purposes, encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**9. Encumbrances (Continued)**

Encumbrances outstanding at year-end were \$266,813 for the General Fund, \$248,643 for the Capital Improvements Fund, \$50,566 for the Park Improvement Fund, and \$6,731 for the Sewer Lateral Fund.

**10. Compensated Absences**

Vested or accumulated vacation leave and comp time that are expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

**11. Fund Balance Policies**

The City's policy is to report the fund balance in the following categories, when applicable, listed from the most restrictive to the least restrictive:

**Nonspendable** -- The portion of fund balance that is not in a spendable form or is required to be maintained intact.

**Restricted** -- The portion of fund balance that is subject to external restrictions and constrained to specific purposes imposed by agreement, through constitutional provisions, or by enabling legislation.

**Committed** -- The portion of fund balance with constraints or limitations by formal action (ordinance) of the City Council, the highest level of decision-making authority.

**Assigned** -- The portion of fund balance that the City intends to use for a specific purpose as determined by the applicable City officials to which the City Council has designated authority.

**Unassigned** -- Amounts that are available for any purpose; these positive amounts are reported only in the General Fund.

When both restricted and unrestricted resources are available, the City will spend the most restricted amounts before the least restricted.

The fund balance of the City's General Fund has been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities. The target is to maintain an unassigned fund balance of not less than 10% of annual operating expenditures for the fiscal year.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**12. Long-term Obligations**

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance cost, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**13. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the life of the debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City only has one type of item that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from court revenue. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**14. Use of Estimates**

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and the accompanying notes. Actual results could differ from those estimates.

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE B - CASH AND INVESTMENTS**

**1. Deposits**

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's bank deposits are required by state law to be secured by the deposit of certain securities specified at RSMo 30.270 with the City or trustee institution. The value of the securities must amount to the total of the City's cash not insured by the Federal Deposit Insurance Corporation.

As of November 30, 2013, the City's and IDA's bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

**2. Investments**

As of November 30, 2013, the City had the following investments:

<u>Investments</u>	<u>Fair Value</u>	<u>Maturities</u>			<u>Credit Risk</u>
		<u>No Maturity</u>	<u>Less Than One Year</u>	<u>More Than 10 Years</u>	
<b>Primary Government</b>					
Certificates of deposit	\$ 4,417,640	-	4,417,640	-	N/A
Money market	861,261	861,261	-	-	Not rated
Total Primary Government Investments	<u>5,278,901</u>	<u>861,261</u>	<u>4,417,640</u>	<u>-</u>	
<b>Fiduciary Funds</b>					
Pension plan pooled investments:					
Common stock funds	3,085,062	3,085,062	-	-	N/A
Group annuity contract	8,944,138	8,944,138	-	-	Not rated
Total Fiduciary Funds Investments	<u>12,029,200</u>	<u>12,029,200</u>	<u>-</u>	<u>-</u>	
<b>Component Unit</b>					
Money market	266,393	266,393	-	-	Not rated
Repurchase agreement	991,000	-	-	991,000	N/A
Total Component Unit Investments	<u>1,257,393</u>	<u>266,393</u>	<u>-</u>	<u>991,000</u>	
Grand Total Investments	<u>\$ 18,565,494</u>	<u>13,156,854</u>	<u>4,417,640</u>	<u>991,000</u>	

**NOTE B - CASH AND INVESTMENTS (Continued)**

**2. Investments (Continued)**

**Investment Policies**

**Credit Risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City minimizes credit risk by prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business and diversifying the portfolio to reduce potential losses on individual securities.

**Interest Rate Risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing primarily in shorter term securities.

**Concentration of Credit Risk** is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City minimizes concentration of credit risk by diversifying the investment portfolio.

**NOTE C - CAPITAL ASSETS**

Capital asset activity was as follows:



**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE C - CAPITAL ASSETS (Continued)**

For The Year Ended November 30, 2013

	Balance November 30 2012	Additions And Transfers	Deletions And Transfers	Balance November 30 2013
Capital assets not being depreciated:				
Land	\$ 4,686,268	-	-	4,686,268
Construction in progress	519,537	1,025,517	560,856	984,198
Total Capital Assets Not Being Depreciated	<u>5,205,805</u>	<u>1,025,517</u>	<u>560,856</u>	<u>5,670,466</u>
Capital assets being depreciated:				
Buildings	12,076,363	171,692	-	12,248,055
Improvements	12,207,586	793,720	-	13,001,306
Land improvements	367,741	-	-	367,741
Infrastructure	93,605,768	1,766,206	-	95,371,974
Vehicles and equipment	8,891,090	1,302,145	556,560	9,636,675
Total Capital Assets Being Depreciated	<u>127,148,548</u>	<u>4,033,763</u>	<u>556,560</u>	<u>130,625,751</u>
Less - Accumulated depreciation for:				
Buildings	7,537,795	310,228	-	7,848,023
Improvements	3,478,982	608,671	-	4,087,653
Land improvements	219,181	10,206	-	229,387
Infrastructure	51,636,133	3,059,375	-	54,695,508
Vehicles and equipment	5,920,660	696,111	459,500	6,157,271
Total Accumulated Depreciation	<u>68,792,751</u>	<u>4,684,591</u>	<u>459,500</u>	<u>73,017,842</u>
Total Capital Assets Being Depreciated, Net	<u>58,355,797</u>	<u>(650,828)</u>	<u>97,060</u>	<u>57,607,909</u>
Total Capital Assets, Net	<u>\$ 63,561,602</u>	<u>374,689</u>	<u>657,916</u>	<u>63,278,375</u>

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

	For The Year Ended November 30 2013
General government	\$ 68,050
Public safety	255,771
Public works and health, including depreciation of infrastructure	3,372,195
Culture and recreation	988,575
Total	<u>\$ 4,684,591</u>

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE D - LONG-TERM DEBT**

A summary of changes in long-term debt is as follows:

	<u>For The Year Ended November 30, 2013</u>			<u>Amounts Due Within One Year</u>	
	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>		<u>Balance</u>
	<u>November 30 2012</u>				<u>November 30 2013</u>
Certificates of participation	\$ 6,460,000	-	730,000	5,730,000	750,000
Plus - Premium	59,834	-	6,190	53,644	-
Tax increment revenue bonds	854,000	-	338,000	516,000	350,000
Capital lease payable	235,640	-	47,635	188,005	49,997
Compensated absences	887,840	999,537	922,758	964,619	964,619
Total	<u>\$ 8,497,314</u>	<u>999,537</u>	<u>2,044,583</u>	<u>7,452,268</u>	<u>2,114,616</u>

The certificates of participation are to be liquidated by the Park Improvement and Capital Improvements Funds. The tax increment revenue bonds are liquidated by the Koch TIF Fund. Compensated absences and the capital lease payable are generally liquidated by the General Fund.

Certificates of participation consist of the following:

	<u>November 30 2013</u>
2011 certificates of participation issue of \$7,200,000 used for advance refunding of the 2002 issue, and various improvements throughout the City, due in annual installments through August 1, 2022, interest payable at 1.5% to 3.125%.	<u>\$5,730,000</u>

A schedule of future minimum payments for the certificates is as follows:

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE D - LONG-TERM DEBT (Continued)**

<u>For The Years Ended November 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 750,000	134,413	884,413
2015	775,000	119,412	894,412
2016	790,000	103,913	893,913
2017	800,000	92,062	892,062
2018	500,000	76,063	576,063
2019 - 2022	<u>2,115,000</u>	<u>166,031</u>	<u>2,281,031</u>
Total	<u>\$ 5,730,000</u>	<u>691,894</u>	<u>6,421,894</u>

The City has tax increment revenue bonds which are limited obligations of the City, payable solely from payments in lieu of taxes attributable to the increase in assessed value of real property, incremental increases in economic activity taxes in the project area, and monies on deposit in the Debt Service Reserve Fund. The bonds do not constitute a general obligation of the City. Bonds outstanding at November 30, 2013 consist of Series 2006 Tax Increment Improvement and Refunding Revenue Bonds for the Koch Plaza Redevelopment Project, issued September 1, 2006 for \$2,330,000 and maturing on April 17, 2028.

The City has entered into a lease agreement for financing the acquisition of golf carts. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date. The capitalized value at November 30, 2013 was \$367,491, less accumulated depreciation of \$244,994.

A schedule of future minimum lease payments under the capital lease and the present value of the net minimum lease payments is as follows:

<u>For The Years Ended November 30</u>	
2014	\$ 58,488
2015	<u>144,019</u>
Total Minimum Lease Payments	202,507
Less - Amount representing interest	<u>14,502</u>
Present Value Of Future Minimum Lease Payments	<u>\$ 188,005</u>

**NOTE D - LONG-TERM DEBT (Continued)**

On December 8, 2003 the IDA issued \$19,040,000 in tax increment refunding revenue bonds for the City of Florissant-Cross Keys Redevelopment Project. Interest on the bonds will be payable semi-annually on each May 1 and November 1, with interest rates of 5% and 5.625% and final maturity of May 1, 2024. The bonds are being issued by the IDA pursuant to a trust indenture dated December 1, 2003 by and between the IDA and the trustee. The bonds are special limited obligations of the IDA, payable solely from bond proceeds and pledged revenues. The IDA and the City have entered into a financing agreement dated December 1, 2003 pursuant to which the City has agreed to transfer to the trustee for application to the payment of the bonds all payments in lieu of taxes; subject to annual appropriation of the City, all economic activity tax revenues; and subject to annual appropriation by The Shoppes at Cross Keys Transportation Development District, all TDD revenues. The balance at November 30, 2012 was \$13,940,000, principal payments made during the year were \$1,000,000, and the balance outstanding at November 30, 2013 was \$12,940,000.

**NOTE E - DEFINED BENEFIT PENSION PLAN**

*Plan Description and Provisions*

The Plan is a single-employer, defined benefit pension plan that covers all of the City's employees who work at least 1,000 hours per year and elected to remain in the plan as of January 1, 2001. The Plan was created and is governed by City ordinance. The payroll for employees covered by the Plan for the year ended November 30, 2012, which is the date of the latest actuarial valuation available, was \$481,416 and the City's total payroll was \$13,890,211.

The Plan does not issue a separate stand-alone financial report. The financial information is included as a Trust Fund in the City's financial statements. Information about the Plan is provided in a summary plan description. The Plan has been closed to new entrants since December 31, 2000.

Membership in the Plan is comprised of the following:

<u>Group</u>	<u>November 30 2012</u>
Retirees and beneficiaries currently receiving benefits	13
Vested terminated employees and active employees	53

Employees attaining the age of 60 who have completed ten or more years of service are entitled to benefits based upon average earnings and years of service. The Plan permits early retirement at age 55 with 10 years of continuous service with a benefit reduction of ½% for each full month that the early retirement date precedes the normal retirement date. If the sum of age and service equals or exceeds 85, the benefit is the accrued benefit without reduction for early receipt. The Plan also provides benefits upon a participant's death or disability.

All contributions to the Plan are made by the City.

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE E - DEFINED BENEFIT PENSION PLAN (Continued)**

*Funding Status and Progress*

<b>Pension Plan</b>			
<b>Valuation For The Actuarial Years Ended November 30</b>	<b>Actuarial Value Of Assets</b>	<b>Actuarial Accrued Liability (AAL)</b>	<b>Unfunded AAL (UAAL)</b>
2012	\$ 10,857,377	\$ 15,530,188	\$ 4,672,811
2011	9,867,427	12,961,949	3,094,522
2010	10,618,328	14,206,543	3,588,215
2009	9,845,789	14,425,284	4,579,495
2008	7,779,850	14,672,021	6,892,171
2007	12,140,887	15,013,631	2,872,744
<b>Valuation For The Actuarial Years Ended November 30</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL As A Percentage Of Covered Payroll</b>
2012	69.9 %	\$ 481,416	970.6 %
2011	76.1	655,949	471.8
2010	74.7	792,439	452.8
2009	68.3	930,946	491.9
2008	53.0	1,053,624	654.1
2007	80.9	1,134,536	253.2
<b>For The Years Ended November 30</b>	<b>Annual Required Contribution</b>	<b>Actual Contribution</b>	<b>Percentage Contributed</b>
2012	\$ 805,819	\$ 1,039,121	129.0 %
2011	867,911	945,205	108.9
2010	1,033,246	1,301,778	126.0
2009	1,597,209	1,283,642	80.4
2008	364,775	1,165,885	319.6
2007	525,967	1,128,974	214.6

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE E - DEFINED BENEFIT PENSION PLAN (Continued)**

Additional information as of the latest actuarial valuation follows:

Actuarial cost method	Frozen entry age
Amortization method	Using assumed rate of 6% over 26 years
Asset valuation method	At fair value or contract value
Actuarial assumptions:	
Investment rate of return	6%
Projected salary increases	3%

***Annual Pension Cost***

Current year annual pension cost for the Plan is shown in the trend information. There is not a net pension obligation for the Plan.

***Trend Information***

The historical trend information about the Plan is presented herewith to help users assess the Plan's funding status on a going-concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparison with other Public Employee Retirement Systems (PERS).

<u>Valuation For The Actuarial Years Ended November 30</u>	<u>Annual Pension Cost</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation (Asset)</u>	<u>Increase (Decrease) Net Pension Obligation (Asset)</u>
2012	\$ 839,602	123.8 %	\$ (1,055,274)	\$ (199,519)
2011	895,793	105.5	(855,755)	(49,412)
2010	1,050,098	124.0	(806,343)	(251,680)
2009	1,621,080	79.2	(554,663)	337,438
2008	366,975	317.7	(892,101)	(798,910)
2007	515,116	219.2	(93,191)	(613,858)

<u>Valuation For The Actuarial Years Ended November 30</u>	<u>Annual Required Contribution</u>	<u>Interest On The Net Pension Obligation (Asset)</u>	<u>Adjustment To The Annual Required Contribution</u>	<u>Annual Pension Cost</u>
2012	\$ 805,819	\$ (64,182)	\$ 97,965	\$ 839,602
2011	867,911	(60,476)	88,358	895,793
2010	1,033,246	(41,600)	58,452	1,050,098
2009	1,597,209	(66,908)	90,779	1,621,080
2008	364,775	(6,989)	9,189	366,975
2007	525,967	39,050	(49,901)	515,116

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE F - PROPERTY TAXES**

The City's property tax is levied each year on the assessed value listed as of January 1 for all real and personal property located in the City. Property taxes attach as an enforceable lien on property as of January 1. Taxes levied in October are due and payable prior to December 31. Since 1998, the City has voluntarily reduced the property tax rate to zero.

**NOTE G - INSURANCE**

The City managed risks of loss related to employee life, health and disability, workers' compensation, property, and liability by purchasing commercial insurance for the year ended November 30, 2013.

There was no significant reduction in insurance coverage during the year ended November 30, 2013 and settlement amounts have not exceeded insurance coverage for the current or three prior years.

**NOTE H - CONTINGENCIES AND COMMITMENTS**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

**NOTE I - INTERFUND TRANSACTIONS**

Individual interfund transactions are as follows:

**Due from/to other funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>November 30 2013</u>
General Fund	Agency Fund	\$269,620
General Fund	Community Development Fund	<u>2,853</u>
Total		<u>\$272,473</u>

All of these interfund balances are due to either timing differences or to the elimination of negative cash balances within the various funds. All interfund balances are expected to be repaid during the next fiscal year.

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE I - INTERFUND TRANSACTIONS (Continued)**

**Interfund transfers**

<u>Transfers Out</u>	<u>Transfers In</u>	<u>For The Year Ended November 30 2013</u>
Sewer Lateral Fund	General Fund	\$381,951
Home Equity Assurance Fund	General Fund	62,773
General Fund	Property Revitalization Fund	<u>500,000</u>
Total		<u>\$944,724</u>

Interfund transfers may be used to: 1) move revenues from the fund that ordinance or budget required to collect them to the fund that ordinance or budget requires to expend them, 2) use unrestricted revenues collected to other funds in accordance with budgetary authorization, or 3) move revenues in excess of current year expenditures to other funds.

**NOTE J - DEFINED CONTRIBUTION PLAN**

The Council approved an Ordinance on November 13, 2000 amending the pension plan by freezing the plan enrollment into the defined benefit plan after December 31, 2000 and implementing an elective rollover to a defined contribution money purchase pension plan effective January 1, 2001.

The Money Purchase Pension Plan is funded through the Hartford Insurance Company of America. All full-time employees who work 1,000 hours or more each plan year and part-time employees who work 35 hours or more per week are eligible to participate in the Plan. Pursuant to the Plan's provision, the City shall contribute:

For employees hired after January 1, 2001, the employer contributions are 8% of earnings (after completion of tenth year of service 9%). In addition, an employee may irrevocably elect a 2% picked-up contribution. The employer will match the employee contribution not to exceed 2% of earnings.

For employees hired before January 1, 2001, the employer contributions are 12% of earnings. In addition, an employee may irrevocably elect a 3% picked-up contribution. The employer will match the employee contribution not to exceed 3% of earnings.

For employees hired after December 1, 2010, the employer contributions are 6% of earnings. In addition, an employee may irrevocably elect a 4% picked-up contribution. The employer will match the employee contribution not to exceed 2% of earnings.

For employees hired after July 1, 2013, the employer contributes 8% of earnings and the employee contributes a mandatory 4% of earnings for a total contribution of 12%. Contributions begin immediately upon hire.

Contributions are fully vested after seven years of continuous service. Contributions to the Plan for the year ended November 30, 2013, amounted to \$255,044 for employees and \$1,204,056 for the City.



**NOTE K - CONDUIT DEBT OBLIGATIONS**

The City authorized the IDA to issue bonds to provide financial assistance for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are collateralized by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the entity served by the bond issuance. Neither the City, the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The aggregate future principal maturities of outstanding bonds at November 30, 2013 was \$13,645,000.

**NOTE L - RESTRICTED NET POSITION**

The government-wide statement of net position reports \$4,821,788 of restricted net position, of which \$4,588,788 is restricted by enabling legislation. The balance of \$233,000 is restricted by indentures of the long-term debt.

**NOTE M - TAX INCREMENT REVENUES PLEDGED**

The City has pledged a portion of future tax revenues to repay tax increment revenue bonds issued by the IDA and the City to finance certain improvements in the City. The bonds are payable solely from the incremental taxes generated by increased sales and assessed property values in the improved area. Incremental taxes were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds per Note D is payable through April 17, 2028. For the current year, the IDA's principal and interest paid, and total incremental tax revenues were \$1,755,125 and \$1,594,170, respectively. For the current year, the City's principal and interest paid, and total incremental tax revenues were \$391,392 and \$417,930, respectively.

**NOTE N - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS**

**Plan Description**

The City provides healthcare benefits to employees defined as City retirees who have attained age 55 plus 10 years of service as long as the retiree pays the monthly premium. Individual and spousal medical and prescription drug benefits are available to retirees in the City's fully-insured plan. Retirees must contribute the entire monthly premium for single/family coverage. \$5,000 life insurance coverage is also provided for retirees. The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities. The City's annual OPEB cost as of the most recent actuarial valuation and the related information are as follows:

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE N - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS**  
**(Continued)**

	<b>For The Year Ended November 30 2013</b>
Amortization of past service cost	\$ 72,722
Normal cost	34,965
Interest to end of fiscal year	4,307
ARC	111,994
Interest on net OPEB obligation	8,932
Adjustment to ARC	(16,431)
Annual OPEB cost	104,495
Contributions made	(41,560)
Increase In Net OPEB Obligation	62,935
Net OPEB Obligation, December 1, 2012	223,308
Net OPEB Obligation, November 30, 2013	\$ 286,243

The Plan was established by City Ordinance, which assigned the authority to establish and amend benefit provisions to the City. The contribution requirements of the City and plan members are established and may be amended by the City.

Fiscal year 2009 was the year of implementation of GASB 45 and the City has elected to have actuarial valuations performed bi-annually.

**Required Supplemental Information**

<b>Schedule Of Funding Progress</b>				
<b>For The Actuarial Valuation December 1</b>	<b>Actuarial Value Of Assets (1)</b>	<b>Actuarial Accrued Liability (2)</b>	<b>Unfunded Accrued Liability (UAAL) (1)-(2)</b>	<b>Funded Ratio (1)/(2)</b>
2012	\$ -	\$ 1,027,854	\$ 1,027,854	- %
2010	-	887,357	887,357	-
2008	-	858,882	858,882	-

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE N - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS**  
(Continued)

<b>Schedule Of Employer Contributions</b>			
<b>For The Years Ended November 30</b>	<b>Annual Required Contribution</b>	<b>Expected Employer Contribution</b>	<b>Percent Contributed</b>
2013	\$ 111,994	\$ 41,560	37.11 %
2011	98,340	34,740	35.33
2009	96,257	37,024	38.46

Significant actuarial assumptions used in the valuation are as follows:

Valuation method	Projected unit credit method
Latest valuation date	November 30, 2013
Discount rate	4% per annum
Amortization period	20 years for initial UAAL
Payroll inflation	N/A
Mortality	RP-2000 Mortality Table
Medical premium rates	9.5% initial rate; 5.5% alternate rate

**NOTE O - FINES AND COURT COSTS FOR TRAFFIC VIOLATIONS**

RSMo 302.341.2 requires an accounting of the percentage of annual fines and courts costs for traffic violations, including amended charges from any charged traffic violation, occurring within the City to total general operating revenue, to be included in the annual financial report. At this point in time the Regional Justice Information System (REJIS), the organization through which the municipal court would obtain this information, is unable to provide the specific information necessary to separate the annual fines and court costs for traffic violations from total fines and court costs for all violations. During the year, the amount of fines, forfeitures and court costs of all types, the general operating revenue, and related percent amounted to \$2,989,294, \$20,752,148, and 14.4%, respectively, which is well below the threshold of 30% identified in RSMo 302.341.2.

**NOTE P - RETROACTIVE RESTATEMENT OF NET POSITION**

The previously stated net position has been retroactively restated to implement GASB Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65 *Items Previously Reported as Assets and Liabilities* as follows:

**CITY OF FLORISSANT, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE P - RETROACTIVE RESTATEMENT OF NET POSITION (Continued)**

	<u>Governmental Activities</u>	<u>Industrial Development Authority</u>
Net position, November 30, 2012, as previously reported	\$ 74,815,495	(11,986,247)
Restatement for:		
Bond issuance costs	(282,730)	(731,602)
Accumulated amortization	<u>50,639</u>	<u>322,506</u>
Net Position, November 30, 2012, As Restated	<u>\$ 74,583,404</u>	<u>(12,395,343)</u>

**NOTE Q - FUTURE ACCOUNTING PRONOUNCEMENTS**

GASB Statement No. 68 (GASB 68), *Accounting and Financial Reporting for Pensions*, will require the City to record UAAL on the government-wide statement of net position. UAAL equals the difference between the total pension liability and the value of assets set aside in a pension plan to pay benefits. GASB 68 may also require changes to the projection of benefit payments and the rate used to discount the projected benefit payments. GASB 68 will be effective for the City for the year ending November 30, 2015.

**REQUIRED SUPPLEMENTAL INFORMATION SECTION**

**CITY OF FLORISSANT, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
				<u>Budget</u>
<b>REVENUES</b>				
<b>Taxes</b>				
Cigarette	\$ 145,000	145,000	137,136	(7,864)
Gasoline	1,550,000	1,550,000	1,533,341	(16,659)
Road and bridge	575,000	575,000	586,887	11,887
Sales	7,000,000	7,000,000	7,186,217	186,217
Utility	6,100,000	6,100,000	6,313,703	213,703
Total Taxes	<u>15,370,000</u>	<u>15,370,000</u>	<u>15,757,284</u>	<u>387,284</u>
<b>Licenses and Permits</b>				
Business licenses	700,000	700,000	726,386	26,386
Liquor license	50,000	50,000	56,719	6,719
Building permits	250,000	250,000	194,277	(55,723)
Minimum housing	200,000	200,000	222,399	22,399
Annual sign fee	20,000	20,000	21,172	1,172
Other permits	20,000	20,000	24,465	4,465
Total Licenses And Permits	<u>1,240,000</u>	<u>1,240,000</u>	<u>1,245,418</u>	<u>5,418</u>
<b>Charges for Services</b>				
Green fees	299,151	299,151	209,558	(89,593)
Cart fees	230,051	230,051	195,752	(34,299)
Pro shop sales	21,013	21,013	35,778	14,765
Concession sales and fees, golf course	137,922	137,922	102,833	(35,089)
Nature lodge rental	5,000	5,000	10,425	5,425
Classes (except skate/swim)	80,000	80,000	95,044	15,044
Gym rental	15,000	15,000	8,558	(6,442)
Ice rink	50,000	50,000	53,675	3,675
Swimming pool - JJE	100,000	100,000	105,011	5,011
Swimming pool - Bangert	60,000	60,000	56,965	(3,035)
Swimming pool - Koch	130,000	130,000	96,056	(33,944)
Miscellaneous	308,120	308,120	293,748	(14,372)
Playground	50,000	50,000	54,100	4,100
Theatre	130,000	130,000	102,670	(27,330)
Concessions	85,000	85,000	49,757	(35,243)
Total Charges For Services	<u>1,701,257</u>	<u>1,701,257</u>	<u>1,469,930</u>	<u>(231,327)</u>
<b>Other</b>				
Other miscellaneous	315,000	315,000	735,056	420,056
Cable television	550,000	550,000	636,457	86,457
Senior citizen luncheons	30,000	30,000	26,986	(3,014)
Total Other	<u>895,000</u>	<u>895,000</u>	<u>1,398,499</u>	<u>503,499</u>

(Continued)

**CITY OF FLORISSANT, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
				<u>Budget</u>
<b>REVENUES (Continued)</b>				
<b>Investment Income</b>	20,000	20,000	11,951	(8,049)
<b>Fines and Forfeitures</b>	3,000,000	3,000,000	2,989,294	(10,706)
<b>Intergovernmental</b>	250,000	322,823	442,469	119,646
Total Revenues	<u>22,476,257</u>	<u>22,549,080</u>	<u>23,314,845</u>	<u>765,765</u>
<b>EXPENDITURES</b>				
<b>General Government</b>				
Legislative:				
Salaries	105,612	105,612	101,756	(3,856)
Employees' benefits	28,148	28,148	27,852	(296)
Dues, travel, and training	27,000	27,000	13,409	(13,591)
Total Legislative	<u>160,760</u>	<u>160,760</u>	<u>143,017</u>	<u>(17,743)</u>
Administrative:				
Salaries	901,451	901,451	893,116	(8,335)
Employees' benefits	380,707	380,707	358,865	(21,842)
Residency incentive program	114,000	114,000	110,500	(3,500)
Unemployment claims	20,000	20,000	20,000	-
City hall and litigation	8,500	8,500	5,656	(2,844)
Postage and printing	37,000	37,000	33,397	(3,603)
Office supplies/printing	43,200	43,200	36,471	(6,729)
Copy equipment rental/supplies	45,000	45,000	42,243	(2,757)
Mayor's expenditures	10,000	10,000	9,968	(32)
Dues, travel, and training	11,000	11,000	7,323	(3,677)
Election expenditures	25,000	25,000	1,735	(23,265)
Professional services	315,000	315,000	287,147	(27,853)
Legal notices and advertising	17,000	17,000	5,785	(11,215)
Service awards	12,000	12,000	3,063	(8,937)
Insurance, fire, and liability	730,000	730,000	631,593	(98,407)
Organization dues	22,025	22,025	21,935	(90)
Boards and commissions	2,000	2,000	514	(1,486)
Total Administrative	<u>2,693,883</u>	<u>2,693,883</u>	<u>2,469,311</u>	<u>(224,572)</u>
Senior services:				
Salaries	96,417	96,417	77,439	(18,978)
Employees' benefits	39,885	39,885	31,941	(7,944)
Uniforms and allowances	200	200	73	(127)
Utilities	6,400	6,400	4,111	(2,289)
Building maintenance and supplies	7,300	7,300	3,054	(4,246)
Office supplies/printing	2,300	2,300	1,706	(594)

(Continued)

**CITY OF FLORISSANT, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
				<u>Budget</u>
<b>EXPENDITURES (Continued)</b>				
<b>General Government (Continued)</b>				
Senior services (continued):				
Dues, travel, and training	500	500	144	(356)
Professional services	11,000	11,000	7,208	(3,792)
Senior citizen luncheons	37,650	37,650	21,077	(16,573)
Total Senior Services	<u>201,652</u>	<u>201,652</u>	<u>146,753</u>	<u>(54,899)</u>
Media:				
Salaries	104,732	104,732	97,893	(6,839)
Employees' benefits	41,515	41,515	39,637	(1,878)
Equipment repairs	3,000	3,000	2,119	(881)
Office supplies/printing	2,000	2,000	156	(1,844)
Materials and supplies	2,500	2,500	1,780	(720)
Dues, travel, and training	3,000	3,000	206	(2,794)
Professional services	25,000	25,000	20,320	(4,680)
Organization dues	300	300	-	(300)
Total Media	<u>182,047</u>	<u>182,047</u>	<u>162,111</u>	<u>(19,936)</u>
Municipal court:				
Salaries	473,668	473,668	424,743	(48,925)
Employees' benefits	143,377	143,377	129,073	(14,304)
Office supplies/printing	9,300	9,300	8,175	(1,125)
Dues, travel, and training	4,250	4,250	2,938	(1,312)
Professional services	408,900	408,900	303,727	(105,173)
Total Municipal Court	<u>1,039,495</u>	<u>1,039,495</u>	<u>868,656</u>	<u>(170,839)</u>
Information technology:				
Salaries	78,812	78,812	78,640	(172)
Employees' benefits	38,526	38,526	36,113	(2,413)
Office supplies/printing	12,650	12,650	10,784	(1,866)
Materials and supplies	7,000	7,000	6,054	(946)
Dues, travel, and training	4,200	4,200	3,630	(570)
Professional services	52,900	52,900	49,722	(3,178)
Total Information Technology	<u>194,088</u>	<u>194,088</u>	<u>184,943</u>	<u>(9,145)</u>
Housing center:				
Salaries	39,568	39,568	35,976	(3,592)
Employees' benefits	20,225	20,225	17,506	(2,719)
Office supplies/printing	1,000	1,000	997	(3)
Dues, travel, and training	1,000	1,000	1,000	-
Total Housing Center	<u>61,793</u>	<u>61,793</u>	<u>55,479</u>	<u>(6,314)</u>
Total General Government	<u>4,533,718</u>	<u>4,533,718</u>	<u>4,030,270</u>	<u>(503,448)</u>

(Continued)



**CITY OF FLORISSANT, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

<b>EXPENDITURES (Continued)</b>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Culture and Recreation</b>				
Community and civic center:				
Salaries	1,341,706	1,341,706	1,146,542	(195,164)
Employees' benefits	297,325	297,325	249,726	(47,599)
Utilities	352,800	352,800	299,837	(52,963)
Total Community And Civic Center	<u>1,991,831</u>	<u>1,991,831</u>	<u>1,696,105</u>	<u>(295,726)</u>
Recreation - theatre:				
Salaries	148,001	148,001	142,994	(5,007)
Employees' benefits	63,625	63,625	51,961	(11,664)
Uniforms and allowances	250	250	243	(7)
Building maintenance and supplies	13,290	13,290	13,271	(19)
Office supplies/printing	12,720	12,720	12,011	(709)
Dues, travel, and training	3,500	3,500	3,500	-
Professional services	6,000	6,000	4,325	(1,675)
Theatre workshop	68,250	74,757	73,518	(1,239)
Publicity	6,750	6,750	5,976	(774)
Total Recreation - Theatre	<u>322,386</u>	<u>328,893</u>	<u>307,799</u>	<u>(21,094)</u>
Recreation - playground:				
Salaries	124,870	124,870	108,939	(15,931)
Employees' benefits	9,553	9,553	8,334	(1,219)
Total Recreation - Playground	<u>134,423</u>	<u>134,423</u>	<u>117,273</u>	<u>(17,150)</u>
Recreation - Bangert:				
Salaries	152,130	152,130	99,571	(52,559)
Employees' benefits	11,638	11,638	6,860	(4,778)
Utilities	20,000	20,000	14,534	(5,466)
Total Recreation - Bangert	<u>183,768</u>	<u>183,768</u>	<u>120,965</u>	<u>(62,803)</u>
Recreation - parks:				
Salaries	355,590	315,590	313,669	(1,921)
Employees' benefits	78,103	78,103	77,230	(873)
Utilities	114,200	114,200	77,771	(36,429)
Building, maintenance, and supplies	5,000	5,000	827	(4,173)
Professional services	850,943	890,943	896,854	5,911
Total Recreation - Parks	<u>1,403,836</u>	<u>1,403,836</u>	<u>1,366,351</u>	<u>(37,485)</u>
Recreation - Koch Aquatic Center:				
Salaries	247,947	247,947	197,270	(50,677)
Employees' benefits	18,968	18,968	15,028	(3,940)
Utilities	50,000	50,000	46,036	(3,964)
Total Recreation - Koch Aquatic Center	<u>316,915</u>	<u>316,915</u>	<u>258,334</u>	<u>(58,581)</u>
Total Culture And Recreation	<u>4,353,159</u>	<u>4,359,666</u>	<u>3,866,827</u>	<u>(492,839)</u>

(Continued)

**CITY OF FLORISSANT, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

EXPENDITURES (Continued)	Budgeted Amounts		Actual	Over
	Original	Final		Budget
<b>Public Safety</b>				
Police:				
Salaries	6,678,637	6,678,637	6,646,155	(32,482)
Employees' benefits	2,704,469	2,693,469	2,613,693	(79,776)
Uniforms and allowances	72,500	72,500	68,321	(4,179)
Telephone	117,000	128,000	124,491	(3,509)
Utilities	62,500	62,500	51,500	(11,000)
Gasoline	256,500	256,500	214,584	(41,916)
Building maintenance and supplies	65,000	65,800	60,587	(5,213)
Equipment repairs - vehicles	23,000	23,000	18,277	(4,723)
Office supplies/printing	26,000	26,000	25,697	(303)
Copy equipment - rental/supply	11,000	11,000	10,659	(341)
Communication service	278,045	278,045	262,217	(15,828)
Ammunition - armory supplies	17,050	17,050	16,065	(985)
Police forfeiture expenditures	-	72,823	55,850	(16,973)
Dues, travel, and training	55,500	55,500	55,218	(282)
Gasoline control account	65,000	65,000	17,578	(47,422)
Total Public Safety - Police	10,432,201	10,505,824	10,240,892	(264,932)
<b>Public Works and Health</b>				
Public works:				
Salaries	2,144,141	2,144,141	2,090,038	(54,103)
Employees' benefits	892,758	892,758	838,134	(54,624)
Uniforms and allowances	8,400	8,400	7,366	(1,034)
Utilities	95,000	95,000	74,900	(20,100)
Gasoline	57,000	57,000	54,615	(2,385)
Office supplies/printing	19,200	19,200	13,407	(5,793)
Ice/snow removal	251,250	251,250	100,711	(150,539)
Dues, travel, and training	54,360	54,360	47,598	(6,762)
Professional services	50,000	50,000	48,405	(1,595)
Street lighting	620,000	620,000	423,030	(196,970)
Gasoline control account	25,000	25,000	2,740	(22,260)
Total Public Works	4,217,109	4,217,109	3,700,944	(516,165)
Health:				
Salaries	469,583	469,583	435,690	(33,893)
Employees' benefits	152,288	152,288	134,851	(17,437)
Uniforms and allowances	2,800	2,800	2,549	(251)
Utilities	8,900	8,900	7,636	(1,264)
Gasoline	36,200	36,200	29,337	(6,863)
Building maintenance and supplies	16,300	16,300	9,696	(6,604)
Office supplies/printing	5,000	5,000	2,934	(2,066)

(Continued)

**CITY OF FLORISSANT, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

	<b>Budgeted Amounts</b>			<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	
<b>EXPENDITURES (Continued)</b>				
<b>Public Works and Health (Continued)</b>				
Health (continued):				
Materials and supplies	24,000	24,000	16,341	(7,659)
Dues, travel, and training	1,000	1,000	462	(538)
Professional services	23,000	23,000	18,885	(4,115)
Total Health	739,071	739,071	658,381	(80,690)
Total Public Works And Health	4,956,180	4,956,180	4,359,325	(596,855)
Total Expenditures	24,275,258	24,355,388	22,497,314	(1,858,074)
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(1,799,001)	(1,806,308)	817,531	2,623,839
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	381,951	444,724	444,724	-
Transfers out	-	(500,000)	(500,000)	-
Total Other Financing Sources (Uses)	381,951	(55,276)	(55,276)	-
<b>REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)</b>	<b>\$ (1,417,050)</b>	<b>(1,861,584)</b>	<b>762,255</b>	<b>2,623,839</b>
<b>ADJUSTMENTS TO RECONCILE TO GAAP BASIS</b>				
Revenue accrual adjustments			(194,513)	
Expenditure accrual adjustments			(9,166)	
Encumbrance adjustments			11,990	
Total Adjustments To Reconcile To GAAP Basis			(191,689)	
<b>NET CHANGE IN FUND BALANCE - GAAP BASIS</b>			570,566	
<b>FUND BALANCE, DECEMBER 1</b>			12,180,028	
<b>FUND BALANCE, NOVEMBER 30</b>			<b>\$ 12,750,594</b>	

**CITY OF FLORISSANT, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -**  
**CAPITAL IMPROVEMENTS FUND - BUDGET BASIS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Over (Under) Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes	\$ 3,100,000	3,100,000	3,228,540	128,540
Investment income	1,000	1,000	10	(990)
Intergovernmental	120,000	120,000	89,559	(30,441)
Total Revenues	3,221,000	3,221,000	3,318,109	97,109
<b>EXPENDITURES</b>				
Capital outlay	3,268,175	3,278,475	2,735,037	(543,438)
Debt service	323,000	323,000	317,867	(5,133)
Total Expenditures	3,591,175	3,601,475	3,052,904	(548,571)
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	\$ (370,175)	(380,475)	265,205	645,680
<b>ADJUSTMENTS TO RECONCILE TO GAAP BASIS</b>				
Revenue accrual adjustments			(27,257)	
Expenditure accrual adjustments			(147,903)	
Unbudgeted activity			(845,471)	
Encumbrance adjustments			7,343	
Total Adjustments To Reconcile To GAAP Basis			(1,013,288)	
<b>NET CHANGE IN FUND BALANCE - GAAP BASIS</b>				
			(748,083)	
<b>FUND BALANCE, DECEMBER 1</b>			2,572,703	
<b>FUND BALANCE, NOVEMBER 30</b>			\$ 1,824,620	

**CITY OF FLORISSANT, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -**  
**PARK IMPROVEMENT FUND - BUDGET BASIS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
				<u>Budget</u>
<b>REVENUES</b>				
Taxes	\$ 2,900,000	2,900,000	3,038,832	138,832
Investment income	1,000	1,000	-	(1,000)
Intergovernmental	-	-	16,346	16,346
Total Revenues	<u>2,901,000</u>	<u>2,901,000</u>	<u>3,055,178</u>	<u>154,178</u>
<b>EXPENDITURES</b>				
Current:				
Culture and recreation	2,025,013	2,029,713	1,791,990	(237,723)
Capital outlay	485,500	485,500	378,117	(107,383)
Debt service	574,000	574,000	570,596	(3,404)
Total Expenditures	<u>3,084,513</u>	<u>3,089,213</u>	<u>2,740,703</u>	<u>(348,510)</u>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<u>\$ (183,513)</u>	<u>(188,213)</u>	314,475	<u>502,688</u>
<b>ADJUSTMENTS TO RECONCILE TO GAAP BASIS</b>				
Revenue accrual adjustments			231,319	
Expenditure accrual adjustments			28,879	
Encumbrance adjustments			<u>(442,186)</u>	
Total Adjustments To Reconcile To GAAP Basis			<u>(181,988)</u>	
<b>NET CHANGE IN FUND BALANCE - GAAP BASIS</b>			132,487	
FUND BALANCE, DECEMBER 1			<u>763,430</u>	
FUND BALANCE, NOVEMBER 30			<u>\$ 895,917</u>	

**CITY OF FLORISSANT, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -**  
**SEWER LATERAL FUND - BUDGET BASIS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes	\$ 500,000	500,000	523,673	23,673
Investment income	2,500	2,500	11,321	8,821
Total Revenues	<u>502,500</u>	<u>502,500</u>	<u>534,994</u>	<u>32,494</u>
<b>EXPENDITURES</b>				
Current:				
Public works	<u>190,775</u>	<u>220,775</u>	<u>186,641</u>	<u>(34,134)</u>
<b>REVENUES OVER EXPENDITURES</b>	311,725	281,725	348,353	66,628
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(381,951)</u>	<u>(381,951)</u>	<u>(381,951)</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPEN- DITURES AND OTHER FINANCING USES</b>	<u>\$ (70,226)</u>	<u>(100,226)</u>	<u>(33,598)</u>	<u>66,628</u>
<b>ADJUSTMENTS TO RECONCILE TO GAAP BASIS</b>				
Revenue accrual adjustments			(57,073)	
Expenditure accrual adjustments			(7,161)	
Encumbrance adjustments			<u>(110,455)</u>	
Total Adjustments To Reconcile To GAAP Basis			<u>(174,689)</u>	
<b>NET CHANGE IN FUND BALANCE - GAAP BASIS</b>			(208,287)	
<b>FUND BALANCE, DECEMBER 1</b>			<u>2,302,827</u>	
<b>FUND BALANCE, NOVEMBER 30</b>			<u>\$ 2,094,540</u>	

**CITY OF FLORISSANT, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - NOTES TO**  
**SCHEDULES OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

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**Budgets and Budgetary Accounting**

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. The Mayor submits to the City Council a proposed operating budget for the fiscal year commencing the following December 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted in the City to obtain taxpayer comments.
- c. The budget shall be adopted by the affirmative vote of a majority of the members of the Council no later than three days prior to the end of each respective fiscal year. Should the Council take no final action by this date, the budget, as submitted, shall be deemed to have been adopted.
- d. Current year budget includes amendments. The City Council is authorized to transfer budgeted amounts between departments within any fund and to alter the total expenditures of any fund. All appropriations not spent or legally encumbered at year-end lapse.
- e. Budgets are formally integrated into the City's internally generated financial statements as a management control device during the year for all funds budgeted.

Annual budgets are adopted for all funds except for the Neighborhood Stabilization Program, Community Development, Property Revitalization, and Koch TIF. All budgets are adopted on a cash basis except that encumbrances are treated as budgeted expenditures in the year of incurrence of the commitment to purchase and adjustments for issuance of long-term debt is not included. Budgetary comparisons presented in this report compare budgeted amounts on the budgetary basis to actual amounts on the budgetary basis.

**OTHER SUPPLEMENTAL INFORMATION SECTION**



**NONMAJOR GOVERNMENTAL FUNDS**

**SPECIAL REVENUE FUNDS**

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

**CITY OF FLORISSANT, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - COMBINING**  
**BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS**  
**NOVEMBER 30, 2013**

	<u>Special Revenue Funds</u>				<b>Total Nonmajor Governmental Funds</b>
	<b>Community Development Fund</b>	<b>Koch TIF Fund</b>	<b>Neighborhood Stabilization Program Fund</b>	<b>Property Revitalization Fund</b>	
<b>ASSETS</b>					
Cash	\$ -	-	88,194	500,000	588,194
Investments	-	151,945	-	-	151,945
Receivables:					
Taxes	-	26,563	-	-	26,563
Intergovernmental	8,223	-	-	-	8,223
Restricted assets:					
Investments	-	233,000	-	-	233,000
Total Assets	<u>\$ 8,223</u>	<u>411,508</u>	<u>88,194</u>	<u>500,000</u>	<u>1,007,925</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 4,541	-	16,675	-	21,216
Accrued payroll	829	-	-	-	829
Due to other funds	2,853	-	-	-	2,853
Total Liabilities	<u>8,223</u>	<u>-</u>	<u>16,675</u>	<u>-</u>	<u>24,898</u>
<b>FUND BALANCES</b>					
Restricted for:					
Debt service	-	233,000	-	-	233,000
Neighborhood stabilization	-	-	71,519	-	71,519
Tax increment financing	-	178,508	-	-	178,508
Committed for:					
Property revitalization	-	-	-	500,000	500,000
Total Fund Balances	<u>-</u>	<u>411,508</u>	<u>71,519</u>	<u>500,000</u>	<u>983,027</u>
Total Liabilities And Fund Balances	<u>\$ 8,223</u>	<u>411,508</u>	<u>88,194</u>	<u>500,000</u>	<u>1,007,925</u>

**CITY OF FLORISSANT, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - COMBINING STATEMENT**  
**OF REVENUES, EXPENDITURES, AND CHANGE IN FUND**  
**BALANCES - NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

	<u>Special Revenue Funds</u>					<u>Total Nonmajor Governmental Funds</u>
	<u>Community Development Fund</u>	<u>Home Equity Assurance Fund</u>	<u>Koch TIF Fund</u>	<u>Neighborhood Stabilization Program Fund</u>	<u>Property Revitalization Fund</u>	
<b>REVENUES</b>						
Taxes	\$ -	-	417,930	-	-	417,930
Other	-	-	-	76,920	-	76,920
Investment income	-	16	-	-	-	16
Intergovernmental	216,099	-	-	-	-	216,099
Total Revenues	<u>216,099</u>	<u>16</u>	<u>417,930</u>	<u>76,920</u>	<u>-</u>	<u>710,965</u>
<b>EXPENDITURES</b>						
Current:						
General government	221,782	-	3,264	80,982	-	306,028
Debt service:						
Principal	-	-	338,000	-	-	338,000
Interest	-	-	53,392	-	-	53,392
Total Expenditures	<u>221,782</u>	<u>-</u>	<u>394,656</u>	<u>80,982</u>	<u>-</u>	<u>697,420</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(5,683)</u>	<u>16</u>	<u>23,274</u>	<u>(4,062)</u>	<u>-</u>	<u>13,545</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	-	500,000	500,000
Transfers out	-	(62,773)	-	-	-	(62,773)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(62,773)</u>	<u>-</u>	<u>-</u>	<u>500,000</u>	<u>437,227</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(5,683)</u>	<u>(62,757)</u>	<u>23,274</u>	<u>(4,062)</u>	<u>500,000</u>	<u>450,772</u>
<b>FUND BALANCES, DECEMBER 1</b>	<u>5,683</u>	<u>62,757</u>	<u>388,234</u>	<u>75,581</u>	<u>-</u>	<u>532,255</u>
<b>FUND BALANCES, NOVEMBER 30</b>	<u>\$ -</u>	<u>-</u>	<u>411,508</u>	<u>71,519</u>	<u>500,000</u>	<u>983,027</u>

**CITY OF FLORISSANT, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -**  
**BUDGET AND ACTUAL - HOME EQUITY ASSURANCE FUND**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over</u>
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
<b>REVENUES</b>				
Investment income	\$ -	-	16	16
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
<b>REVENUES OVER EXPENDITURES</b>	-	-	16	16
<b>OTHER FINANCING USES</b>				
Transfers out	-	(62,773)	(62,773)	-
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>(62,773)</u>	<u>(62,757)</u>	<u>16</u>
<b>FUND BALANCE, DECEMBER 1</b>			<u>62,757</u>	
<b>FUND BALANCE, NOVEMBER 30</b>			<u>\$ -</u>	

**FIDUCIARY FUND TYPES - AGENCY FUNDS**

Agency Funds are used to account for assets held by the City as an agent for an individual, private organizations, other governments, and/or other funds.

**Agency Funds** -- The Escrow and Court Bond Fund is used to account for the collection and release of monies in connection with construction permits being issued and to be held as bond deposits to ensure defendants' appearances in court.

**CITY OF FLORISSANT MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - STATEMENT OF**  
**CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

	<u>Balance</u> <u>November 30</u> <u>2012</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>November 30</u> <u>2013</u>
<b>ASSETS</b>				
Cash	\$ 1,280,203	33,017	76,075	1,237,145
<b>LIABILITIES</b>				
Due to others:				
Court bonds	\$ 386,175	-	53,450	332,725
Construction deposits	72,405	17,746	-	90,151
Other deposits	529,378	15,271	-	544,649
	<u>987,958</u>	<u>33,017</u>	<u>53,450</u>	<u>967,525</u>
Due to other funds	292,245	-	22,625	269,620
	<u>292,245</u>	<u>-</u>	<u>22,625</u>	<u>269,620</u>
Total Liabilities	<u>\$ 1,280,203</u>	<u>33,017</u>	<u>76,075</u>	<u>1,237,145</u>

**CITY OF FLORISSANT, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED NOVEMBER 30, 2013**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Number</u>	<u>Expenditures</u>
<b>U.S. Department of Housing and Urban Development:</b>			
Community Development Block Grants/ Entitlement	14.218	-	\$ <u>216,099</u>
<b>U.S. Department of Justice:</b>			
Bulletproof Vest Programs	16.607	2011-BUBX-11055	3,844
Federal Equitable Sharing	16.922	-	<u>69,849</u>
Total U.S. Department Of Justice			<u>73,693</u>
<b>U.S. Department of Transportation:</b>			
Missouri Department of Transportation:			
State and Community Highway Safety	20.600	13-PT-02-079	5,921
State and Community Highway Safety	20.600	14-OP-05-015	326
University of Central Missouri:			
State and Community Highway Safety	20.600	13-PT-02-080	3,449
Alcohol Impaired Driving Counter- measures	20.601	13-K8-03-036	<u>5,173</u>
Total U.S. Department Of Transportation			<u>14,869</u>
<b>U.S. Department of Homeland Security:</b>			
Missouri Emergency Management Agency:			
Emergency Management Performance Grant	97.042	-	<u>17,642</u>
Total Awards Expended			<u>\$322,303</u>