

City of Florissant



2012 Simplified Annual Financial Report

This Simplified Annual Financial Report represents an effort to keep residents of the City of Florissant informed on the basic financial condition of the City. The information contained in this report is taken from the City's annual audited Financial Report for the year ended November 30, 2012. The complete report is available on the city's web site.

I hope you will find this informative and useful. Your comments and suggestions are welcome.

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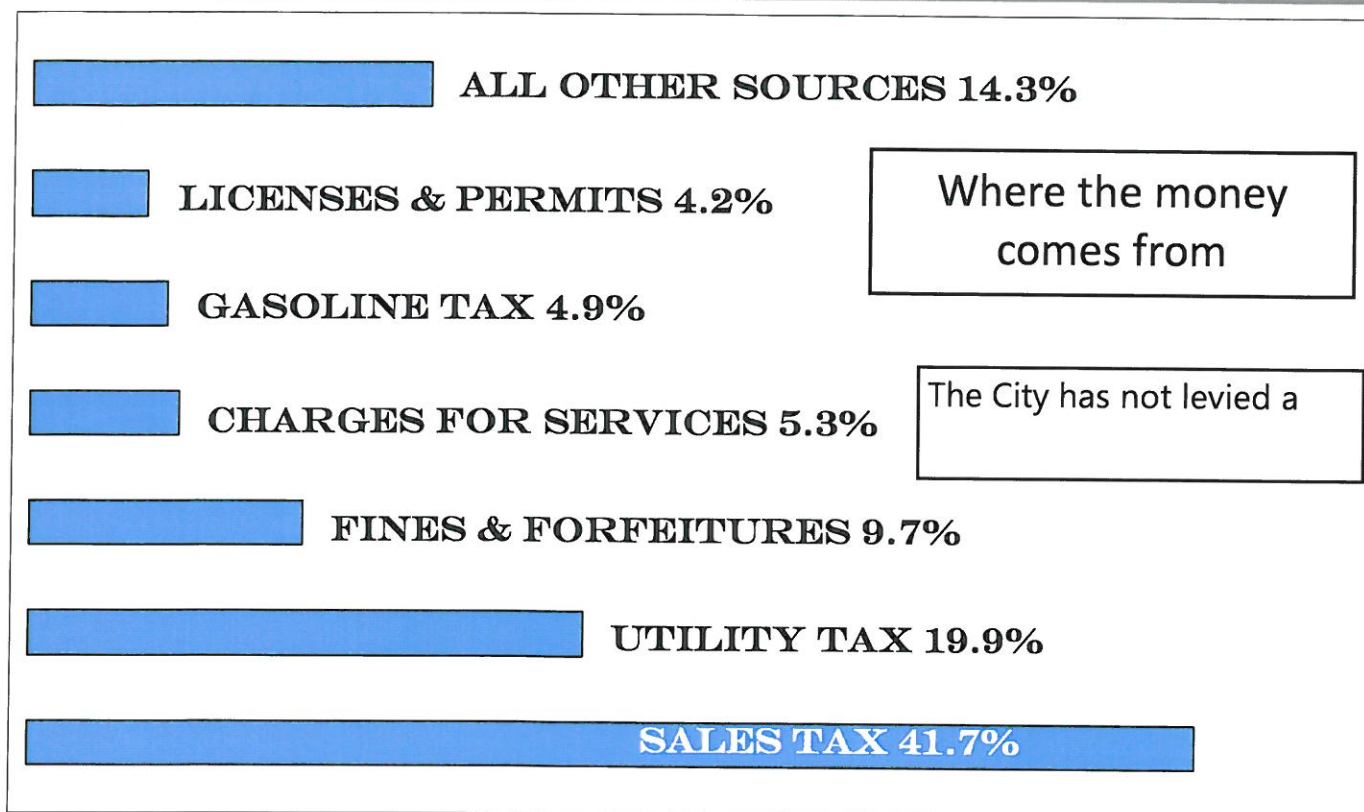
FINANCIAL ACTIVITY STATEMENT FOR THE YEARS ENDED NOVEMBER 30, 2008 TO 2012

REVENUES:	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Taxes	\$ 23,417,586	\$ 21,342,196	\$ 22,998,993	\$ 23,937,055	\$ 22,946,659
Licenses and Permits	1,306,077	1,231,113	1,290,617	1,198,575	1,317,322
Charges for Services	1,611,522	1,684,900	1,732,100	1,618,008	1,701,472
Other	923,093	1,171,837	1,944,061	1,366,523	1,258,969
Investment Income	463,488	195,164	107,275	99,232	24,216
Fines & Forfeitures	2,115,308	1,961,675	3,270,692	3,242,726	3,144,909
Intergovernmental	<u>1,002,701</u>	<u>842,912</u>	<u>1,815,990</u>	<u>2,456,300</u>	<u>757,575</u>
Total Revenues	30,839,775	28,429,797	33,159,728	33,918,419	31,151,122
EXPENDITURES BY FUNCTION					
General Government	4,147,104	4,146,718	4,934,377	4,823,360	4,389,645
Culture & Recreation	5,672,696	5,923,225	5,368,070	5,381,665	5,593,163
Public Safety	9,630,268	10,234,946	9,831,444	10,249,119	10,176,284
Public Works & Health	5,341,838	5,408,501	4,485,819	4,542,181	4,515,503
Capital Outlay	3,331,209	4,008,287	3,622,697	4,793,677	3,638,432
Debt Service	<u>1,736,637</u>	<u>1,849,962</u>	<u>1,656,661</u>	<u>3,014,019</u>	<u>1,423,757</u>
Total Expenditures	29,859,752	31,571,639	29,899,068	32,804,021	29,736,784
Issuance of Long-term Debt	0	0	0	7,200,000	0
Refunding of Long-term Debt less Premium on Issuance	0	0	0	(5,474,200)	0
Proceeds from Capital Lease	0	0	370,715	0	0
Net Change in Fund Balance	\$ 980,023	\$ (3,141,842)	\$ 3,631,375	\$ 2,840,198	\$ 1,414,338

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

Total governmental fund balances increased \$1,414,338. The General Fund balance increased \$1,283,625 to \$12,180,028, the Capital Improvement Fund balance increased \$117,895 to \$2,572,703, the Park Improvement Fund balance decreased \$141,471 to \$763,430, and the Sewer Lateral Fund balance increased \$249,217 to \$2,302,827. The Capital Improvement Fund balance includes \$1,293,872 being held for the uncompleted projects related to the 2011 COPS bond issue.

Total revenues decreased \$2,767,297 or 8.2% primarily due to the absence of any large grant project. Total expenditures decreased \$3,067,237 or 9.4% due to the 2011 bond issue which dramatically increased capital outlay and debt service expenditures in 2011. Public Safety continues to be the single largest expenditure by function with expenditures of \$10,176,284 or 34.2% of total expenditures.



Where the money comes from

The City has not levied a

Sales Tax: 41.7%

Includes the 1% general sales tax, ½% capital sales tax and the ½% park sales tax.

Utility Tax: 19.9%

The 7% utility license tax on electric, gas, telephone, and water.

Fines & Forfeitures: 9.7%

Revenue from fines and costs collected in the municipal court.

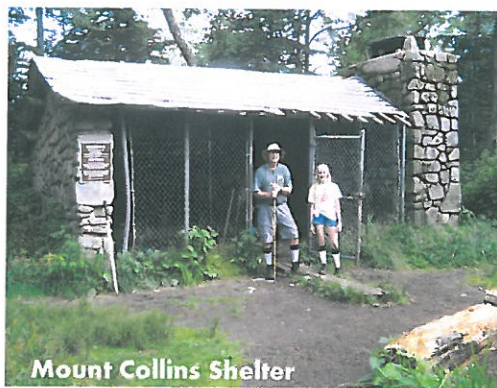
Charges for Services: 5.3%

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



Gasoline Tax: 4.9%

The statewide tax on gasoline collected at the pump and distributed to the city based on it's population as compared to all cities statewide.



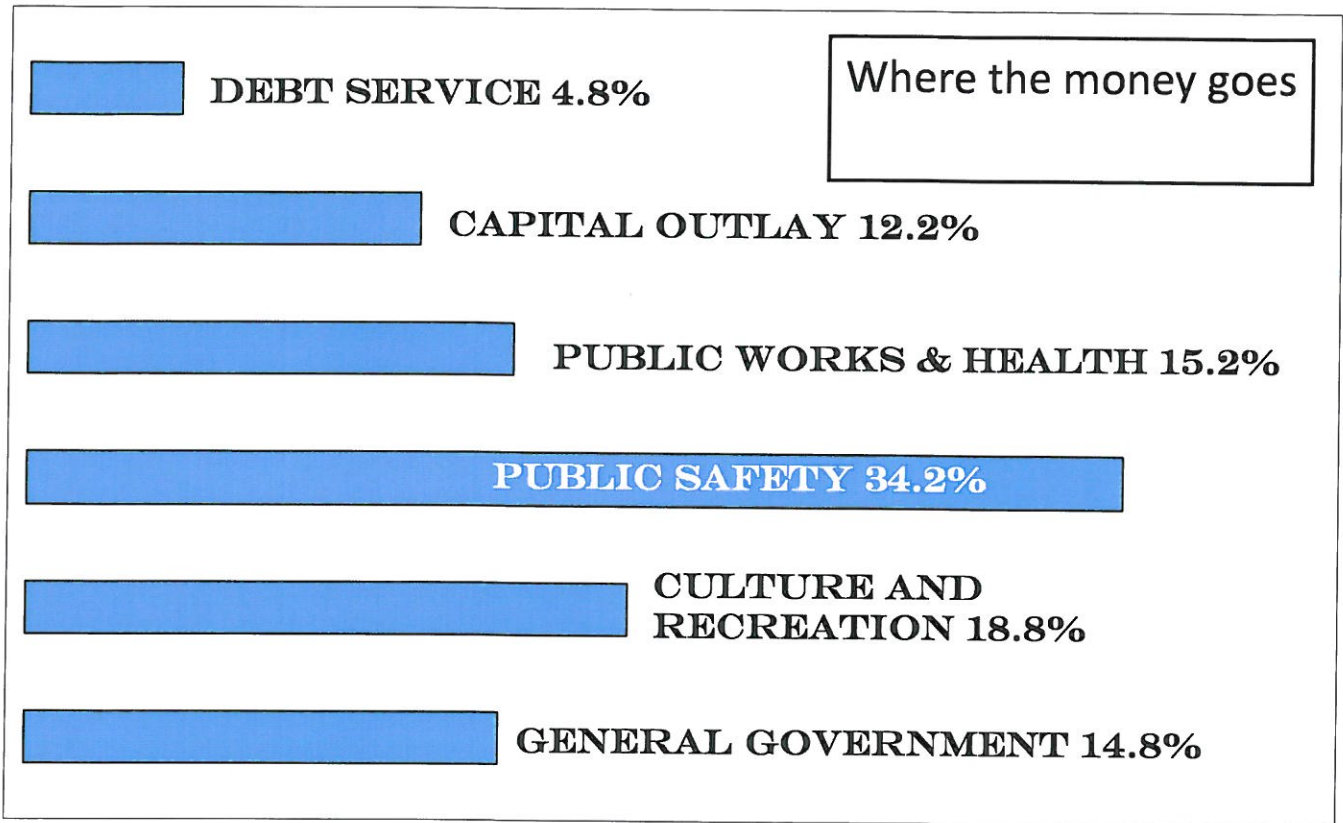
Mount Collins Shelter

Licenses & Permits: 4.2%

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

All Other Sources: 14.3%

Includes cable TV franchise fees, land rental fees, police reports, property maintenance payments, cigarette tax, road and bridge tax, investment income, intergovernmental revenue, and many other sources.



General Government: 14.8%

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

Culture & Recreation: 18.8%

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

Public Works & Health: 15.2%

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



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

Public Safety: 34.2%

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

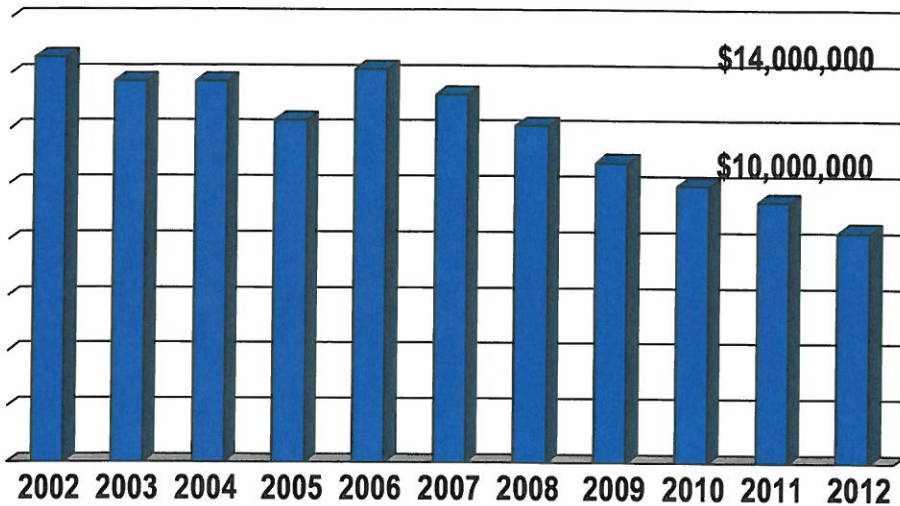


Capital Outlay: 12.2%

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

Debt Service: 4.8%

Includes principal and interest payments for the 2011 Certificates of Participation bonds, the 2006 Koch Plaza TIF project and the 2010 capital lease for golf carts.



Long-term Debt 2002-2012

COPS	\$6,327,704
TIF Bonds	854,000
Capital Lease	235,640
Absences	887,840
Total Debt	\$8,305,184

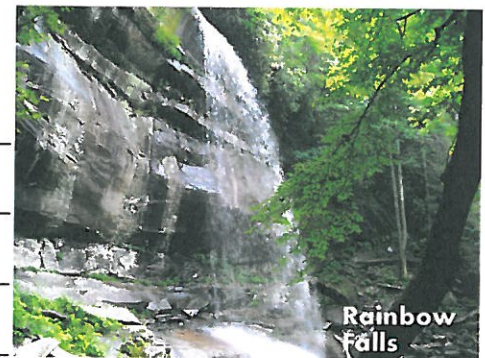
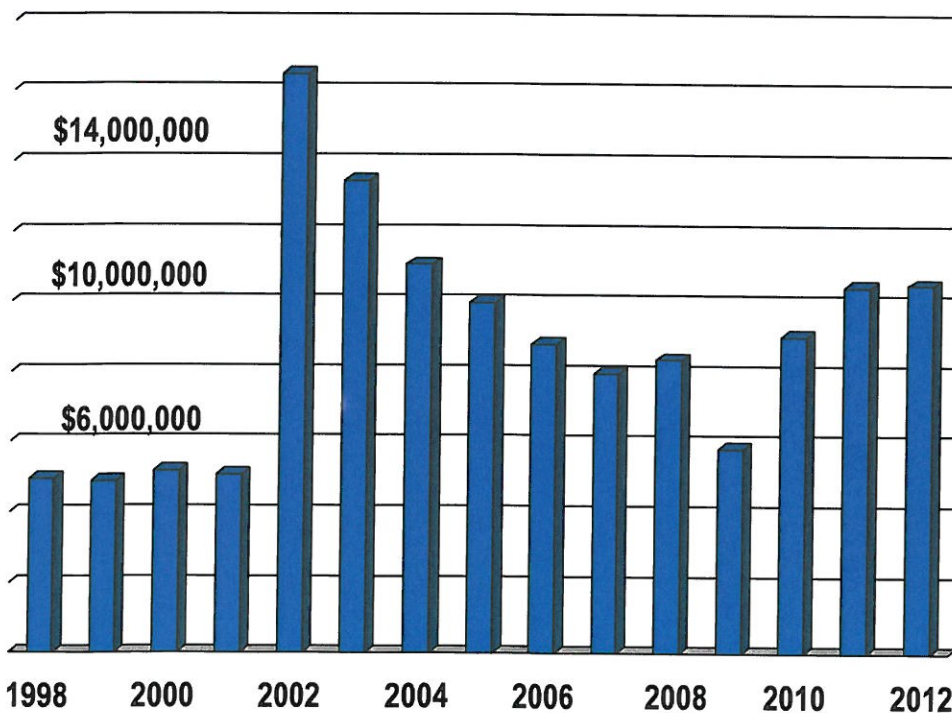
2011 Certificates of Participation (COPS) - Issued to refinance the 2002 COPS at lower interest rates and to renovate HVAC systems in various city buildings. Debt matures in 2022.

Compensated Absences - Reflects the outstanding liability for the value of accumulated vacation leave. Vacation leave balances must be used during the normal course of employment.

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

2010 Capital Lease Payable - Funds used to acquire a golf cart fleet. Debt matures in 2015.

General Fund Unassigned Fund Balance



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

The 2012 unassigned general fund balance is \$10,482,595.

2012 Discussion and Analysis

The general economy continues to be a concern. The stock market reflected significant gains for the year in spite of underlying uncertainties such as high unemployment, excessive debt and continuing problems in the housing market. Interest rates continue to remain at historic lows which has had a dramatic impact on investment earnings. The 2010 population numbers were implemented into the formulas used to distribute six of the city's more significant revenue sources which had a negative impact on revenues.



Sales tax, the City's single most important source of revenue, is distributed based on the city's population. The city's population dropped so a decline in revenues was expected. Actual receipts were \$52,816 less than the prior year which was much better than expected. Results exceeded the budget by \$431,418.

Utility license tax, the second single most important source of revenue, finished \$175,998 less than receipts for the prior year. Fortunately



the budget had anticipated a drop and receipts exceeded the budget by \$291,224. Electric and water increased \$85,974

and \$60,100 respectively. Gas and telephone decreased \$241,221 and \$80,851 respectively.

Gasoline tax was down \$167,393, primarily due to the new population numbers, and was short of the budget by \$62,869. This continues a long-term slide.

Total general fund revenue was down \$1,125,693 from 2011. The 2012 budget was structured in anticipation of a drop in revenue. Actual receipts exceeded the budget by \$820,327 or 3.6%.

The capital improvement sales tax was nearly identical to the prior year, finishing \$5,720 ahead of 2011. The budget was structure in anticipation of a drop in revenue so receipts exceeded the budget by \$218,807.



The park improvement sales tax receipts were similar to the capital improvement sales tax, finishing ahead of 2011 by \$36,500 and ahead of the budget by \$152,073.

The final ten distributions from the settlement with the Missouri Department of Revenue were received. Total receipts from the settlement are estimated at \$1,132,230.

In November, 2011 Daniel Boyle was elected to serve as Municipal Judge to replace Judge Tim Kelly who passed away in May 2011 after winning election to a ninth term in April. Judge Kelly was first elected as Judge in 1979, and ultimately re-elected nine times, serving as Judge for 32 years.

The city continues to aggressively pursue development opportunities. Active projects include the Value City redevelopment, a new Firestone Tire store on Lindbergh and the Wal-Mart development continues to move forward with plans for a Super Center at Lindbergh and New Halls Ferry Road.

This discussion and analysis was taken from the *Management's Discussion and Analysis (MD&A)* located in the front of the audited financial report. Further information on the topics highlighted above, as well as additional information, can be found in the MD&A.

