



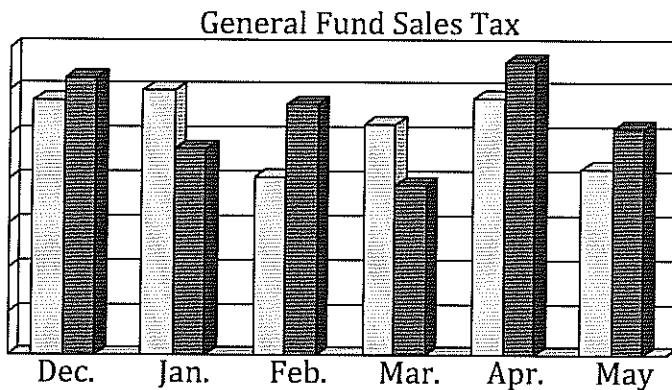
Quarterly Financial Report

City of Florissant, Missouri

Second Quarter Ended May 31, 2011 June 10, 2011

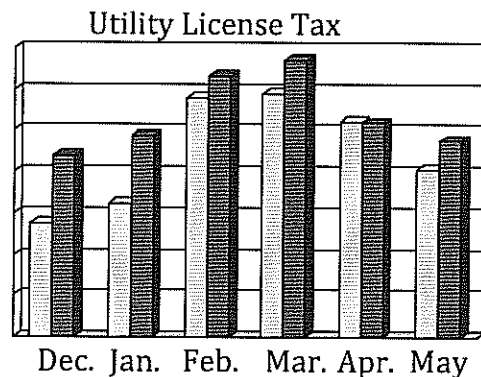
Overview

The economic outlook for the country at this time is very similar to the situation last year. The stock market continues to trend upward while experiencing wild fluctuations. Unemployment continues to remain at high levels. Consumer debt, the housing market, foreclosures, the national debt, unrest in the Middle East, and the aftermath of the Japanese tsunami all provide additional uncertainties to the economic picture.



For the city, sales tax receipts have been on a roller coaster ride this year. Receipts from December through March were either way up or way down when compared to the prior year. April and May were both up. At the six month mark sales tax in the general fund is up \$123,378 or 4.0% over last year which is excellent.

Utility tax receipts look very good for the year. Combined utility tax receipts are up \$534,582 from last year. Electric is up \$219,006, gas is up \$55,209, telephone is up \$173,959, and water is up \$86,407. To be fair, it must be noted that receipts from December and January of last year were based on 5% while the rate for those months this year was 7%. The weather this year has contributed to higher utility tax receipts.



To date the city has received \$271,029.68 from the settlement with the Missouri Department of Revenue resulting from their failure to properly adjust Florissant's population to reflect four annexations beginning in 2002 and the Paddock Estates annexation in 2009. An additional \$542,059.36 will be distributed over the next 16 months. In addition, by implementing the correct population numbers in August 2009, it is estimated that the city has received an additional \$241,176 over and above the settlement amount.

The following is a brief revenue review for the second quarter ended May 31, 2011. In the tables the row labeled "Actual" represents the revenue for the second quarter presented on a cash basis. The row labeled "Budget" is not the total annual budget but represents an estimate of that portion of the adopted budget that would reasonably be expected to be received in the second quarter. This reflects the fact that revenue does not come in on a

straight line basis but that there are cycles to revenues. The row labeled "(+)/ (-) Prior" represents the difference between that years actual receipts and the prior years actual receipts. Positive numbers indicate that receipts are ahead of the prior year's actual results while negative numbers indicate that receipts are less than the prior year's revenue. The row labeled "(+)/ (-) Budget" represents the difference between the estimated budget (Budget) and actual (Actual) results for that year. Positive numbers indicate that receipts are ahead of the budget projections while negative numbers indicate that receipts are running behind budget projections. The history from 2006 to 2010 is shown for comparative purposes.

General Fund

Gasoline Tax:

Year	2006	2007	2008	2009	2010	2011
Actual	869,709	868,775	822,982	789,604	850,468	852,428
Budget	860,000	847,000	860,000	847,000	774,000	845,000
(+)/(-) Prior	7,693	-934	-45,793	-33,378	60,864	1,960
(+)/(-) Budget	9,709	21,775	-37,018	-57,396	76,468	7,428

Gasoline tax includes the motor vehicle fuel tax (gas tax) and the motor vehicle fee increases (fee increases) which are both collected and distributed by the Department of Revenue. The gas tax is up just \$2,278 or 0.3% from last year while fee increases are down \$318 or 0.3%. Combined they are up \$1,960 or virtually even with last year. The gasoline tax is \$7,428 ahead of the projected budget through the mid-point of the year.

Road and Bridge Tax:

Year	2006	2007	2008	2009	2010	2011
Actual	528,553	526,003	638,678	638,412	610,408	611,622
Budget	446,000	465,000	534,000	641,000	604,000	599,000
(+)/(-) Prior	61,795	-2,550	112,675	-266	-28,004	1,214
(+)/(-) Budget	82,553	61,003	104,678	-2,588	6,408	12,622

The road and bridge tax is the city's portion of the countywide 10.5 cent property tax. 2011 real estate assessed values continued to decline throughout the city. Real estate values in the City of Florissant dropped from \$521,260,940 to \$481,351,250, a drop of \$39,909,690 or 7.7%. Since 2008, when real estate assessed values peaked, assessed value has dropped \$99,213,310 or 17.1%. The St. Louis area has experienced a general economic decline in the value of single-family homes since 2008. The city has not levied a property tax since 1998.

For the year receipts are \$1,214 ahead of the same period last year. On a budget basis revenues for the second quarter are \$12,622 ahead of expectations. The bulk of the distribution of the road and bridge tax for the year has been made.

Sales Tax:

Year	2006	2007	2008	2009	2010	2011
Actual	3,253,116	3,375,199	3,477,586	3,212,286	3,114,787	3,238,164
Budget	3,671,000	3,772,000	3,797,000	3,797,000	3,220,000	3,020,000
(+)/(-) Prior	-16,886	122,083	102,387	-265,300	-97,499	123,377
(+)/(-) Budget	-417,884	-396,801	-319,414	-584,714	-105,213	218,164

At the six month mark sales tax receipts are up \$123,377 over last year. On a budget basis sales tax is \$218,164 ahead of the projected budget. Based on mid-year results the budget goal of \$6,600,000 should be attainable.

Utility Tax:

Year	2006	2007	2008	2009	2010	2011
Actual	1,818,990	1,799,712	1,904,091	2,156,567	2,687,640	3,222,221
Budget	1,546,000	1,675,000	1,958,000	2,267,000	3,066,000	2,970,000
(+)/(-) Prior	220,083	-19,278	104,379	252,476	531,073	534,581
(+)/(-) Budget	272,990	124,712	-53,909	-110,433	-378,360	252,221

As discussed previously the utility tax is doing very good. Overall it is \$534,581 ahead of the same period last year and \$252,221 ahead of the projected budget. Based on mid-year results the budget goal of \$5,700,000 is readily attainable. Record heat in early June will certainly help.

Total General Fund Revenue:

Year	2006	2007	2008	2009	2010	2011
Actual	9,821,420	10,511,928	10,717,369	10,104,868	11,720,516	13,058,019
Budget	9,513,000	10,307,000	10,987,000	11,434,000	11,366,460	12,411,078
(+)/(-) Prior	572,669	690,508	205,441	-612,501	1,615,648	1,337,503
(+)/(-) Budget	308,420	204,928	-269,631	-1,329,132	354,056	646,941

On a budget basis overall revenues for the second quarter look very good. Receipts are ahead of the projected budget by \$646,941. This includes the one time distribution from the T-Mobile settlement of \$601,485 in January which was budgeted in miscellaneous revenue at \$500,000.

On a cash basis total revenue is ahead of the prior year by \$1,337,503. Given the economic uncertainties the city has been facing these results are encouraging. Revenue sources with marked improvement over the prior year include; sales tax is up \$123,377, utility tax is up \$534,582, municipal court is up \$214,588, other revenue is up \$514,117, and cable TV is up \$24,190. Sources which are down significantly include; parks overall is down \$11,181 with fitness center passes down \$20,832, golf course is down \$49,383, business licenses are down \$13,326, and building permits are down \$11,256.

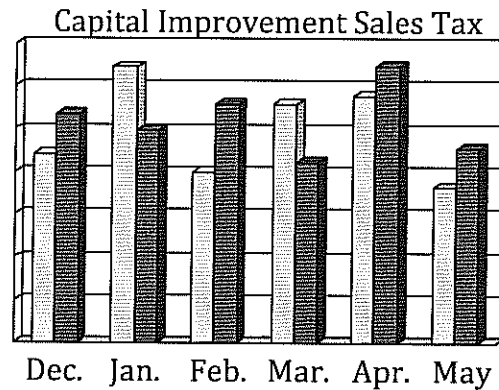
Overall, results for the mid point of the year in the general fund are encouraging. At this point it appears that the city is on track to meet budget projections.

Capital Improvement Fund

½% Capital Improvement Sales Tax

Year	2006	2007	2008	2009	2010	2011
Actual	1,483,624	1,560,042	1,598,277	1,558,903	1,491,935	1,560,015
Budget	1,540,000	1,503,000	1,739,000	1,614,000	1,515,000	1,465,000
(+)/(-) Prior	-9,288	76,418	38,235	-39,374	-66,968	68,080
(+)/(-) Budget	-56,376	57,042	-140,723	-55,097	-23,065	95,015

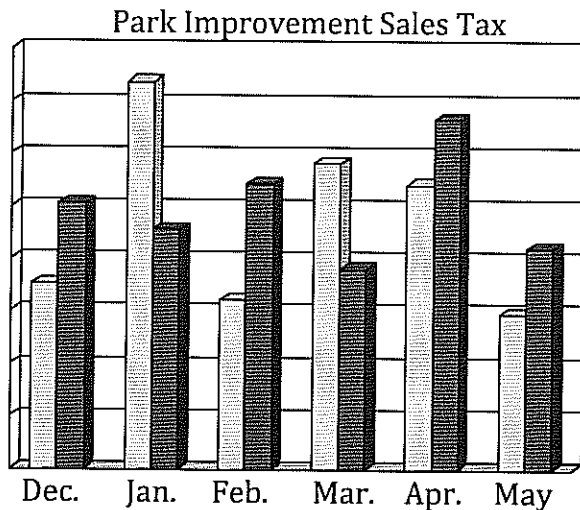
The capital improvement sales tax reflects the same pattern that the general sales tax exhibited with the peaks and valleys. Overall results at the mid-year point are good with revenue up \$68,080 or 4.7% over the same period the prior year. On a budget basis receipts are \$95,015 ahead of budget projections. Based on mid-year results the budget goal of \$3,000,000 is readily attainable.



Park Improvement Fund

½% Park Sales Tax

Year	2006	2007	2008	2009	2010	2011
Actual	781,819	797,731	1,525,460	1,510,041	1,413,710	1,485,591
Budget	789,000	789,000	1,529,000	1,529,000	1,455,000	1,405,000
(+)/(-) Prior	19,571	15,912	727,729	-15,419	-96,331	71,881
(+)/(-) Budget	-7,181	8,731	-3,540	-18,959	-41,290	80,591



The park sales tax is the only point-of-sale city sales tax. This means it is distributed back to the city based on sales occurring within the corporate limits of the city. All other sales taxes are distributed from sales tax pools based on the sales in each pool and the city's population in that pool.

Results for the second quarter reflect that revenue is up \$71,881 or 5.1% from the prior year. On a budget basis revenue is \$80,581 ahead of projections. Based on mid-year results the budget goal of \$2,850,000 is readily attainable.

Second Quarter	2009	2010	Prorated	2011	Over /
Revenue	Actual	Actual	Budget	Actual	(Under)
					Budget
<u>General Fund</u>					
Gasoline Tax	789,604	850,468	845,000	852,428	7,428
Road & Bridge Tax	638,412	610,408	599,000	611,622	12,622
Sales Tax	3,212,286	3,114,787	3,020,000	3,238,164	218,164
Utility Tax	2,156,567	2,687,640	2,970,000	3,222,221	252,221
Licenses & Permits	897,490	934,326	931,500	918,567	(12,933)
Recreation	486,354	598,483	570,540	537,920	(32,620)
Interest Income	82,835	14,804	12,000	19,188	7,188
Municipal Court	944,057	1,552,249	1,510,000	1,766,836	256,836
Cable TV	222,498	244,130	230,000	268,320	38,320
Other	<u>674,765</u>	<u>1,113,221</u>	<u>1,723,038</u>	<u>1,622,752</u>	<u>(100,286)</u>
Sub-Total	10,104,868	11,720,516	12,411,078	13,058,018	646,940
<u>Capital Improvement Fund</u>					
Sales Tax	1,558,903	1,515,000	1,465,000	1,560,015	95,015
Interest Income	9,341	5,000	1,200	1,018	(182)
<u>Park Improvement Fund</u>					
Sales Tax	1,510,041	1,455,000	1,405,000	1,485,591	80,591
Interest Income	5,277	5,000	1,250	850	(400)
<u>Sewer Lateral Fund</u>					
Fee	814,915	741,500	737,500	876,441	138,941

General Fund Monthly Comparison			May	6 months
Revenue Account	2010	2011	Difference	Explanation
Green Fees	63,344.79	46,175.33	(17,169.46)	
Cart Fees	48,485.50	26,704.96	(21,780.54)	
Pro Shop	8,028.62	4,779.27	(3,249.35)	
Golf Concessions	24,954.77	16,070.01	(8,884.76)	
Golf Interest	22.14	0.70	(21.44)	
Golf Other	-810.89	911.86	1,722.75	golf course down 49,383
Cigarette Tax	74,849.21	67,007.09	(7,842.12)	
Gasoline Tax	850,467.63	852,427.98	1,960.35	gas tax up 0.3% 2,278, mv fee inc down 0.3% 318
Road & Bridge	610,407.61	611,622.48	1,214.87	
Sales Tax	3,114,786.53	3,238,164.19	123,377.66	1% s/t up 3.6% 108,266, mvst up 10.9% 15,112
Utility Tax	2,687,639.62	3,222,221.14	534,581.52	e +219,006, g +55,209, t +173,959, w +86,407
Business Licenses	691,255.67	677,929.46	(13,326.21)	decrease in gross receipts of 5% on average
Liquor Licenses	6,100.00	19,681.26	13,581.26	
Building Permits	109,842.00	98,586.00	(11,256.00)	
Minimum Housing	94,129.00	91,784.00	(2,345.00)	
Annual Sign Fee	20,140.15	20,182.10	41.95	
Other Permits	12,860.00	10,405.00	(2,455.00)	
Nature Lodge	1,010.00	1,625.00	615.00	
Parks Classes	45,226.98	48,288.26	3,061.28	
Gym Rental	8,075.00	7,335.00	(740.00)	
Ice Rink	45,074.25	33,546.95	(11,527.30)	
JJE Pool	56,213.46	54,966.02	(1,247.44)	
Bangert Pool	8,586.00	8,878.00	292.00	
Koch Pool	3,000.00	2,950.00	(50.00)	
Parks Misc.	177,339.41	170,389.81	(6,949.60)	fitness center passes down 20,832
Day Camp	26,350.00	29,620.00	3,270.00	
Theater	64,855.89	69,411.48	4,555.59	
Parks Concessions	18,728.15	16,267.61	(2,460.54)	parks down 11,181
Interest	14,804.43	19,188.39	4,383.96	
Court	1,552,248.76	1,766,836.42	214,587.66	
Other	867,464.98	1,381,582.13	514,117.15	601,485 T-Mobile, 202,272 DOR, 298,224 SL X Chg
Cable TV	244,129.79	268,320.04	24,190.25	
Senior Lunches	11,729.93	13,617.00	1,887.07	
Grants	159,177.04	160,543.59	1,366.55	FBI/DEA OT, SRO's, solid waste, others
Total	11,720,516.42	13,058,018.53	1,337,502.11	11.41%
Sales Tax	123,377.66	Parks	(11,181.01)	Capital Imp. Sales Tax - up 68,080 or 4.6%
Utility Tax	534,581.52	Golf Course	(49,382.80)	
Court	214,587.66	Bus. Licenses	(13,326.21)	Park Imp. Sales Tax - up 71,881 or 5.1%
Other	514,117.15	Bldg. Permits	(11,256.00)	
Cable TV	24,190.25		(85,146.02)	
	1,386,663.99			