
CITY OF DES PERES, MISSOURI
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2013

*Report prepared and submitted by the
Department of Finance*

*Tracy E. Hansen, CPA
Director of Finance*

Contents

	Page
Part I - Introductory Section:	
Letter of Transmittal	i - vi
City Officials.....	vii
Ward Map	viii
Organizational Chart.....	ix
Certificate of Achievement for Excellence In Financial Reporting	x
Part II - Financial Section:	
Independent Auditors' Report	1 - 3
Management's Discussion and Analysis	4 - 14
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Position	15
Statement of Activities.....	16
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	17
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	18
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.....	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	20
Statement of Fiduciary Net Position - Agency Fund.....	21
Notes to Basic Financial Statements.....	22-42
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	43-45
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Special Revenue - Special Allocation Fund - West County Center Fund	46
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Special Revenue - Park Fund.....	47
Notes to Budgetary Comparison Information.....	48
Schedule of Funding Progress - Other Post Employment Benefit Plan	49

Contents

	Page
Supplementary Information - Combining and Individual Fund Financial Statements and Schedules	
Combining Balance Sheet - Nonmajor Governmental Funds.....	50
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Governmental Funds.....	51
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Special Revenue - Sewer Lateral Fund.....	52
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Special Revenue - Fire Sales Tax Fund.....	53
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Debt Service Fund.....	54
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Capital Projects - Capital Improvements Fund.....	55
Statement of Changes in Assets and Liability - Agency Fund - Municipal Partners For Inclusive Recreation.....	56
 Part III - Statistical Section:	
Net Position by Component.....	57
Changes in Net Position.....	58
Fund Balances, Governmental Funds.....	59
Changes in Fund Balances, Governmental Funds.....	60
Assessed Value and Actual Value of Taxable Property.....	61
Direct and Overlapping Property Tax Rates.....	62
Principal Property Tax Payers.....	63
Sales Tax Collected.....	64
Ratios of Outstanding Debt by Type.....	65
Ratios of General Bonded Debt Outstanding.....	66
Direct and Overlapping Governmental Activities Debt.....	67
Legal Debt Margin Information.....	68
Pledged Revenue Coverage.....	69
Demographic and Economic Statistics.....	70
Principal Employers.....	71
Full-Time Equivalent City Employees by Function/Program.....	72
Operating Indicators by Function/Program.....	73
Capital Asset Statistics by Function/Program.....	74

Introductory Section



**City of Des Peres
Missouri**

April 11, 2014

The Honorable Mayor Richard Lahr,
Members of the Board of Aldermen, and the
Citizens of the City of Des Peres, Missouri

We hereby transmit the comprehensive annual financial report of the City of Des Peres, Missouri (City), as of December 31, 2013, and for the year then ended. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the governmental activities, each major fund and the remaining fund information of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

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

In addition, state statutes require an annual audit by independent certified public accountants. The accounting firm of Schowalter & Jabouri, P.C. was retained by the City. The independent auditors' report on the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information is included in the financial section of this report.

GAAP require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Des Peres' MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

The City of Des Peres, incorporated in 1934, is located in St. Louis County, Missouri and is located approximately 7 miles to the west of the City of St. Louis. The City is a high-end residential community of approximately 3,150 single-family homes and an estimated population of 8,373. The City enjoys a high concentration of commercial development concentrated at the intersection of two major thoroughfares – Manchester Road (State Route 100) and Interstate 270.

Des Peres is a 4th Class City incorporated under Chapter 79 of the Revised Statues of the State of Missouri and operates under the Mayor-Board of Aldermen-City Administrator form of government.

The Mayor is elected at large and serves a two-year term. He is presiding officer of the Board of Aldermen, may vote in the event of a tie and has veto power over legislation.

The legislative body of the City is the Board of Aldermen, which is comprised of 6 aldermen. Two aldermen are elected from each of the City's 3 wards and serve two-year terms. One alderman is elected by the Board to serve as Board President to act on the Mayor's behalf during his absence.

A City Administrator is appointed by the Board of Aldermen with the approval of the Mayor. The City Administrator is the chief assistant to the Mayor and is responsible for the day to day management of the City's business and staff. The City Administrator is also responsible for the employment and discharge of City employees under policies established by the Board of Aldermen.

The City has several advisory boards and commissions composed of citizens appointed by the Mayor with the advice and consent of the Board of Aldermen. The advisory boards and commissions include the Audit & Finance Committee, Parks & Recreation Commission and Public Safety Commission. In addition, the Mayor, with the advice and consent of the Board of Aldermen, appoints citizens to other boards and commissions, which have responsibility for governmental functions relating to zoning and building codes. These boards and commissions are the Planning and Zoning Commission and the Board of Adjustment. The City also appoints the members of the Manchester-Ballas Community Improvement District Board.

The City provides core municipal services other than public utilities which are provided in the region by private entities. The City provides police, fire and emergency medical services through our Department of Public Safety; Public Works is responsible for all solid waste collection, building and code enforcement, planning & zoning, streets and bridges and all City-sponsored construction projects; Parks & Recreation is responsible for maintenance of all public buildings, all parks and The Lodge; and General Government Services are provided through the Departments of Administration, Law & Courts and Finance. The City has approximately 100 full-time employees and a large contingent of part-time and seasonal employees working primarily in the area of Parks & Recreation.

Des Peres is a City known for its outstanding parks and recreation facilities and programs. The City has approximately ninety-six (96) acres of active recreational use provided in six (6) parks. The flagship of the park system is the 45 acre Des Peres Park which includes lighted tennis facilities, unlighted multi-purpose ball fields, a two-acre lake with a fishing dock, gazebo, two (2) playgrounds, pavilion and other picnic facilities and is home to the Des Peres Government Center. The City, in partnership with the Missouri Department of Conservation, controls two (2) additional sites totaling twenty-three (23) acres under the Urban Wildacres Program for future use as preservation areas. In addition, the City has been recognized for thirty (30) years by the Missouri Department of Conservation with its Tree City USA designation for its commitment to urban forestry.

Des Peres is home to *The Lodge Des Peres*, a 76,000 square foot community center at 1050 Des Peres Road which opened in 2003. The facility features a gymnasium with an elevated 1/8 mile track, a 6,000 square foot fitness center with cardio theater, steam room and sauna, large whirlpool, swim out slide and a zero depth indoor wave pool – the first located in the Midwest. The facility also offers to the community, high-end meeting and banquet rooms, a large lobby for community gathering and networking, and classrooms for recreational programming. The outdoor components opened Memorial Day 2004 and include a lazy river, two slides, cool spa and zero entry splash and wave pool. In addition, the outdoor facility features a spray garden for young and old alike. Community reaction to the facility has been overwhelmingly positive. Operations of The Lodge have consistently resulted in a cost recovery approaching 95% of operating costs through memberships and fees.

The annual budget serves as the foundation for the City of Des Peres' financial planning and control. The budget is prepared by fund and department, for all governmental funds of the City. After a proposed budget is prepared, it is submitted to the Board of Aldermen for review. The Board of Aldermen may revise, alter, increase or decrease the items contained in the proposed budget, provided that total authorized expenditures from any fund do not exceed the estimated revenues to be received plus any unencumbered fund balance or less any deficit estimated for the beginning of the budget year. Following public hearings on the proposed budget, the annual operating budgets are approved through the adoption of the budget resolution by the affirmative vote of a majority of the members of the Board of Aldermen and approval by the Mayor.

LOCAL ECONOMY

The City enjoys a strong commercial tax base anchored by West County Mall, a 1.2 million square foot regional shopping center featuring four (4) anchor stores – Macy's, Nordstrom, JC Penney and Dick's Sporting Goods. The redevelopment of West County was completed in 2002 and was made possible through the creation of a Tax Increment Financing District (Manchester-Ballas Redevelopment Area) on January 1, 1997. The importance of this project to the overall economy of the St. Louis region cannot be overstated. The redevelopment of the shopping center, together with existing authority to levy local option sales taxes at a rate up to 2.5%, has well-positioned the City financially for years to come. During 2013, the City was able to pay off the balance of the TIF obligations.

In December 2007, the City, in cooperation with the owners of West County Center, created a Community Improvement District involving a portion of the shopping center for purposes of acquisition of a vacant anchor store (Lord & Taylor) and its redevelopment into a restaurant village. The CID subsequently adopted a 1.0% sales tax to finance \$10.5 million in redevelopment costs.

In addition to the regional mall, the City is fortunate to enjoy a concentration of other commercial centers to provide additional local retail and service opportunities at other strip malls located within the community including Colonnade Center, Des Peres Commons, Des Peres Pointe, Des Peres Square, Olympic Oaks Village, Sam's, and Schnuck's Center.

This large concentration of retail space has enabled the City to provide a high level of municipal services with a low residential tax burden. Due to these factors, over the past 19 years, the City has been able to voluntarily roll back the property tax in the City to \$0.00 without cutting any City services.

Commercial office represents a large component of the local economy. Des Peres enjoys nearly 1.5 million square feet of office space within the City limits and an additional 1 million square feet immediately adjoining the City at Manchester Road and I-270. Des Peres is home to the corporate headquarters for Edward Jones, a large investment banking company. The corporate headquarters for Charter Communication immediately adjoins the City. AT&T has a strong presence in the community including three (3) major office complexes housing a customer service center, AT&T Wireless and SBC Publications. This strong office presence provides a synergy of activity that complements the retail and high-end residential needs of the City.

The St. Louis region continues to be a highly competitive retail market. The opening of the regions 2nd Nordstrom store in 2011 continues to negatively impact sales at the Nordstrom location at West County Center. Additionally, the opening of two outlet malls in the region in the fall of 2013 are expected to have an impact on sales at West County Center. In response, the City anticipates the owners of West County Center will engage in additional marketing focused on West County Center.

LONG-TERM FINANCIAL PLANNING

Unassigned fund balance in the general fund was 67.37% of total general fund revenues for 2013. Maintaining a reasonable fund reserve in all funds protects the City, the residents of Des Peres and employees against fluctuations in revenues and unforeseen expenditures that might otherwise require drastic short term solutions involving either temporary tax increases, reductions in force or reduction in service levels.

The City maintains a Special Allocation Fund for purposes of accounting for revenues generated in the Tax Increment Financing District (Manchester-Ballas Redevelopment Area). These revenues are remitted by the City on a monthly basis to a third party trustee for safekeeping, investment and use in paying off principal and interest on the TIF bonds. Under the provisions of the Redevelopment Agreement, the City has agreed to utilize revenues in excess of those required to meet bond obligations to both accelerate debt service payments and to pass-thru a portion to other taxing jurisdictions, most notably the local school districts, on an annual basis. The \$6,490,000 balance of TIF obligations was fully retired in 2013 – seven (7) years ahead of the initial schedule.

RELEVANT FINANCIAL POLICIES

Cash Management

The City's policy regarding investments is to minimize credit and market risk while maintaining a competitive yield on its portfolio. The investment policy allows maturities of up to three (3) years from the date of purchase. With the exception of certain pension forfeiture deposits, all City deposits and investments are insured by federal depository insurance, collateralized or held by the counterparty's trust department or agency in the City's name. Acceptable collateral are obligations of the U.S. Treasury and U.S. government agencies; bonds issued by the State of Missouri or local governments in Missouri with a population greater than 400,000.

Debt Management

The City has established a separate Debt Service Fund for purposes of management of all outstanding long-term debt. While the issuance of General Obligation (GO) debt allows for repayment from a dedicated property tax, the City has opted to forego such a tax since 1994 and to retire debt from sales tax revenues.

Current bonds outstanding as of December 31, 2013 include \$8,200,000 in Series 2010 & Series 2013 General Obligations Bonds and \$1,515,000 in Series 2009 COPS. Bond obligations are not financed from a dedicated property tax. A transfer of a portion of the Capital Improvement Sales Tax and the Park Sales Tax proceeds are dedicated to make the annual debt service obligations for the retirement of the outstanding bonds.

Risk Management

The City is a participating member in a multi-line self-insured pool (St. Louis Area Insurance Trust – SLAIT) for purposes of providing workers compensation, general liability, automotive liability, police professional liability and health insurance. SLAIT was formed in 1987 and the City obtained membership in July 1989. Each member in the pool is a city located within St. Louis County with professional management in the form of a City Manager or City Administrator. A twelve (12) member Board of Trustees manages the trust. The City has held a position on the Board of Trustees since 1989. SLAIT has retained a local insurance brokerage firm to manage its overall affairs and operations. The Board of Trustees contracts for actuarial, accounting and third-party claims administration services.

SLAIT retains certain levels of coverage using a self-insured retention created from member premiums and reinsures on both an individual and aggregate stop loss. Each policy year is segregated financially and dividends are paid to the member cities after all claims for that calendar year are fully paid and closed. All cities are rated and policies are written individually.

MAJOR INITIATIVES

During the course of the 2013 Fiscal Year, the City undertook a number of major initiatives and projects that will have an impact on future City finances including:

- Utilized excess revenues from the Tax Increment Financing District to pay off the balance of \$6,490,000 in TIF bonds early. The City officially closed the TIF in December of 2012 and has made full repayment of all TIF obligations in January 2013 – a full 7 years ahead of schedule.
- For the 19th consecutive year, the City rolled back its property tax used for general operations to zero as a way to preserve the legal authority under Missouri Law to re-impose that tax without a vote. This effectively gives the City a readily available revenue source which can generate \$1,000,000 in revenue in an emergency.
- Given that sales tax represents nearly 62% of total revenue to the City and that sales tax generation is concentrated in a single location (West County Center), the City has chosen to insure its sales tax revenues. Under the policy, the City will receive 100% of the prior year's sales tax revenues less a \$25,000 deductible if the City were to lose revenue as a result of a fire, natural disaster or terrorism.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officer Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Des Peres for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2012. This was the 18th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Finance department. Each member of the department and all City employees who supplied information have our sincere appreciation for the contributions made in preparation of this report. Credit also must be given to the Mayor and Board of Aldermen for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Des Peres' finances.

Respectfully submitted,



Douglas J. Harms
City Administrator



Tracy E. Hansen, CPA
Director of Finance

CITY OF DES PERES, MISSOURI

CITY OFFICIALS

Elected Officials:

	Title	First Elected	Current Term Ends
Rick Lahr	Mayor	2000	April 2014
Jim Kleinschmidt	Alderman, Ward 2	1995	April 2015
Kathleen Gmelich	Alderman, Ward 1	1997	April 2015
Paul Raczkiewicz	Alderman, Ward 2	2000	April 2014
John Pound	Alderman, Ward 1	2002	April 2014
Mark Becker	Alderman, Ward 3	2012	April 2014
Sean Concagh	Alderman, Ward 3	2013	April 2015

Appointed Officials:

	Title	Appointed
Douglas J. Harms	Administrator	1985
Jennifer Gray	Assistant to the Administrator	2012
Amanda Foster	City Clerk	2013
Tracy E. Hansen	Director of Finance	2010
Keith Krumm	Director of Public Safety	2009
Denis Knock	Director of Public Works	1986
Brian Schaffer	Director of Parks & Recreation	2012

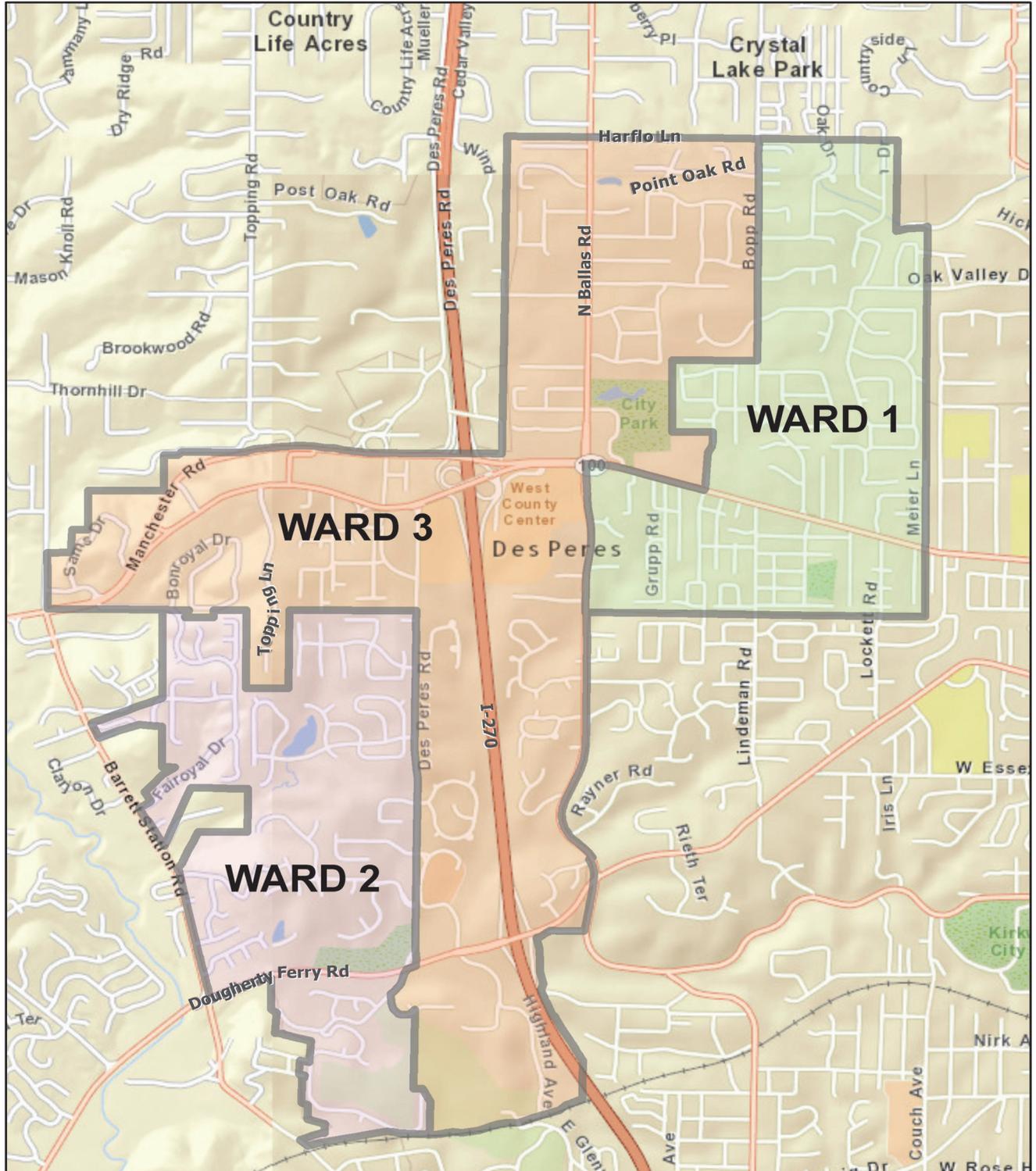
Audit and Finance Committee:

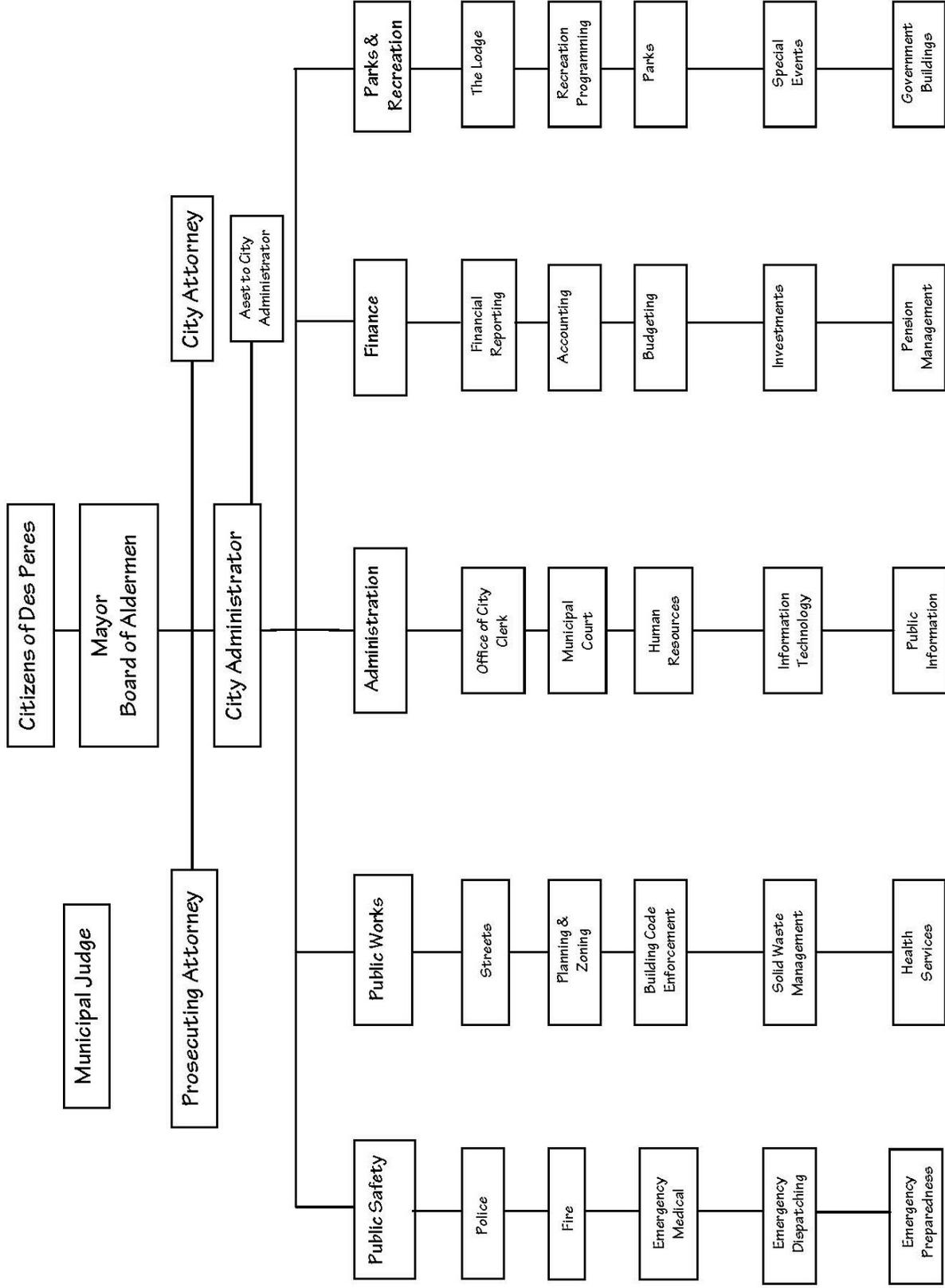
	Ward	Current Term Ends
Randy Atkisson	2	2015
Judy Mundle	2	2015
Michael Hauser	1	2014
Mark Hamilton	3	2014
Vacant		
Vacant		

CITY OF DES PERES WARDS

These maps are for general informational purposes and the City of Des Peres makes no representations or warranties about the accuracy of the information contained herein and assumes no responsibility for the information contained on these maps. The information set forth on these maps are public information that is being made available to the public in this format as a convenience to the public. Users noting errors or omissions are encouraged to contact the City of Des Peres, MO Administration.

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Government Finance Officers Association

**Certificate of
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Presented to

**City of Des Peres
Missouri**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

Financial Section



SCHOWALTER & JABOURI, P.C.

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Independent Auditors' Report

The Honorable Mayor and Members
of the Board of Aldermen
City of Des Peres, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City of Des Peres, Missouri (the "City"), as of and for the year ended December 31, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 of obtain reasonable assurance about whether the financial statements are free from 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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 may be 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.

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Des Peres, Missouri, as of December 31, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14 and the budgetary comparison information, related notes and schedule of funding progress on pages 43 through 49 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 supplementary 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 introductory section, combining and individual nonmajor fund financial statements, budgetary comparison information, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the budgetary comparison information are the responsibility of management and were derived from and relate 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 11, 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.



SCHOWALTER & JABOURI, P.C.

St. Louis, Missouri
April 11, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Des Peres, Missouri (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2013. We encourage readers to use this document in conjunction with the transmittal letter in the Introductory Section of this report and with the City's financial statements that follow this section.

As further described in Note 1, the City adopted GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities," for the year ended December 31, 2013. As a result, certain comparative information for the year ended December 31, 2012 has been restated.

FINANCIAL HIGHLIGHTS

- On a government-wide basis, the assets and deferred outflows of resources of the City exceeded its liabilities (Net Position) at the end of the current year by \$47,302,813. The City has unrestricted net position totaling \$11,929,173.
- The City's total net position increased by \$4,590,185. This increase is primarily attributable to an increase in revenues from the TIF district (West County Center) due to early pay off of TIF bonds.
- At the close of the current year, the City's governmental funds reported combined ending fund balances of \$17,579,414, a decrease of \$3,635,047 in comparison with the prior year. Approximately 37.49% of this total or \$6,590,799 is available for spending at the City's discretion.
- At the end of the current year, unassigned fund balance for the general fund was \$6,590,799 or 67.64% of total general fund expenditures.
- The City of Des Peres' total debt decreased by \$7,980,000 or 45.10 % during 2013.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets, deferred outflows of resources, and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Des Peres is improving or deteriorating.

CITY OF DES PERES, MISSOURI

Management's Discussion and Analysis (Continued)

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 the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., accrued vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, streets, parks and recreation and health. The City does not have any business-type activities.

The government-wide financial statements can be found on pages 15-16 of this report.

FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City are governmental funds. It should be noted that the City does not have any fiduciary or proprietary funds.

GOVERNMENTAL FUNDS

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of expendable resources*, as well as on *balances of expendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate the comparison between *governmental funds* and the government-wide *governmental activities*.

The City maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Special Allocation-West County Center Fund, Park Fund, Capital Improvements Fund and Debt Service Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation called "other governmental funds." Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the other supplementary information section in this report.

CITY OF DES PERES, MISSOURI

Management's Discussion and Analysis (Continued)

The City adopts an annual appropriated budget for all its governmental funds. Budgetary comparison statements have been provided for all funds to demonstrate legal compliance with the respective adopted budget.

The governmental fund financial statements can be found on pages 17 - 21 of this report.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 22 - 42 of this report.

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements and accompanying notes, certain required supplementary information can be found on pages 43 - 49 of this report.

OTHER SUPPLEMENTARY INFORMATION

The combining and individual fund statements, referred to earlier in connection with non-major governmental funds, are presented immediately following the required supplementary information. Combining and individual fund statements can be found on pages 50 - 56 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances as discussed in the following analysis of net position and changes in net position.

As noted earlier, net position may serve, over time, to be a useful indicator of a government's financial position. In the case of the City, assets and deferred out flows of resources exceeded its liabilities (net position) at the end of the current fiscal year, for a total of \$47,302,813.

The largest portion of the City's net position reflects its investment in capital assets (e.g. land, buildings, machinery and equipment and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF DES PERES, MISSOURI

Management's Discussion and Analysis (Continued)

**City of Des Peres' Net Position
Governmental Activities**

	December 31,	
	2013	2012, restated
Assets		
Current and other assets	\$ 19,394,100	\$ 22,960,240
Capital assets, net	39,838,159	39,766,478
Total Assets	59,232,259	62,726,718
Deferred Outflows of Resources		
Deferred charge on refunding	566,173	225,072
Total Deferred Outflows of Resources	566,173	225,072
Liabilities		
Long-term liabilities	10,594,312	18,241,486
Other liabilities	1,901,307	1,997,676
Total Liabilities	12,495,619	20,239,162
Net Position		
Net investment in capital assets	30,084,309	28,507,819
Restricted	5,289,331	11,346,853
Unrestricted	11,929,173	2,857,956
Total Net Position	\$ 47,302,813	\$ 42,712,628

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. *Unrestricted net position* is \$11,929,173. At the end of the current fiscal year, the City is able to report positive balances in three categories of net position, for the government as a whole.

CITY OF DES PERES, MISSOURI

Management's Discussion and Analysis (Continued)

Governmental Activities

Governmental activities increased the City of Des Peres' net position by \$4,590,185. Key elements of this are as follows:

	City of Des Peres' Changes in Net Position Governmental Activities	
	For the Years Ended December 31,	
	2013	2012, restated
Revenues		
Program revenues:		
Charges for services	\$5,521,221	\$5,281,250
Operating grants and contributions	765,530	712,205
Capital grants and contributions	123,955	794,835
General revenues:		
Taxes	13,686,789	15,663,974
Investment income	50,054	100,961
Miscellaneous	176,002	172,423
Total Revenues	20,323,551	22,725,648
Expenses		
General government	1,713,251	2,798,859
Public safety	5,929,463	5,782,299
Public works	502,917	510,521
Streets	1,388,533	1,241,021
Parks and recreation	5,193,756	5,001,826
Health	710,076	689,580
Interest on long-term debt	295,370	978,379
Total Expenses	15,733,366	17,002,485
Changes in net position	4,590,185	5,723,163
Net Position – Beginning Of Year	42,712,628	36,989,465
Net Position – End Of Year	\$47,302,813	\$42,712,628

Net position increased by \$4,590,185 which is under the increase in the prior year. That net increase is substantially due to retirement of outstanding debt in the amount of \$7,980,000 during fiscal 2013. This included the early pay off of Series 2002 Tax Incremental Revenue bonds of \$6,490,000. In addition, the city enjoyed a surplus of revenues over expenses in fiscal 2013 of \$3,024,524 not including the Special Allocation Fund – West County Center.

Revenues for 2013 totaled \$20,323,551 which is a decrease of \$2,402,097 (10.57%) under the prior fiscal year. This decrease in revenue can be attributed to three (3) primary factors:

- A decrease of \$1,977,185 (12.622%) in overall tax revenue over prior year. This decrease is primarily due to the closure of the Tax Incremental Financing District in December 2012 which allowed for payment of 2013 PILOTs to go to the other taxing jurisdictions. In light of the decrease in TIF Taxes received, the City experienced an increase in sales tax revenue in the General, Park, and Fire funds as the city does not levy a property tax. Sales tax increases in those funds are due primarily to the redistribution of TIF sales tax to the City.

CITY OF DES PERES, MISSOURI

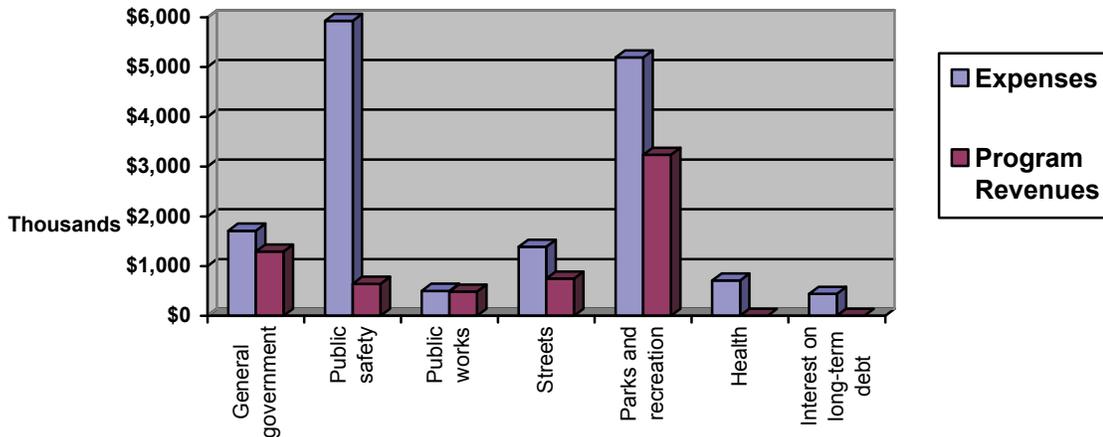
Management's Discussion and Analysis (Continued)

- An increase of \$162,600 (70.00%) over prior year in Licenses, Fees & Permits attributable primarily to various businesses in the area remodeling and construction of new businesses.
- The increases were partially offset by a reduction of \$50,907 (50.42%) in investment income over prior year reflecting the impact of continued historically low interest rates.

Following is a chart comparing program revenues and expenses for the individual government activities for the current year. As the chart reflects, all activities are supported by assistance from General Revenues (e.g., Taxes, Interest, etc.).

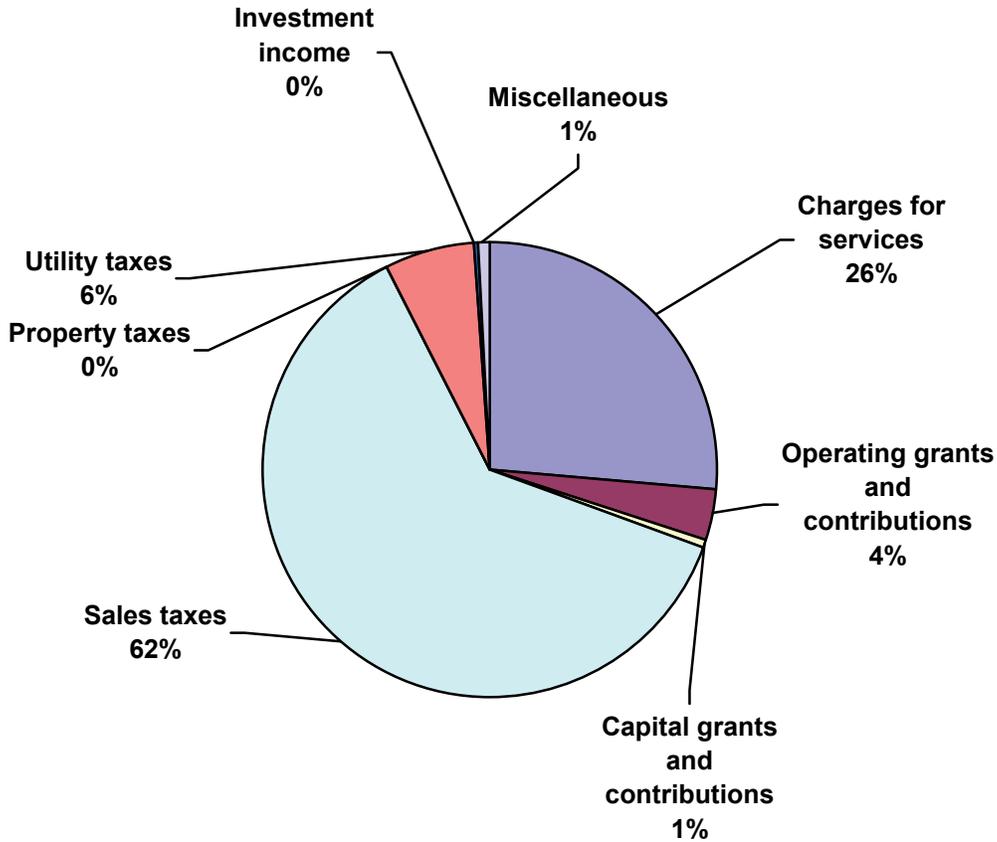
Government Function	Expenses	Charges, Fees & Grants	Net Revenues (Expenses)
General Government	\$ 1,713,251	\$ 1,292,514	\$ (420,737)
Public Safety	5,929,463	645,147	(5,284,316)
Public Works & Streets	1,891,450	1,236,726	(654,724)
Parks & Recreation	5,193,756	3,236,319	(1,957,437)
Health and Sanitation	710,076	-	(710,076)
Interest on Long Term Debt	295,370	-	(295,370)
	\$ 15,733,366	\$ 6,410,706	\$ (9,322,660)

Expenses and Program Revenues - Governmental Activities



The next chart reflects the percent of the total for each source of revenue supporting governmental activities.

Revenues by Source - Governmental Activities



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

The focus of the City's governmental funds is to provide information on inflows, outflows and balances of available expendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

At the end of 2013, the unassigned fund balance of the General Fund was \$6,590,799. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures and transfers out. Unassigned fund balance represents 64.66% of total general fund expenditures and transfers out totaling \$10,193,377 while the total fund balance represents 66.97% of total general fund expenditures and transfers out.

CITY OF DES PERES, MISSOURI

Management's Discussion and Analysis (Continued)

The fund balance in the City's general fund increased by \$1,124,147 or 19.72% from the prior year fund balance. The change of the current year's fund balance is mainly due to:

- There was a transfer in of \$1,500,000 from the Fire Sales tax fund for operating purposes.
- Expenditures in almost all departments were under budget, for a total of \$481,268 under 2013 budgetary expectations.
- Revenue came in slightly higher than budgetary expectations, for a total of \$617,524 higher than the City's 2013 budgeted amounts. Sales taxes and Permit revenue making up the largest portions of that amount.

Changes in fund balances for other major governmental funds can be described as follows:

- **Special Allocation Fund** - It is the city's policy to utilize surplus monies in the TIF Fund to pass thru revenue to other taxing jurisdictions (35%) and for accelerated debt service payments (65% of prior year's surplus). Due to the closure of the TIF in December 2012, there was not a distribution of surplus to other taxing jurisdictions in 2013. The \$6,490,000 balance on the TIF bonds was paid in full in January 2013. That payment, coupled with no sales tax revenues for the district, due to the closure of the TIF in December 2012, resulted in a net decrease in Fund Balance of (\$6,659,571).
- **Park Fund** - The Fund Balance in the Park Fund increased by \$451,671 which is slightly smaller than in the prior year. This is primarily due to an increase in the amount transferred to the Debt Service fund for payment of the bonds issued for construction of The Lodge Des Peres. Revenues in the fund grew by 10.64% attributable primarily to the increase in Sales Tax Revenue. Expenses in the fund grew by 2.81%
- **Capital Improvement Fund** - Changes in Fund Balance in the Capital Fund will fluctuate between surpluses and deficits from year-to-year reflecting the general nature and purpose of the fund: to accumulate dollars for capital projects. In 2013, the Fund Balance increased by \$601,386 due primarily to an increase in sales tax revenue. Expenses for capital equipment and projects decreased by (\$876,423) due primarily to the costs of replacement of the Highland Bridge and the renovation of Sugar Creek Park being completed in 2012.

General Fund Budgetary Highlights

In the General Fund, the following significant variances occurred between the original budget, the amended budget and actual revenues and expenditures for 2013:

- Revenues for 2013 were over budget by 6.74% and increased by 15.75% over the prior year's actual.
- The only revenue source showing significant decreases from the prior year is Investment Income. This is the result of lower interest rates available on investments in the market.

CITY OF DES PERES, MISSOURI

Management's Discussion and Analysis (Continued)

- General Fund expenditures grew by 2.12% over the prior year. However, in 2013 the City continued its experience in bringing actual expenditures within budget with spending at only 95.29% of appropriations. Actual expenditures for all operating budgets fell within appropriations. General Government (7.23%), Public Safety (4.87%), Public Works & Streets (3.86%) and Parks & Recreation (1.96%) all fell below appropriations for 2013.
- The General Fund experienced revenues in excess of expenditures and transfers of \$1,124,147.
- The balance in the General Fund at year end 2013 totals \$6,826,034 which represents 70.06% of expenditures for the past year. Approximately 96.55% of that fund balance is unassigned and can be used for any lawful purpose by the City. It protects the City against any cash flow problems during the year and represents an emergency fund to allow the City the luxury of time to analyze and respond to any significant changes in revenues or unexpected expenditures.

CAPITAL ASSETS

The City has invested \$39,838,159 in a broad range of capital assets, including park facilities, roads, buildings, machinery & equipment and automobiles & trucks. This amount represents a net increase for the current fiscal year (including additions and deletions) of \$71,681 primarily due to replacement of portions of City streets and sidewalks, vehicle purchases, and equipment replacements and purchases.

**City of Des Peres' Capital Assets
Net of Depreciation**

	December 31,	
	2013	2012
Land and construction in progress	\$ 10,824,941	\$ 10,688,156
Land improvements	950,089	879,570
Buildings	19,126,123	19,656,398
Vehicles	887,400	989,522
Furniture, fixtures and equipment	1,192,821	1,045,947
Infrastructure	6,856,785	6,506,885
	\$ 39,838,159	\$ 39,766,478

Additional information on the City's capital assets can be found in Note 3 of the notes to the basic financial statements.

CITY OF DES PERES, MISSOURI

Management's Discussion and Analysis (Continued)

LONG-TERM DEBT

At the end of December 2013, the City had outstanding long-term debt obligations for governmental activities in the amount of \$9,715,000 compared to \$ 17,695,000 in 2012. Of this amount, \$8,200,000 is in general obligation bonds (Recreation Center Construction), and \$1,515,000 is in certificates of participation (Recreation Center Construction). The 45.09% decrease in the City's long-term debt obligations is due mainly to the pay off of the tax increment financing bonds.

City of Des Peres' Outstanding Debt

	<u>December 31,</u>	
	<u>2013</u>	<u>2012</u>
Tax increment revenue bonds	\$ -	\$ 6,490,000
General obligation bonds	8,200,000	9,220,000
Certificates of participation	1,515,000	1,985,000
	<u>\$ 9,715,000</u>	<u>\$ 17,695,000</u>

Additional information on the City's long-term debt can be found in Note 4 of the notes to the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The downturn in our nation's economy has affected the budgets of many states and municipalities across the United States. We continue to hear news about the economic difficulties facing legislators on both the state and national levels. Many cities across the country have had to cut programs because of reduced revenue. However, at the City of Des Peres, the proposed 2014 budget continues to fund all current City services while maintaining the same commitment to high level services for all citizens.

- The 2014 budget continues for the 20th consecutive year a rollback of the City's allowable real estate tax to \$0.00 representing a significant savings to City residents and businesses. The City is legally authorized to levy a tax of \$0.30 for general revenue purposes which would generate an estimated \$1,000,000 per year.
- The City will continue its free sanitation and recycling program to City single family residents in 2014, representing an annual savings to homeowners of nearly \$240 per year.
- Revenues for *The Lodge Des Peres* have been set to be competitive with, but at the high end of, similar municipal recreation centers in the metropolitan area. Historically, Lodge generated revenues recover 95% of operating costs.

CITY OF DES PERES, MISSOURI

Management's Discussion and Analysis (Continued)

- City operations are service oriented, thus are provided by using human resources. Consequently, the single largest expenditure within the operating budgets is for salary and benefits representing 78% of projected operating costs for 2014.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Des Peres' finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Director of Finance, City of Des Peres, 12325 Manchester Road, Des Peres, MO 63131 or by logging on to the City's website at www.desperesmo.org.

Basic Financial Statements

CITY OF DES PERES, MISSOURI
STATEMENT OF NET POSITION
December 31, 2013

	Governmental Activities
Assets	
Cash and investments	\$ 15,596,422
Receivables:	
Taxes	2,687,708
Utilities gross receipts tax	130,373
Intergovernmental	194,787
Interest	15,017
Court	81,600
Other	197,580
Prepaid items	235,235
Other post employment benefit asset	41,869
Cash and investments:	
Held by trustees	6
Restricted	213,503
Capital assets:	
Nondepreciable	10,824,941
Depreciable, net of accumulated depreciation	29,013,218
Total Assets	59,232,259
 Deferred Outflows of Resources	
Deferred charge on refunding	566,173
Total Deferred Outflows of Resources	566,173
 Liabilities	
Accounts payable	228,062
Accrued payroll	227,599
Accrued interest	128,490
Unearned revenue	587,259
Deposits payable	711,226
Court bonds payable	13,401
Public safety forfeiture funds	5,270
Noncurrent liabilities:	
Due within one year	1,562,985
Due in more than one year	9,031,327
Total Liabilities	12,495,619
 Net Position	
Net investment in capital assets	30,084,309
Restricted for:	
Tax increment financing debt and projects	1,407,112
Capital projects	2,767,495
Sewer lateral repair program	203,443
Fire prevention and operations	911,281
Unrestricted	11,929,173
Total Net Position	\$ 47,302,813

CITY OF DES PERES, MISSOURI
STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2013

Functions/Programs	Expenses	Program Revenues			Net Revenues (Expenses) And Changes In Net Position Primary Governmental Activities
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	
Primary Government					
Governmental Activities					
General government	\$ 1,713,251	\$ 1,292,514	\$ -	\$ -	\$ (420,737)
Public safety	5,929,463	617,157	26,433	1,557	(5,284,316)
Public works	502,917	394,882	91,391	-	(16,644)
Streets	1,388,533	-	634,155	116,298	(638,080)
Parks and recreation	5,193,756	3,216,668	13,551	6,100	(1,957,437)
Health	710,076	-	-	-	(710,076)
Interest on long-term debt	295,370	-	-	-	(295,370)
Total Governmental Activities	\$ 15,733,366	\$ 5,521,221	\$ 765,530	\$ 123,955	(9,322,660)
General Revenues					
Taxes:					
Sales tax levied for:					
					5,406,873
					2,982,377
					2,535,302
					1,491,356
					1,270,881
					50,054
					176,002
					<u>13,912,845</u>
					Change In Net Position
					4,590,185
					Net Position - Beginning Of Year, Restated
					<u>42,712,628</u>
					Net Position - End Of Year
					<u>\$ 47,302,813</u>

CITY OF DES PERES, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2013

	Major Funds				Nonmajor Funds		
	General	Special Allocation - West County Center	Park	Capital Improvements	Debt Service	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and investments	\$ 5,409,259	\$ 1,407,346	\$ 4,070,210	\$ 2,749,037	\$ 1,165,902	\$ 794,668	\$ 15,596,422
Receivables:							
Taxes	1,334,108	-	576,000	489,600	-	288,000	2,687,708
Utilities gross receipts tax	130,373	-	-	-	-	-	130,373
Intergovernmental	194,787	-	-	-	-	-	194,787
Court	81,600	-	-	-	-	-	81,600
Interest	7,924	-	3,357	2,262	961	513	15,017
Other	91,895	-	-	74,029	-	31,656	197,580
Prepaid items	235,235	-	-	-	-	-	235,235
Cash and investments:							
Held by trustees	-	-	-	-	6	-	6
Restricted	213,503	-	-	-	-	-	213,503
Total Assets	\$ 7,698,684	\$ 1,407,346	\$ 4,649,567	\$ 3,314,928	\$ 1,166,869	\$ 1,114,837	\$ 19,352,231
Liabilities and Fund Balances							
Liabilities							
Accounts payable	\$ 130,167	\$ 234	\$ 34,630	\$ 62,918	\$ -	\$ 113	\$ 228,062
Accrued payroll	178,811	-	48,788	-	-	-	227,599
Deposits payable	545,001	-	-	166,225	-	-	711,226
Court bonds payable	13,401	-	-	-	-	-	13,401
Public safety forfeiture funds	5,270	-	-	-	-	-	5,270
Unearned revenue	-	-	587,259	-	-	-	587,259
Total Liabilities	872,650	234	670,677	229,143	-	113	1,772,817
Fund Balances							
Nonspendable:							
Prepaid items	235,235	-	-	-	-	-	235,235
Restricted:							
Capital improvements	-	-	-	2,767,495	-	-	2,767,495
Sewer lateral program	-	-	-	-	-	203,443	203,443
Fire prevention and operations	-	-	-	-	-	911,281	911,281
TIF projects and debt obligations	-	1,407,112	-	-	-	-	1,407,112
Committed for:							
Infrastructure	-	-	-	294,256	-	-	294,256
Tree replacement	-	-	-	24,034	-	-	24,034
Assigned for:							
Parks and recreation	-	-	3,978,890	-	-	-	3,978,890
Debt service fund	-	-	-	-	1,166,869	-	1,166,869
Unassigned:							
General	6,590,799	-	-	-	-	-	6,590,799
Total Fund Balances	6,826,034	1,407,112	3,978,890	3,085,785	1,166,869	1,114,724	17,579,414
Total Liabilities and Fund Balances	\$ 7,698,684	\$ 1,407,346	\$ 4,649,567	\$ 3,314,928	\$ 1,166,869	\$ 1,114,837	\$ 19,352,231

See the accompanying notes to basic financial statements

CITY OF DES PERES, MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
December 31, 2013

Total Fund Balance - Governmental Funds \$ 17,579,414

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 funds. The cost of the assets is \$61,908,605 and the accumulated depreciation is \$22,070,446. 39,838,159

The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, 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. The following amounts are the effect of these differences in the treatment of long-term debt and related items.

Accrued interest payable	(128,490)
Compensated absences	(274,289)
Unamortized bond premium	(605,023)
Unamortized deferred amount on refunding	566,173
Bonds and other long-term debt outstanding	(9,715,000)
Other post employment benefits	41,869
	<u>41,869</u>

Total Net Position - Governmental Activities \$ 47,302,813

CITY OF DES PERES, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
For The Year Ended December 31, 2013

	Major Funds						Nonmajor Funds		Total Governmental Funds
	General	Special Allocation - West County Center	Park	Capital Improvements	Debt Service	Other Governmental Funds	Total Governmental Funds		
Revenues									
Taxes	\$ 5,406,873	\$ -	2,982,377	2,535,302	\$ -	\$ -	\$ 1,491,356	\$ -	12,415,908
Utility gross receipts tax	1,270,881	-	-	-	-	-	-	-	1,270,881
Intergovernmental	747,635	-	-	123,954	-	-	-	-	871,589
Licenses	1,162,291	-	-	-	-	-	-	-	1,162,291
Fees and permits	953,680	-	3,216,407	-	-	-	-	-	4,170,087
Investment income	21,598	47	11,519	9,444	3,727	-	3,719	-	50,054
Donations and grants	24,796	-	13,551	-	-	-	-	-	38,347
Miscellaneous	194,770	-	176	58,359	-	-	91,089	-	344,394
Total Revenues	9,782,524	47	6,224,030	2,727,059	3,727	1,586,164	3,727	20,323,551	
Expenditures									
Current:									
General government	1,498,742	60,775	-	-	-	-	-	-	1,559,517
Public safety	5,613,979	-	-	-	-	-	-	-	5,613,979
Public works	381,570	-	-	-	-	86,736	-	-	468,306
Streets	864,933	-	-	-	-	-	-	-	864,933
Parks and recreation	674,077	-	3,618,544	-	-	-	-	-	4,292,621
Health	710,076	-	-	-	-	-	-	-	710,076
Capital outlay	-	-	-	2,054,956	-	-	-	-	2,054,956
Debt service:									
Principal retirement	-	6,490,000	-	-	1,490,000	-	-	-	7,980,000
Interest and fiscal charges	-	108,843	-	-	337,433	-	-	-	446,276
Bond issuance costs	-	-	-	-	60,299	-	-	-	60,299
Total Expenditures	9,743,377	6,659,618	3,618,544	2,054,956	1,887,732	86,736	1,499,428	24,050,963	
Revenues Over (Under) Expenditures	39,147	(6,659,571)	2,605,486	672,103	(1,884,005)	1,499,428	(3,727,412)	(3,727,412)	
Other Financing Sources (Uses)									
Transfers in	1,535,000	-	-	30,000	2,745,315	-	-	-	4,310,315
Transfers out	(450,000)	-	(2,153,815)	(157,250)	-	(1,549,250)	-	-	(4,310,315)
Proceeds from disposal of assets	-	-	-	56,533	-	-	-	-	56,533
Issuance of refunding debt	-	-	-	-	5,025,000	-	-	-	5,025,000
Premium on issuance of debt	-	-	-	-	548,178	-	-	-	548,178
Payment to refunding escrow agent	-	-	-	-	(5,537,346)	-	-	-	(5,537,346)
Total Other Financing Sources (Uses)	1,085,000	-	(2,153,815)	(70,717)	2,781,147	(1,549,250)	92,365	(3,635,047)	
Net Change In Fund Balances	1,124,147	(6,659,571)	451,671	601,386	897,142	(49,822)	21,214,461	17,579,414	
Fund Balances - Beginning of Year	5,701,887	8,066,683	3,527,219	2,484,399	269,727	1,164,546	1,114,724	17,579,414	
Fund Balances - End of Year	\$ 6,826,034	\$ 1,407,112	\$ 3,978,890	\$ 3,085,785	\$ 1,166,869	\$ 1,114,724	\$ 17,579,414	\$ 17,579,414	

CITY OF DES PERES, MISSOURI
**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
STATEMENT OF ACTIVITIES**
For The Year Ended December 31, 2013

Net Change In Fund Balances - Governmental Funds \$ (3,635,047)

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

Capital outlays are reported in 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. Donated assets are not recorded in governmental funds but are recognized as revenues in the statement of activities. This is the amount by which capital outlays and donated capital assets exceeded depreciation in the current period.

Capital outlays	1,655,224	
Proceeds from sale of capital assets	(56,533)	
Depreciation expense	<u>(1,527,450)</u>	71,241

In the statement of activities, the gain (loss) on the sale of the capital assets is reported. The gain (loss) is not a use of current resources and thus is not reported in the funds. 440

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on net position. Also, 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.

Repayment of bond principal	7,980,000	
Proceeds from bond refunding	(5,025,000)	
Debt service - principal	5,025,000	
Deferred amount on refunding, net of amortization	341,102	
Premiums on debt issuance, net of amortization	<u>(326,292)</u>	7,994,810

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 governmental funds.

Accrued interest on bonds		160,567
Compensated absences		(6,534)
Other post employment benefits		<u>4,708</u>

Change In Net Position - Governmental Activities \$ 4,590,185

CITY OF DES PERES, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION -
AGENCY FUND
December 31, 2013

	<u>Agency Fund</u>
Assets	
Cash and investments	\$ 28,733
Total Assets	<u>\$ 28,733</u>
Liabilities	
Held for others	\$ 28,733
Total Liabilities	<u>\$ 28,733</u>

CITY OF DES PERES, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2013

1. Summary of Significant Accounting Policies

The financial statements of the City of Des Peres, Missouri (the “City”) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City’s more significant accounting policies are described below.

Reporting Entity

The financial statements of the City include the financial activities of the City and its component units. The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Statement No. 14, *The Financial Reporting Entity* (GASB 14), as amended by both GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units* and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*. A component unit is a legally separate organization for which the primary government is financially accountable or closely related. The City is financially accountable if it appoints a voting majority of a potential component unit’s governing body and is able to impose its will on that potential component unit, or because the potential component unit will provide a financial benefit or impose a financial burden on the City. The City does not have any component units.

Basis of Presentation

The City’s basic financial statements include both government-wide (reporting on the City as a whole) and fund financial statements (reporting the City’s major, and in the aggregate nonmajor funds).

Government-Wide 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 activities of the primary government. The effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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.

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

Fund Financial Statements

Following the government-wide financial statements are separate financial statements for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are reported in one column labeled "Other Governmental Funds." The total fund balance for all governmental funds is reconciled to total net position for governmental activities as shown on the statement of net position. The net change in fund balance for all governmental funds is reconciled to the total change in net position as shown on the statement of activities in the government-wide financial statements.

Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with self-balancing accounts. Governmental resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following fund types are used by the City.

Governmental Fund Types

Governmental funds are those through which most governmental functions of the city are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income.

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

Special Allocation Fund – West County Center Fund – The Special Allocation Fund is a Special Revenue Fund used to account for revenues generated by the West County Center TIF district for the payment of debt service and other expenditures.

Park Fund – The Park Fund is a Special Revenue Fund used to account for a ½¢ parks sales tax for the operation of a community center.

Capital Improvements Fund – The Capital Improvements Fund is a Capital Projects Fund used to account for the accumulation of resources, primarily from a ½¢ capital improvement sales tax, for the acquisition or construction of major capital items.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the repayment of, long-term debt principal, interest and related costs.

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

The other governmental funds of the City are considered non-major. They are special revenue funds which account for the proceeds of specific revenue sources that are legally committed to expenditures for specific purposes.

Fiduciary Fund Type - Agency Fund

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the city's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. The City's agency fund accounts for deposits collected on behalf of the Municipal Partners for Inclusive Recreation agency.

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds used the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year.

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied; however, the City currently does not levy a residential property tax. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. For the City, available generally means expected to be received within sixty days of year end.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: state-levied locally shared taxes (including gasoline tax), fines and forfeitures, licenses and permits, interest, grants and rentals.

Cash, Cash Equivalents and Investments

The City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, requires that all investments be reported in the financial statements at fair value. Fair value is established as readily determinable current market value for equity and debt securities.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year end are recorded as prepaid items. Prepaid items are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. An expenditure/expense is reported in the year in which services are consumed.

Capital Assets

Capital assets, which include property, equipment, and infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column 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 assets or materially extend assets' lives are not capitalized.

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

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

Asset	Years
Land improvements	15 - 30
Buildings	20 - 45
Vehicles	5 - 20
Furniture, fixtures and equipment	3 - 5
Infrastructure	30 - 50

Compensated Absences

Under terms of the City's personnel policy, employees are granted vacations based on length of service. Vacations accrue monthly throughout each year. Upon termination, the employee is paid for unused vacation. Sick leave is accumulated based upon length of service and is available only to provide compensation during periods of illness. No portion of sick leave is payable to the employee upon termination. Accrued vacation can be converted to sick leave or sold back to the City with the City's approval. This conversion cannot reduce an employee's vacation accrual below two weeks. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if the amounts due at year end have matured.

Other Post Employment Benefits

The City calculates and records a net other post employment benefit (OPEB) asset/liability in the government-wide financial statements. The net OPEB is, in general, the cumulative difference between the actuarial required contribution and the actual contributions since January 1, 2009, the required date of implementation. The City is not required to and has elected not to retroactively implement GASB 45. Details relating to the City's postretirement health care benefits provided, OPEB asset/liability, and its calculation are provided at Note 6.

Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of applicable bond premiums or discounts.

Debt Refunding

For current and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense over the remaining life of the old debt or new debt, whichever is shorter, using the straight-line method since the results of the straight-line method are not materially different than the effective interest method. The deferred refunding amounts are classified as deferred outflows of resources in the government-wide financial statements.

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

Interfund Activity

Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as other financing sources (uses) in the governmental fund financial statements.

In the process of aggregating data for the statement of net position and the statement of activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the “grossing up” effect on assets and liabilities within the governmental activities column.

Governmental Fund Balances

In the governmental fund financial statements the following classification are used to define the governmental fund balances:

Non-spendable – This consists of the governmental fund balances that are not in spendable form or legally or contractually required to be maintained intact. The City’s non-spendable fund balance consists of prepaid items.

Restricted – This consists of the governmental fund balances that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. The City’s restricted funds consist of various taxes approved by voters for specific purposes and TIF projects and debt obligations.

Committed – This consists of the governmental fund balances that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the Board of Alderman, the City’s highest level of decision-making authority. The City’s committed fund balances consist of infrastructure and tree replacement.

Assigned – This consists of the governmental fund balances that are intended to be used for specific purposes by a) the Board of Alderman or b) City Administrator. The City’s assigned fund balance includes parks and recreation and debt service.

Unassigned – This consists of governmental funds that do not meet the definition of “non-spendable”, “restricted”, “committed”, or “assigned”.

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 fund balance policy has set a target of maintaining between 40% - 60% of annual operating expenses and any transfer out of the General Fund. The minimum unassigned fund balance in the General Fund is set at 40% of annual operating expenses in the General Fund. The minimum fund balance in the Fire Fund shall be in accordance with the timing of capital accumulation needed for equipment replacement and upgrades. The minimum fund balance in the Park Fund is 40% of annual operating expenses in the Park Fund. The Capital Improvement Fund has a minimum fund balance of \$1,000,000 plus the amount committed for infrastructure and tree replacement. The Debt Service Fund has a minimum balance in accordance with bond restrictions.

Net position

In the government-wide financial statements, net position is displayed in three components as follows:

Net Investment in Capital Assets - This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted - This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unassigned - This consists of net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Use of Restricted Resources

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the City’s policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the City’s policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

Restricted Cash and Investments

Certain assets for court bonds, escrow deposits, and the repayment of certificates of participation are classified as restricted assets on the statement of net position or balance sheet.

Allowance for Doubtful Accounts

No significant uncollectible receivables have been identified; therefore, no allowance for doubtful accounts has been recorded.

Unearned Revenue

The City has received recreation fees in advance from yearly members. These fees are recognized as revenue on a monthly basis. This unearned revenue is recorded in the government-wide and fund financial statements.

Use of Estimates

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

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

Adoption of New Accounting Standards

For the year ended December 31, 2013 the City adopted GASB Statement No. 65, “Items Previously Reported as Assets and Liabilities”. The objective of this Statement is to either (a) properly classify certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or (b) recognize certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues). This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources such as changes in the determination of the major fund calculations and limiting the use of the term deferred in financial statement presentations. The accounting change was applied retroactively. As a result, the net position for the year ended December 31, 2012 has been restated as follows:

Government-Wide Financial Statements - Governmental Activities:

Net position, beginning of year, as originally reported	\$ 42,925,885
Expense bond issuance costs, previously amortized over the life of the debt	(148,088)
Expense bond issuance costs previously included with the deferred amount on refunding	(65,169)
Net position, beginning of year, restated	<u><u>\$ 42,712,628</u></u>

2. Cash and Investments

The City maintains a pool of cash and investments that is available for use by all funds for the purpose of increasing interest earnings through investment activities. The interest earned on these investments is allocated to participating funds based on their average shares of funds invested. The carrying amounts of cash and investments have been decreased by \$3,761 in order to reflect the fair value at December 31, 2013.

Cash and investments as of December 31, 2013 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 15,596,422
Cash and investments held by trustees	6
Restricted cash and investments	213,503
Statement of Fiduciary Net Position:	
Cash and investments	28,733
Total Cash and Investments	<u><u>\$ 15,838,664</u></u>

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

Cash and investments as of December 31, 2013 consist of the following:

<u>Type</u>	<u>Amount</u>
Deposits:	
Cash on hand	\$ 3,100
Demand deposits	7,498,179
	<u>7,501,279</u>
Investments:	
Negotiable certificates of deposit	6,700,251
Money market mutual funds	1,637,134
	<u>8,337,385</u>
Total Deposits and Investments	<u><u>\$ 15,838,664</u></u>

Investments Authorized by the City's Investment Policy

The table below identifies the investment types that are authorized by the City's investment policy. Debt proceeds held by bond trustees are invested in accordance with the provisions of the trust indentures.

<u>Authorized Investments</u>	<u>City Policy Legal Limit</u>
United States Treasury Securities	None
United States Agency Securities	60%
United States Agency Callable Securities	30%
Repurchase Agreements	50%
Money Market Mutual Funds	None
Certificates of Deposit	None

Interest Rate Risk

The City's investment policy states that the City will minimize interest rate risk, the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

1. 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.
2. Investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools.
3. Purchasing securities (excluding bond reserves) that shall mature and become payable not more than three years from the date of purchase.

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

Maturities of investments held at December 31, 2013 are as follows:

Investment Type	Amount	Less Than One Year	1-5 Years
Negotiable certificates of deposit	\$ 6,700,251	\$ 2,388,765	\$ 4,311,486
Money market mutual funds	1,637,134	1,637,134	-
Total Investments	\$ 8,337,385	\$ 4,025,899	\$ 4,311,486

Credit Risk

The City's investment policy states that the City will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:

1. Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business.
2. Diversifying the portfolio so that potential losses on individual securities will be minimized.

At December 31, 2013, the City's investments were rated by nationally recognized statistical rating organizations as follows:

Investment Type	Amount	Rating
Negotiable certificates of deposit	\$ 6,700,251	Not rated
Money market mutual funds	1,637,134	AAAm

Custodial Credit Risk

For investments, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. In accordance with its policy, the City addresses custodial risk by pre-qualifying institutions with which the City places investments, diversifying the investment portfolio and maintaining a standard of quality for investments.

For deposits, custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution or by a single collateral pool established by the financial institution. The City's policy requires a depository contract with each safekeeping bank that complies with the Financial Institutions Reform, Recovery and Enforcement Act of 1989. This will ensure the City's security interest in collateral pledged to secure deposits is enforceable against the receiver of a failed institution.

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

Concentration of Credit Risk

According to the City’s investment policy, the City’s investments will be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer or a specific class of security. Investments in any one issuer (excluding investments issued by or explicitly guaranteed by the U.S. government, investments in mutual funds, investments in external investment pools, and investments in other pooled investments) that represent 5% or more of the City’s total investments are as follows:

Issuer	Investment Type	Amount	% of Total Investments
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There are no investments that are greater than 5% of the City's total investments.

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

3. Capital Assets

The following table summarizes the capital asset activity for the year ended December 31, 2013:

	Balance January 1, 2013	Additions	Retirements	Balance December 31, 2013
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 10,586,051	\$ -	\$ -	\$ 10,586,051
Construction in progress	102,105	136,785	-	238,890
Total capital assets not being depreciated	10,688,156	136,785	-	10,824,941
Capital asset, being depreciated:				
Land improvements	982,905	112,385	-	1,095,290
Buildings	27,610,382	201,150	-	27,811,532
Vehicles	2,317,599	117,225	210,537	2,224,287
Furniture, fixtures and equipment	4,405,843	418,673	357,471	4,467,045
Infrastructure	14,816,504	669,006	-	15,485,510
Total capital assets being depreciated	50,133,233	1,518,439	568,008	51,083,664
Less accumulated depreciation for:				
Land improvements	103,335	41,866	-	145,201
Building	7,953,984	731,425	-	8,685,409
Vehicles	1,328,077	217,197	208,387	1,336,887
Furniture, fixtures and equipment	3,359,896	217,856	303,528	3,274,224
Infrastructure	8,309,619	319,106	-	8,628,725
Total accumulated depreciation	21,054,911	1,527,450	511,915	22,070,446
Total capital assets being depreciated, net	29,078,322	(9,011)	56,093	29,013,218
Governmental activities capital assets, net	\$ 39,766,478	\$ 127,774	\$ 56,093	\$ 39,838,159

Depreciation was charged to the following functions for the year ended December 31, 2013:

Governmental activities:	
General government	\$ 99,848
Public safety	238,489
Streets	433,815
Parks and recreation	755,298
Total depreciation expense - governmental activities	\$ 1,527,450

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

4. Long-Term Debt

Long-term debt consists of the following at December 31, 2013:

\$6,170,000 general obligation refunding bonds, Series 2010, due in annual installments through February 1, 2016, interest rates range from 2% to 3%	\$ 3,175,000
\$5,025,000 taxable general obligation refunding bonds, Series 2013, due in annual installments through February 1, 2020, interest rate of 3.5%.	5,025,000
\$3,735,000 refunding certificates of participation, Series 2009, due in annual installments through August 1, 2016, interest rates range from 3% to 4%	1,515,000
	<u>\$ 9,715,000</u>

Changes in long-term debt are as follows:

	Balance, January 1, 2013	Additions	Reductions	Balance, December 31, 2013	Amount Due Within One Year
General obligation bonds	\$ 9,220,000	\$ 5,025,000	\$ 6,045,000	\$ 8,200,000	\$ 1,040,000
Certificates of participation	1,985,000	-	470,000	1,515,000	490,000
Tax increment revenue bonds	6,490,000	-	6,490,000	-	-
Subtotal	<u>17,695,000</u>	<u>5,025,000</u>	<u>13,005,000</u>	<u>9,715,000</u>	<u>1,530,000</u>
Compensated absences	267,755	494,837	488,303	274,289	32,985
	<u>\$ 17,962,755</u>	<u>\$ 5,519,837</u>	<u>\$ 13,493,303</u>	9,989,289	<u>\$ 1,562,985</u>
Add: Unamortized premium on bonds				<u>605,023</u>	
Long-Term Liabilities - Governmental Activities				<u>\$ 10,594,312</u>	

Compensated absences are generally paid by the fund in which employees are assigned. In prior years the General Fund and Park Fund have been used to liquidate the liability for compensated absences. General obligation bonds and Certificates of Participation are paid by the Debt Service Fund.

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

General Obligation Bonds

General obligation bonds are supported by a pledge of the City's full faith and credit. These bonds, which are reported in the government-wide statement of net position, were originally issued to finance various capital projects.

In January 2010, the City issued General Obligation Refunding Bonds, Series 2010 to refinance a portion of the General Obligation Refunding Bonds, Series 2005. In April 2013, the City issued Taxable General Obligation Refunding Bonds, Series 2013 to refinance the remaining General Obligation Refunding Bonds, Series 2005. As a result of the refunding, the City decreased its total debt service requirements by \$545,285 which resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$500,491.

Certificates of Participation

Certificates of Participation ("COPS") evidence proportionate ownership interest in the right to receive rental payments to be paid by the City under various lease/purchase agreements. During the fiscal year ended December 31, 2009, the City issued Refunding Certificates of Participation, Series 2009 to refund a portion of the Series 2002 certificates. The Series 2002 certificates were originally issued to construct a community recreation center.

The annual principal and interest requirements to maturity on long-term debt outstanding (other than tax incrementing financing bonds) as of December 31, 2013 are as follows:

For the Years Ending December 31,	2010 and 2013 GO Refunding		2009 Certificates		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	1,040,000	243,627	490,000	53,100	1,530,000	296,727
2015	1,060,000	220,052	505,000	38,400	1,565,000	258,452
2016	1,075,000	192,001	520,000	18,200	1,595,000	210,201
2017	1,180,000	155,227	-	-	1,180,000	155,227
2018	1,230,000	113,050	-	-	1,230,000	113,050
2019-2020	2,615,000	92,313	-	-	2,615,000	92,313
	\$ 8,200,000	\$1,016,270	\$ 1,515,000	\$ 109,700	\$ 9,715,000	\$1,125,970

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

Legal Debt Margin

Under the statutes of the State of Missouri, the limit of bonded indebtedness is 10% of the most recent assessed valuation. The computation is as follows:

Assessed valuation - 2013 tax year		<u>\$ 405,264,350</u>
Debt limit - 10% of assessed valuation		40,526,435
Amount of debt applicable to debt limit:		
Total general obligation bonded debt	8,200,000	
Less: Amount available in debt service fund	<u>(1,166,869)</u>	
Bonded indebtedness applicable to debt limit		<u>7,033,131</u>
Legal Debt Margin		<u>\$ 33,493,304</u>

5. Pension Plans

Money Purchase Plan

In January 2000, the City enacted Ordinance No. 1989 which provided for the amendment and restatement of the City of Des Peres, Missouri Retirement Plan, a defined benefit plan, into the City of Des Peres, Missouri Money Purchase Pension Plan (the Plan), a defined contribution plan, effective January 1, 2000. The Plan is administered by ICMA Retirement Corporation.

The Plan receives contributions from the City, in accordance with City ordinances, in an amount equal to 7% of each participating employee's base pay. Vesting of employer contributions occurs after three years of service. All forfeited funds, if any, under the Plan are restricted for future Plan contributions and are included in restricted net position on the statement of net position.

The City's total contributions to the Plan totaled \$576,936 for the year ended December 31, 2013.

Deferred Compensation Plan

The City offers its employees a Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457. The Plan, available to City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to the employees until termination, retirement, death, or unforeseeable emergency. The City provides a matching contribution at a rate of \$.50 for each dollar an employee contributes to the City's Section 457 plan, with a maximum annual match of 2% of base pay. These matching contributions are part of the City of Des Peres, Missouri Money Purchase Plan and are subject to a separate three-year vesting period.

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

6. Post Employment Health Care Benefits

Plan Description

The City sponsors a Postretirement Welfare Benefit Plan (the "Plan"), which is a single-employer defined benefit healthcare plan administered by the City of Des Peres. A stand-alone financial report is not available for the Plan. The Plan covers all current retirees with medical coverage. Spouses are not included in the plan. The Plan provides up to three years of medical coverage for eligible retirees not yet eligible for Medicare. In order to be eligible, retirees must be at least age 60 with 25 years of service. Coverage ends at the earlier of age 65 or three years after coverage. Total cost to the City is limited to \$13,000 for the period of coverage.

As of January 1, 2012, the date of the latest actuarial valuation, membership consisted of 99 active employees and 1 retiree.

Funding Policy

The required contribution is based on projected pay-as-you-go financing requirements. As of December 31, 2013, no trust has been established for the funding of the plan's post employment benefit obligation. Additional information is presented as required supplementary information, schedule of funding progress.

Annual OPEB Cost and Net OPEB Obligation (Asset)

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years on an open basis. The following table shows the components of the City's annual OPEB cost for the fiscal year, the amount actually contributed to the Plan, and changes in the City's net OPEB obligation (asset):

Annual required contribution	\$ 8,254
Interest on net pension obligation	(1,486)
Adjustment to annual required contribution	<u>2,629</u>
Annual pension cost	9,397
Actual contributions	<u>(14,105)</u>
Increase (decrease) in net pension obligation	(4,708)
Net pension obligation (asset), beginning of year	<u>(37,161)</u>
Net pension obligation (asset), end of year	<u><u>\$ (41,869)</u></u>

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation (asset) for 2013 and the two preceding years were as follows:

Year Ended December 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
2011	\$ 9,661	170%	\$ (10,889)
2012	\$ 8,589	406%	\$ (37,161)
2013	\$ 9,397	150%	\$ (41,869)

Funded Status and Funding Progress

As of January 1, 2012, the most recent actuarial valuation date, the plan was not prefunded. The actuarial accrued liability for benefits was \$72,650, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$72,650. As of December 31, 2013 the covered payroll (annual payroll of active employees covered by the plan) was \$6.5 million, and the rate of the UAAL to the covered payroll was 1.11%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial liability for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2012 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4% investment rate of return assuming the benefits are not prefunded. The discount rate is based on the expected earnings of the City's general fund. The healthcare trends used in the valuation are based on long term healthcare trends generated by health actuaries that reflect how the cost of medical benefits varies by age and gender. The health mortality is based on the RP 2000 Mortality Table. The healthcare cost trend rate begins at 11% in 2009 and scales down to an ultimate rate of 5% in 2020. The amortization period of the unfunded Actuarial Accrued Liability AAL is 20 years. The remaining amortization period at December 31, 2013 was 15 years. An inflation rate of assumption of 3% was used.

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

7. Interfund Transfers

Individual fund transfers are as follows:

	Transfer From:					Total
	Major Governmental Funds			Nonmajor Governmental Funds		
	General Fund	Park Fund	Capital Improvements Fund	Sewer Lateral Fund	Fire Sales Tax Fund	
Transfer To:						
General Fund	\$ -	\$ 8,500	\$ 7,250	\$ 15,000	\$ 1,504,250	\$ 1,535,000
Capital Improvements Fund	-	-	-	-	30,000	30,000
Debt Service Fund	450,000	2,145,315	150,000	-	-	2,745,315
Total	\$ 450,000	\$ 2,153,815	\$ 157,250	\$ 15,000	\$ 1,534,250	\$ 4,310,315

Interfund transfers were used to 1) move revenues from the fund that ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them, or 2) move revenues in excess of current year expenditures to other funds.

8. Risk Management

The City is a member of a multi-line self-insured pool (St. Louis Area Insurance Trust - SLAIT), which includes 27 municipalities in St. Louis County, each with professional management. The pool provides insurance coverage for workers' compensation, general liability, police liability, and auto liability. The pool also provides for group purchasing of individual policies for member cities for property coverage and public officials liability. SLAIT is governed by a 12-person Board of Trustees who has contracted with the firm of Daniel and Henry Company for its administration and consulting services. The pool retains certain levels of coverage using a self-insured retention created from member premiums and reinsures on both an individual stop loss and an aggregate annual stop loss with a reinsurance carrier. Each policy year is segregated financially and dividends are paid to the member cities as all claims for each year are closed. During 2013, the City received a dividend from SLAIT in the amount of \$37,490.

On July 1, 2009, the City joined a health insurance consortium of eighteen member cities that participate in SLAIT's liability and worker's compensation insurance pool. By pooling with other municipalities for health insurance, the City has improved its buying power, eased its administrative burden and attempted to insulate itself from potentially high rate increases and large insurance claims. The City entered the health insurance pool for a minimum of three years with the option to renew at the end of the three years depending on the performance of the insurance pool and benefits to the City. The City pays monthly premiums (set at a pre-determined rate based on the pool's history of claims paid) to SLAIT for its health insurance coverage.

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

SLAIT has stop-loss insurance for claims in excess of \$225,000 per claimant and an aggregate of 125% of expected annual losses. If contributions to the insurance pool produce a surplus, SLAIT has the authority to determine how the surplus of funds will be appropriated. If there is a deficit, members of the program are subject to an assessment.

Settled claims have not exceeded this commercial coverage in any of the past three years. There were no significant reductions in insurance coverage from the prior year.

In addition, to minimize the risk of sales tax interruption in the event of a natural disaster, fire or terrorism at the West County Shopping Center, Schnuck's Centre and Sam's Club, the City purchases commercial sales tax interruption insurance.

9. Obligations Under Operating Lease Agreements

The City leases equipment under certain operating lease agreements with terms in excess of one year. Total expenditures related to these leases were approximately \$71,000 for the year ended December 31, 2013. Annual aggregate lease payments remaining under the terms of the operating lease agreements as of December 31, 2013 are as follows:

Years Ending December 31,	Amount
2014	\$ 92,145
2015	72,181
2016	37,008
2017	31,924
2018	15,960
Total	\$ 249,218

10. Commitments and Contingencies

Litigation

The City generally follows the practice of recording liabilities resulting from claims and legal actions only when they become fixed and determinable in amount. Various suits and claims against the City are presently pending. It is management's opinion that any liability resulting from pending suits in excess of insurance coverage will not have a material effect on the financial statements of the City.

Federal Grants

Under the terms of federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursements to the grantor agencies. It is the opinion of management that such reimbursements, if any, will not have a material effect on the City's financial position.

CITY OF DES PERES, MISSOURI

Notes to Basic Financial Statements (Continued)

11. New Missouri Legislation

House Bill 103 amending Section 302.341.2 RSMo became effective on August 28, 2013. The amendments to the statute now require municipalities to report an accounting of the percent of annual general operating revenue from fines and court costs for traffic violations. The City was not required to and did not account for the fines and court costs for traffic violations separately from the total fines and court costs prior to August 28, 2013. Therefore, the City cannot provide the percent related specifically to traffic violations for the entire fiscal year ending August 31, 2013. Total fines and court costs revenues for the fiscal year, which include fines and court costs related to traffic violations, summed to \$424,981. “Annual general operating revenue of the city” is not defined in the amended statute and may or may not include various sources of the City’s revenues. However, the City’s general revenue fund tax revenue alone totaled \$5,406,873. Using general fund tax revenue and total fines and court costs as the “annual general operating revenue”, the City’s total fines and court costs revenues are only 7.86% of this total “annual general operating revenue”, which is substantially below the 30% threshold requirement of the amended statute. This clearly demonstrates at a minimum that the City in no way exceeded the percentage requirement regardless of how “annual general operating revenue” is calculated.

12. Recent Accounting Pronouncements

The accounting principles governing the reported amounts, presentation and related disclosures are subject to change from time to time based on new pronouncements and/or rules issued by various governing bodies. The Government Accounting Standards Board (GASB) is responsible for establishing generally accepted accounting principles (GAAP) for state and local governments.

In June 2012, the GASB issued Statement No. 67 “Financial Reporting for Pension Plans” and Statement No. 68 “Accounting and Reporting for Pensions”. The objective of these Statements is to revise existing accounting and financial reporting requirements for most pension plans, and to revise and establish new financial reporting requirements for most governments that provide their employees with pension benefits. The requirements in Statement No. 67 are effective for periods beginning after June 15, 2013, and the requirements in Statement No. 68 are effective for periods beginning after June 15, 2014.

In November 2013, the GASB issued Statement No. 71 “Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68.” This Statement amends paragraph 137 of Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement No. 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts. The requirements in this Statement are effective simultaneously with the requirements of Statement No. 68 which is effective for periods beginning after June 15, 2014.

The effects on the City’s financial statements as a result of the adoption of these new pronouncements are unknown.

13. Subsequent Events

Subsequent to year end, the City entered into a contract, not to exceed \$685,025, to build a City of Des Peres and West County Center sign on the corner of Ballas and Manchester which will include a water feature, a pathway and garden elements. The City is funding this project from the Special Allocation Fund –West County Center Fund. In connection with this project, the City entered into a ground lease agreement for the tract of land located at the southwest corner of the intersection of Ballas and Manchester Road for a period of twenty –five years with five additional terms of five years. The City will pay a base rent of one dollar per calendar year.

Required Supplementary Information

CITY OF DES PERES, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For The Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under)</u> <u>Budget</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>		
Revenues				
Sales Tax And Use Taxes	\$ 5,165,000	\$ 5,165,000	\$ 5,406,873	\$ 241,873
Utility Gross Receipts Tax	1,250,000	1,250,000	1,270,881	20,881
Intergovernmental				
Gasoline tax	220,000	220,000	212,366	(7,634)
County road and bridge tax	390,000	390,000	421,788	31,788
Motor vehicle sales tax	51,000	51,000	56,605	5,605
Motor vehicle license fees	36,000	36,000	34,786	(1,214)
Cigarette tax	23,000	23,000	22,090	(910)
Total Intergovernmental	720,000	720,000	747,635	27,635
Licenses				
Merchant and vending	1,180,500	1,180,500	1,148,251	(32,249)
Liquor	15,000	15,000	14,040	(960)
Total Licenses	1,195,500	1,195,500	1,162,291	(33,209)
Fees And Permits				
Ambulance fees	140,000	140,000	170,500	30,500
Court fines	365,000	365,000	424,981	59,981
Building, occupancy, and sign permits	115,000	115,000	327,244	212,244
Zoning and public improvements fees	5,000	5,000	5,428	428
Board of adjustment fees	2,500	2,500	3,852	1,352
Fire permits	10,000	10,000	21,675	11,675
Total Fees And Permits	637,500	637,500	953,680	316,180
Investment Income	60,000	60,000	21,598	(38,402)
Donations and Grants	-	-	24,796	24,796
Miscellaneous				
Contracts	125,000	125,000	130,224	5,224
Other	12,000	12,000	64,546	52,546
Total Miscellaneous	137,000	137,000	194,770	57,770
Total Revenues	9,165,000	9,165,000	9,782,524	617,524

(continued)

CITY OF DES PERES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For The Year Ended December 31, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Expenditures				
General Government				
Board and commissions:				
Personnel services	57,585	57,585	57,566	(19)
Materials and supplies	1,850	1,850	798	(1,052)
Contractual services	110,135	110,135	81,961	(28,174)
Administration:				
Personnel services	329,245	329,245	325,967	(3,278)
Materials and supplies	2,100	2,100	1,423	(677)
Contractual services	23,275	23,275	19,464	(3,811)
Law:				
Personnel services	192,870	192,870	179,378	(13,492)
Materials and supplies	505	505	554	49
Contractual services	85,180	85,180	83,164	(2,016)
Finance:				
Personnel services	265,545	265,545	257,395	(8,150)
Materials and supplies	150	150	252	102
Contractual services	118,745	118,745	89,682	(29,063)
Government center:				
Personnel services	127,650	127,650	123,220	(4,430)
Materials and supplies	31,900	31,900	27,027	(4,873)
Contractual services	268,855	268,855	250,891	(17,964)
Total General Government	1,615,590	1,615,590	1,498,742	(116,848)
Public Safety				
Personnel services	5,189,510	5,189,510	4,978,144	(211,366)
Materials and supplies	162,150	162,150	132,939	(29,211)
Contractual services	549,730	549,730	502,896	(46,834)
Total Public Safety	5,901,390	5,901,390	5,613,979	(287,411)
Public Works				
Personnel services	369,814	369,814	366,948	(2,866)
Materials and supplies	5,400	5,400	5,789	389
Contractual services	18,970	18,970	8,833	(10,137)
Total Public Works	394,184	394,184	381,570	(12,614)
Streets				
Personnel services	611,126	611,126	619,654	8,528
Materials and supplies	199,640	199,640	165,663	(33,977)
Contractual services	91,655	91,655	79,616	(12,039)
Total Streets	902,421	902,421	864,933	(37,488)

(continued)

CITY OF DES PERES, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For The Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under)</u> <u>Budget</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>		
Expenditures (Continued)				
Parks And Recreation				
Park Maintenance:				
Personnel services	528,070	518,070	515,824	(2,246)
Materials and supplies	76,850	88,850	85,900	(2,950)
Contractual services	82,640	80,640	72,353	(8,287)
Total Parks And Recreation	687,560	687,560	674,077	(13,483)
Health - Contractual Services	723,500	723,500	710,076	(13,424)
Total Expenditures	10,224,645	10,224,645	9,743,377	(481,268)
Revenues Under Expenditures	(1,059,645)	(1,059,645)	39,147	1,098,792
Other Financing Sources (Uses)				
Transfers in	1,525,000	1,535,000	1,535,000	-
Transfers out	(450,000)	(450,000)	(450,000)	-
Total Other Financing Sources (Uses)	1,075,000	1,085,000	1,085,000	-
Net Change In Fund Balance	\$ 15,355	\$ 25,355	1,124,147	\$ 1,098,792
Fund Balance - Beginning Of Year			5,701,887	
Fund Balance - End Of Year			\$ 6,826,034	

CITY OF DES PERES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - SPECIAL REVENUE -
SPECIAL ALLOCATION FUND - WEST COUNTY CENTER FUND
For The Year Ended December 31, 2013**

	Budgeted Amounts		Actual	Over (Under) Budget
	Original	Final		
Revenues				
Investment income	\$ -	\$ -	\$ 47	\$ 47
Total Revenues	-	-	47	47
Expenditures				
Current:				
Payments to other taxing jurisdictions	1,273,716	1,273,716	-	(1,273,716)
Contractual services	5,000	805,000	60,775	(744,225)
Debt service:				
Principal retirement	6,490,000	6,490,000	6,490,000	-
Interest and fiscal charges	186,600	186,600	108,843	(77,757)
Total Expenditures	7,955,316	8,755,316	6,659,618	(2,095,698)
Net Change In Fund Balance	\$ (7,955,316)	\$ (8,755,316)	(6,659,571)	\$ 2,095,745
Fund Balance - Beginning Of Year			<u>8,066,683</u>	
Fund Balance - End Of Year			<u>\$ 1,407,112</u>	

CITY OF DES PERES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - SPECIAL REVENUE -
PARK FUND**

For The Year Ended December 31, 2013

	Budgeted Amounts		Actual	Over (Under) Budget
	Original	Final		
Revenues				
Taxes	\$ 3,000,000	\$ 3,000,000	\$ 2,982,377	\$ (17,623)
Fees and permits	3,155,950	3,155,950	3,216,407	60,457
Investment income	30,000	30,000	11,519	(18,481)
Donations and grants	10,000	10,000	13,551	3,551
Miscellaneous	5,000	5,000	176	(4,824)
Total Revenues	6,200,950	6,200,950	6,224,030	23,080
Expenditures				
Current:				
Parks and recreation	4,037,185	4,037,185	3,618,544	(418,641)
Revenues Over Expenditures	2,163,765	2,163,765	2,605,486	441,721
Other Financing Uses				
Transfers out	(2,150,315)	(2,153,815)	(2,153,815)	-
Net Change In Fund Balance	\$ 13,450	\$ 9,950	451,671	\$ 441,721
Fund Balance - Beginning Of Year			3,527,219	
Fund Balance - End Of Year			\$ 3,978,890	

CITY OF DES PERES, MISSOURI
NOTES TO BUDGETARY COMPARISON INFORMATION
December 31, 2013

Budgets and Budgetary Accounting

The City uses the following procedures in establishing the budgetary data for the governmental fund types reflected in the financial statements:

- a. Prior to September 15, the City Administrator submits to the Board of Alderman a proposed operating budget for the fiscal year commencing on January 1. The operating budget includes proposed expenditures and the means of financing them. The City prepares its budget for all governmental fund types on a modified accrual basis of accounting.
- b. Following review by the Board of Alderman, public hearings are held on the budget in late November and early December.
- c. Prior to January 1, the budget is legally enacted by passage of salary ordinances and an adopting resolution.
- d. Transfers of budgeted amounts between departments within the same fund are made by the City Administrator and approved by the Board of Aldermen.
- e. Current year budget includes amendments. Although not required, amendments to the budget for changes of expenditures by object class are approved periodically throughout the year by the Board of Aldermen. Although not required by City Ordinance, City policy dictates that department appropriations may not be exceeded without supplemental appropriation or transfer. Expenditures may not legally exceed appropriations at the department level in the General Fund or at the fund level for all other funds as they are not departmentalized. At the end of the fiscal year, all unexpended appropriated balances lapse.

Actual expenditures exceeded budgeted expenditures in the Sewer Lateral Fund.

CITY OF DES PERES, MISSOURI
SCHEDULE OF FUNDING PROGRESS -
OTHER POST EMPLOYMENT BENEFIT PLAN
December 31, 2013

The following required supplementary information relates to the City's other post-employment benefits program.

Fiscal Year	Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability	(b-a) Unfunded Actuarial Accrued Liability (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	((b-a)/c) UAAL as a Percentage of Covered Payroll
2011	1/1/2009	\$ -	\$ 88,253	\$ 88,253	0.00%	\$ 7,318,229	1.21%
2012	1/1/2012	\$ -	\$ 72,650	\$ 72,650	0.00%	\$ 6,197,498	1.17%
2013	1/1/2012	\$ -	\$ 72,650	\$ 72,650	0.00%	\$ 6,528,855	1.11%

Note: The results shown above are based on plan provisions and long-term assumptions and methods summarized in Note 6.

Supplementary Information

**Combining and Individual Fund
Financial Statements and Schedules**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Sewer Lateral Fund - This fund is used to account for revenues to be used for repair and maintenance of sewer lateral systems.

Fire Sales Tax Fund - This fund is used to account for the 1/4% sales tax collected to support fire prevention and operations.

CITY OF DES PERES, MISSOURI
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2013

	<u>Special Revenue Funds</u>		<u>Total</u>
	<u>Sewer Lateral Fund</u>	<u>Fire Sales Tax Fund</u>	
Assets			
Cash and investments	\$ 171,900	\$ 622,768	\$ 794,668
Receivables:			
Taxes	-	288,000	288,000
Interest	-	513	513
Other	31,656	-	31,656
Total Assets	\$ 203,556	\$ 911,281	\$ 1,114,837
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 113	\$ -	\$ 113
Fund Balances			
Restricted for:			
Sewer lateral program	203,443	-	203,443
Fire prevention and operations	-	911,281	911,281
Total Fund Balances	203,443	911,281	1,114,724
Total Liabilities and Fund Balances	\$ 203,556	\$ 911,281	\$ 1,114,837

CITY OF DES PERES, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -
NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended December 31, 2013

	<u>Special Revenue Funds</u>		
	Sewer		
	Lateral	Fire Sales	
	Fund	Tax Fund	Total
Revenues			
Taxes	\$ -	\$ 1,491,356	\$ 1,491,356
Investment income	-	3,719	3,719
Miscellaneous	91,089	-	91,089
Total Revenues	91,089	1,495,075	1,586,164
Expenditures			
Current:			
Public works	86,736	-	86,736
Revenues Over Expenditures	4,353	1,495,075	1,499,428
Other Financing Uses			
Transfers out	(15,000)	(1,534,250)	(1,549,250)
Net Change In Fund Balance	(10,647)	(39,175)	(49,822)
Fund Balance - Beginning Of Year	214,090	950,456	1,164,546
Fund Balance - End Of Year	\$ 203,443	\$ 911,281	\$ 1,114,724

CITY OF DES PERES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - SPECIAL REVENUE -
SEWER LATERAL FUND
For The Year Ended December 31, 2013**

	Original And Final Budgeted Amounts	Actual	Over (Under) Budget
Revenues			
Miscellaneous	\$ 93,200	\$ 91,089	\$ (2,111)
Expenditures			
Current:			
Public works	78,200	86,736	8,536
Revenues Over Expenditures	15,000	4,353	(10,647)
Other Financing Uses			
Transfers out	(15,000)	(15,000)	-
Net Change In Fund Balance	<u>\$ -</u>	<u>(10,647)</u>	<u>\$ (10,647)</u>
Fund Balance - Beginning Of Year		<u>214,090</u>	
Fund Balance - End Of Year		<u>\$ 203,443</u>	

CITY OF DES PERES, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - SPECIAL REVENUE -
FIRE SALES TAX FUND
For The Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 1,525,000	\$ 1,525,000	\$ 1,491,356	\$ (33,644)
Investment income	10,000	10,000	3,719	(6,281)
Total Revenues	1,535,000	1,535,000	1,495,075	(39,925)
Other Financing Uses				
Transfers out	(1,530,000)	(1,534,250)	(1,534,250)	-
Net Change In Fund Balance	\$ 5,000	\$ 750	(39,175)	\$ (39,925)
Fund Balance - Beginning Of Year			<u>950,456</u>	
Fund Balance - End Of Year			<u><u>\$ 911,281</u></u>	

MAJOR GOVERNMENTAL FUNDS - BUDGETARY INFORMATION

DEBT SERVICE FUND

Debt Service Funds are used to account for the accumulation of resources for and the payment of long-term debt, principal, interest and related costs on long-term debt.

Debt Service Fund - This fund is used to account for the accumulation of resources for, and the payment of, general obligation and certificates of participation long-term debt principal, interest and related costs.

CAPITAL PROJECTS FUND

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital assets and all other capital outlay.

Capital Improvements Fund – This fund is used to account for the accumulation of resources, primarily from a 1/2¢ capital improvement sales tax, for the acquisition or construction of major capital items.

CITY OF DES PERES, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - DEBT SERVICE FUND
For The Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		Actual	Over (Under) Budget
	Original	Final		
Revenues				
Investment income	\$ 4,000	\$ 4,000	\$ 3,727	\$ (273)
Total Revenues	4,000	4,000	3,727	(273)
Expenditures				
Debt service:				
Principal retirement	1,490,000	1,490,000	1,490,000	-
Interest and fiscal charges	422,315	422,315	337,433	(84,882)
Bond issuance costs	10,000	10,000	60,299	50,299
Total Expenditures	1,922,315	1,922,315	1,887,732	(34,583)
Revenues Under Expenditures	(1,918,315)	(1,918,315)	(1,884,005)	34,310
Other Financing Sources (Uses)				
Transfers in	2,745,315	2,745,315	2,745,315	-
Issuance of refunding debt	-	-	5,025,000	5,025,000
Premium on issuance of debt	-	-	548,178	548,178
Payment to refunding escrow agent	-	-	(5,537,346)	(5,537,346)
Total Other Financing Sources (Uses)	2,745,315	2,745,315	2,781,147	35,832
Net Change In Fund Balance	\$ 827,000	\$ 827,000	897,142	\$ 70,142
Fund Balance - Beginning Of Year			269,727	
Fund Balance - End Of Year			\$ 1,166,869	

CITY OF DES PERES, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
CAPITAL PROJECTS - CAPITAL IMPROVEMENTS FUND
For The Year Ended December 31, 2013**

	Budgeted Amounts		Actual	Over (Under) Budget
	Original	Final		
Revenues				
Taxes	\$ 2,600,000	\$ 2,600,000	\$ 2,535,302	\$ (64,698)
Intergovernmental	312,000	312,000	123,954	(188,046)
Investment income	10,000	10,000	9,444	(556)
Miscellaneous	8,000	8,000	58,359	50,359
Total Revenues	2,930,000	2,930,000	2,727,059	(202,941)
Expenditures				
Capital outlay:				
General government	316,100	369,600	253,632	(115,968)
Public safety	265,300	274,350	222,490	(51,860)
Public works	43,000	43,000	38,344	(4,656)
Streets	1,068,000	1,108,000	882,545	(225,455)
Parks and recreation	1,067,990	1,163,490	657,945	(505,545)
Total Expenditures	2,760,390	2,958,440	2,054,956	(903,484)
Revenues Over (Under) Expenditures	169,610	(28,440)	672,103	700,543
Other Financing Sources (Uses)				
Transfers in	30,000	30,000	30,000	-
Transfers out	(155,000)	(157,250)	(157,250)	-
Proceeds from disposal of assets	6,000	6,000	56,533	50,533
Total Other Financing Sources (Uses)	(119,000)	(121,250)	(70,717)	50,533
Net Change In Fund Balance	\$ 50,610	\$ (149,690)	601,386	\$ 751,076
Fund Balance - Beginning Of Year			<u>2,484,399</u>	
Fund Balance - End Of Year			<u>\$ 3,085,785</u>	

CITY OF DES PERES, MISSOURI

**STATEMENT OF CHANGES IN ASSETS AND LIABILITY - AGENCY FUND -
MUNICIPAL PARTNERS FOR INCLUSIVE RECREATION**

For The Year Ended December 31, 2013

	Balance				Balance
	January 1, 2013	Additions	Deductions		December 31, 2013
Assets					
Cash	\$ 27,554	\$ 86,877	\$ 85,698	\$	28,733
Total Assets	<u>\$ 27,554</u>	<u>\$ 86,877</u>	<u>\$ 85,698</u>	<u>\$</u>	<u>28,733</u>
Liabilities					
Accounts payable	\$ -	\$ 85,698	\$ 85,698	\$	-
Held for others - MPIR	27,554	86,877	85,698		28,733
Total Liabilities	<u>\$ 27,554</u>	<u>\$ 172,575</u>	<u>\$ 171,396</u>	<u>\$</u>	<u>28,733</u>

Statistical Section

Statistical Section

This part of the City’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

Contents

Financial Trends57 - 60

These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.

Revenue Capacity.....61 - 64

These schedules contain information to help the reader assess the City’s most significant local revenue sources.

Debt Capacity65 - 69

These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.

Demographic and Economic Information70 - 71

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.

Operating Information72 - 74

These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.

CITY OF DES PERES, MISSOURI

**NET POSITION BY COMPONENT⁽⁰⁾⁽²⁾⁽³⁾
LAST TEN FISCAL YEARS**

Function	Year Ended December 31,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities:										
Net investment in capital assets	\$ 14,428,482	\$ 14,558,055	\$ 15,239,229	\$ 17,504,073	\$ 19,516,558	\$ 21,809,374	\$ 23,688,003	\$ 25,893,071	\$ 28,572,988	\$ 30,084,309
Restricted	10,382,946	11,345,400	12,232,047	12,384,897	12,284,976	13,986,792	16,915,318	16,786,137	11,346,853	5,289,331
Unrestricted	(36,387,212)	(31,880,266)	(27,427,163)	(23,323,217)	(19,861,642)	(16,152,394)	(12,129,949)	(5,422,204)	3,006,004	11,929,173
	\$ (11,575,784)	\$ (5,976,811)	\$ 44,113	\$ 6,565,753	\$ 11,939,892	\$ 19,643,772	\$ 28,473,372	\$ 37,257,004	\$ 42,925,845	\$ 47,302,813

Note:

- (1) GASB Statement 34 was implemented in 2004.
- (2) GASB Statement 63 was implemented in 2012.
- (3) GASB Statement 65 was implemented in 2013.

Source: Basic financial statements

CITY OF DES PERES, MISSOURI
CHANGES IN NET POSITION⁽¹⁾⁽²⁾⁽³⁾
LAST TEN FISCAL YEARS

Year Ended December 31,

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
EXPENSES										
Primary Government										
Governmental activities:										
General government	\$ 1,106,333	\$ 1,146,285	\$ 1,382,122	\$ 1,697,363	\$ 1,764,014	\$ 1,808,969	\$ 1,713,251	\$ 2,630,621	\$ 2,798,859	\$ 1,713,251
Public safety	4,351,139	4,509,420	4,679,762	4,914,165	5,395,427	5,212,814	5,929,463	5,670,664	5,782,299	5,929,463
Public works	315,508	314,942	323,408	367,052	379,058	395,708	502,917	484,431	510,521	502,917
Streets	922,947	985,048	895,483	1,026,139	1,104,558	1,109,000	1,388,533	1,135,172	1,241,021	1,388,533
Parks and recreation	3,868,855	4,114,178	4,380,856	4,458,609	4,855,252	4,563,981	5,193,756	4,924,610	5,001,826	5,193,756
Health	513,452	516,770	527,638	539,531	607,080	637,706	710,076	693,659	689,580	710,076
Interest on long-term debt	3,102,058	3,397,957	3,400,120	3,499,618	3,308,578	2,708,747	295,370	1,449,725	1,032,522	295,370
Total primary government expenses	14,180,292	14,984,600	15,589,389	16,502,477	17,413,967	16,436,925	15,733,366	16,988,882	17,056,628	15,733,366
PROGRAM REVENUES										
Primary Government										
Governmental activities:										
Charges for services:										
General government	1,009,665	1,068,426	907,564	1,276,262	1,343,209	1,446,759	1,292,514	1,260,220	1,296,357	1,292,514
Public safety	125,928	130,628	412,619	443,325	524,315	475,010	617,157	538,883	534,683	617,157
Public works	106,415	172,170	235,004	209,133	253,387	95,587	394,882	260,284	232,282	394,882
Parks and recreation	2,070,160	2,593,144	2,929,021	3,052,916	3,056,027	2,935,414	3,216,668	3,233,864	3,217,928	3,216,668
Operating grants and contributions	744,037	690,972	771,644	69,574	-	-	765,530	753,591	712,205	765,530
Capital grants and contributions	-	232,515	47,506	13,530	9,696	596,660	123,955	463,468	794,835	123,955
Total primary government program revenues	4,056,205	4,887,855	5,303,358	5,064,740	5,186,634	5,549,430	6,410,706	6,510,310	6,788,290	6,410,706
Net Revenue (Expenses)	(10,124,087)	(10,096,745)	(10,286,031)	(11,437,737)	(12,227,333)	(10,887,495)	(9,322,660)	(10,478,572)	(10,268,338)	(9,322,660)
General Revenues and Other Changes in Net Assets										
Primary Government										
Governmental activities:										
Taxes:										
Sales tax	11,242,447	12,118,497	12,409,770	12,765,520	12,808,569	13,372,985	12,415,908	9,655,565	10,204,911	12,415,908
Tax increment financing	1,141,801	2,341,435	2,387,945	2,654,304	2,185,897	2,513,350	-	7,952,159	4,299,579	-
Utility tax	830,038	846,295	870,934	1,063,243	1,274,473	1,309,723	1,270,881	1,238,183	1,159,484	1,270,881
Investment income	141,064	305,596	435,196	804,368	601,493	346,463	50,054	218,152	100,961	50,054
Miscellaneous	125,185	83,895	203,110	671,942	731,040	589,008	176,002	198,145	172,423	176,002
Total primary government	13,480,535	15,695,718	16,306,955	17,959,377	17,601,472	18,131,529	13,912,845	19,262,204	15,937,358	13,912,845
Change in Net Position	\$ 3,356,448	\$ 5,598,973	\$ 6,020,924	\$ 6,521,640	\$ 5,374,139	\$ 7,244,034	\$ 4,590,185	\$ 8,783,632	\$ 5,669,020	\$ 4,590,185

Notes:

- (1) GASB Statement 34 was implemented in 2004.
- (2) GASB Statement 63 was implemented in 2012.
- (3) GASB Statement 65 was implemented in 2013.

Source: Basic financial statements

CITY OF DES PERES, MISSOURI
FUND BALANCES, GOVERNMENTAL FUNDS⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾
LAST TEN FISCAL YEARS

	Year Ended December 31,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Reserved	\$ 147,059	\$ 210,938	\$ 250,145	\$ 132,109	\$ 76,944	\$ 84,550	\$ 68,314	\$ -	\$ -	\$ -
Unreserved	2,433,991	3,001,730	4,261,995	4,751,694	4,758,774	5,099,914	5,150,235	-	-	-
Nonspendable	-	-	-	-	-	-	-	214,089	234,915	235,235
Unassigned	-	-	-	-	-	-	-	5,454,828	5,466,972	6,590,799
Total General Fund	\$ 2,581,050	\$ 3,212,668	\$ 4,512,140	\$ 4,883,803	\$ 4,835,718	\$ 5,184,464	\$ 5,218,549	\$ 5,668,917	\$ 5,701,887	\$ 6,826,034
All other governmental funds:										
Reserved	\$ 847,791	\$ 6,182,260	\$ 6,915,068	\$ 6,853,727	\$ 7,685,690	\$ 7,144,263	\$ 7,757,319	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue ⁽¹⁾	8,079,254	5,188,927	6,044,823	7,326,493	7,456,962	8,691,022	9,838,687	-	-	-
Capital project	1,403,716	1,866,573	2,044,652	1,609,204	978,202	1,935,598	2,358,723	-	-	-
Debt service ⁽²⁾	-	-	-	-	-	-	263,962	-	-	-
Restricted For:										
Capital projects	-	-	-	-	-	-	-	1,977,850	2,224,468	2,767,495
Sewer lateral repair program	-	-	-	-	-	-	-	219,370	214,090	203,443
Fire prevention and operations	-	-	-	-	-	-	-	1,069,692	950,456	911,281
TIF projects and debt obligations	-	-	-	-	-	-	-	13,663,876	8,066,683	1,407,112
Committed For:										
Infrastructure	-	-	-	-	-	-	-	211,379	235,897	294,256
Tree replacement	-	-	-	-	-	-	-	24,034	24,034	24,034
Assigned for:										
Parks and recreation	-	-	-	-	-	-	-	2,727,801	3,312,659	3,978,890
Lodge equipment	-	-	-	-	-	-	-	214,560	214,560	-
Debt service	-	-	-	-	-	-	-	572,308	269,727	1,166,869
Total All Other Governmental Funds	\$ 10,330,761	\$ 13,237,760	\$ 15,004,543	\$ 15,789,424	\$ 16,120,854	\$ 17,770,883	\$ 20,218,691	\$ 20,680,870	\$ 15,512,574	\$ 10,753,380

Notes:

- (1) Moved Special Allocation Fund - West County Center Fund to Reserved in 2005.
 - (2) Moved Debt Service Fund to Unreserved in 2010.
 - (3) GASB 54 implemented in 2011.
 - (4) GASB 65 implemented in 2013.
- Source: Basic financial statements

CITY OF DES PERES, MISSOURI
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS

	Year Ended December 31,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Taxes	\$ 12,276,332	\$ 14,479,073	\$ 14,797,715	\$ 15,419,824	\$ 14,994,465	\$ 15,886,335	\$ 17,128,517	\$ 17,582,735	\$ 14,481,386	\$ 12,415,908
Utility gross receipts tax	810,520	827,155	870,934	1,063,243	1,274,473	1,309,723	1,229,544	1,263,174	1,182,587	1,270,881
Intergovernmental	722,520	679,330	780,093	767,063	752,707	725,401	726,853	1,201,306	1,494,942	871,589
Licenses	712,988	785,183	875,658	952,523	984,522	998,816	1,055,107	1,122,974	1,169,840	1,162,291
Fees and permits	2,166,293	2,692,768	3,069,866	3,168,336	3,309,414	3,031,001	3,725,160	3,977,334	3,896,103	4,170,087
Investment income	141,064	305,596	435,196	804,368	601,494	346,463	478,186	218,151	100,961	50,054
Miscellaneous	745,814	814,467	780,851	848,760	871,031	1,383,220	853,819	406,843	399,829	382,741
Total Revenues	17,575,531	20,583,572	21,610,313	23,024,117	22,788,106	23,680,959	25,197,186	25,772,517	22,725,648	20,323,551
Expenditures										
Current:										
General government	1,019,893	1,017,396	1,063,361	1,207,845	1,175,684	1,227,046	2,015,405	2,432,683	2,618,577	1,559,517
Public safety	4,094,630	4,287,293	4,458,351	4,711,803	4,931,472	5,001,690	5,146,973	5,319,019	5,493,858	5,613,979
Public works	316,857	309,242	323,408	367,052	379,058	395,708	396,190	428,177	510,521	468,306
Streets	600,853	584,876	594,400	713,339	770,624	766,156	798,893	815,524	820,948	864,933
Parks and recreation	2,953,246	3,303,788	3,619,151	3,735,649	3,924,021	3,935,233	3,958,543	4,057,072	4,187,064	4,292,621
Health	513,452	516,770	527,638	539,531	607,080	637,706	668,964	669,611	689,580	710,076
Capital outlay	1,799,414	1,391,835	1,887,317	1,841,814	2,185,996	1,775,059	2,146,280	2,597,147	2,931,379	2,054,956
Debt service:										
Principal retirement	2,540,000	2,170,000	2,675,000	5,225,000	5,160,000	4,445,000	5,780,000	7,080,000	9,480,000	7,980,000
Interest and fiscal charges	3,120,597	3,463,755	3,395,432	3,525,540	3,370,826	2,775,708	1,839,837	1,476,471	1,146,050	446,276
Bond issuance costs	-	339,905	-	-	-	79,521	72,357	-	-	60,299
Total Expenditures	16,958,942	17,384,860	18,544,058	21,867,573	22,504,761	21,038,827	22,823,442	24,875,704	27,877,977	24,050,963
Revenues Over Expenditures	616,589	3,198,712	3,066,255	1,156,544	283,345	2,642,132	2,373,744	896,813	(5,152,329)	(3,727,412)
Other Financing Sources (Uses)										
Transfers in	5,129,734	1,971,098	2,495,874	4,351,150	4,112,575	3,123,950	3,391,580	3,436,895	2,967,250	4,310,315
Transfers out	(5,129,734)	(1,971,098)	(2,495,874)	(4,351,150)	(4,112,575)	(3,123,950)	(3,391,580)	(3,436,895)	(2,967,250)	(4,310,315)
Proceeds from disposal of assets	-	-	-	-	-	-	18,376	15,737	17,000	56,533
Premium on issuance of debt	-	586,898	-	-	-	122,062	184,773	-	-	548,178
Issuance of refunding debt	-	14,555,000	-	-	-	3,735,000	6,170,000	-	-	5,025,000
Payments to refunding escrow agent	-	(14,801,993)	-	-	-	(4,500,419)	(6,265,000)	-	-	(5,537,346)
Total Other Financing Sources (Uses)	-	339,905	-	-	-	(643,357)	108,149	15,737	17,000	92,365
Net Change In Fund Balances	616,589	3,538,617	3,066,255	1,156,544	283,345	1,998,775	2,481,893	912,550	(5,135,329)	(3,635,047)
Fund Balances - Beginning Of Year	12,295,222	12,911,811	16,450,428	19,516,683	20,673,227	20,956,572	22,955,347	25,437,240	26,349,790	21,214,461
Fund Balances - End Of Year	\$ 12,911,811	\$ 16,450,428	\$ 19,516,683	\$ 20,673,227	\$ 20,956,572	\$ 22,955,347	\$ 25,437,240	\$ 26,349,790	\$ 21,214,461	\$ 17,579,414
Debt Service As A Percentage Of Noncapital Expenditures	36.5%	37.2%	35.9%	42.9%	41.2%	37.0%	36.6%	37.6%	42.1%	37.9%

Source: Basic financial statements

CITY OF DES PERES, MISSOURI
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Real Property			Personal Property	Railroad And Utilities	Total Taxable		Total Direct Tax Rate ⁽²⁾
	Residential Property	Commercial Property	Agricultural Property			Assessed Value	Estimated Actual Value	
2004	160,783,420	97,006,370	159,810	62,137,550	2,777,652	322,864,802	1,337,304,431	-
2005 ⁽¹⁾	189,312,979	112,957,590	180,690	52,759,591	-	355,210,850	1,509,319,529	-
2006	189,249,130	112,752,310	172,970	51,716,400	-	353,890,810	1,505,144,944	-
2007*	229,495,930	129,271,790	195,010	51,297,530	-	410,260,260	1,767,519,380	-
2008	231,827,150	131,565,860	195,010	47,612,880	-	411,200,900	1,775,892,913	-
2009*	216,132,090	131,934,887	230,720	44,888,328	-	393,186,025	1,686,556,289	-
2010	219,394,360	141,047,477	230,720	42,741,871	-	403,414,428	1,725,757,158	-
2011*	213,743,650	144,475,502	222,550	41,230,036	-	399,671,738	1,702,121,028	-
2012	213,890,040	144,160,760	222,550	41,447,693	-	399,721,043	1,702,561,558	-
2013*	211,610,690	150,171,804	46,370	43,435,486	-	405,264,350	1,713,850,674	-

Notes:

* Reassessment years

Assessments are determined by the Assessor of St. Louis County. Property is assessed as of January 1.

Assessments are based on a percentage of estimated actual values. Real property is classified as residential, commercial or agricultural.

Residential property is assessed at 19%, commercial is assessed at 32%, and agricultural is assessed at 12%. All railroad and utility property is assessed at 32%. All personal property is assessed at 33-1/3%.

(1) Starting in 2005, St. Louis County included railroad and utility figures in real estate and personal property.

(2) For nineteen consecutive years, the City has maintained the real estate tax rate at \$0.00.

Source: St. Louis County Assessor

CITY OF DES PERES, MISSOURI
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
City of Des Peres, Missouri ⁽¹⁾	\$ 0.000	\$ 0.000	\$ 0.000	\$ 0.000	\$ 0.000	\$ 0.000	\$ 0.000	\$ 0.000	\$ 0.000	\$ 0.000
Overlapping governments:										
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
St. Louis County	0.5800	0.5580	0.5580	0.5580	0.5580	0.5230	0.5230	0.5230	0.5230	0.5230
Special School District	0.9051	0.8399	0.8235	0.9084	0.9184	0.9384	0.9950	1.0125	1.0123	1.2400
St. Louis Community College	0.2368	0.2231	0.2233	0.2003	0.2013	0.2136	0.2179	0.2200	0.2200	0.2200
St. Louis County Library	0.1500	0.1500	0.1400	0.1400	0.1400	0.1400	0.1565	0.1630	0.1730	0.2500
Metro Sewer District	0.0686	0.0686	0.0687	0.0667	-	-	0.0790	0.0818	0.0635	0.0874
Metro Sewer District Extension	0.0190	0.0186	0.0187	0.0167	-	-	0.0180	0.0185	0.0186	0.0196
Mississippi River Anti-Pollution	-	-	-	-	-	-	-	-	-	-
Sugar Creek Subdistrict	0.0630	0.0600	0.0610	0.0520	-	-	0.0580	0.0590	0.0590	0.0550
Deer Creek Subdistrict	0.0600	0.0600	-	-	-	-	-	-	-	-
Meramec River Basin Subdistrict	0.0700	0.0700	0.0700	0.0700	-	-	-	-	-	-
Metropolitan Zoological Park	0.2756	0.2654	0.2611	0.2300	0.2344	0.2493	0.2546	0.2671	0.2684	0.2797
Sheltered Workshop	0.0850	0.0850	0.0820	0.0700	0.0690	0.0740	0.0790	0.0840	0.0840	0.0890
Total Overlapping Governments	2.5431	2.4286	2.3363	2.3421	2.1511	2.1683	2.4110	2.4589	2.4518	2.7937
Total City And Overlapping Governments	2.5431	2.4286	2.3363	2.3421	2.1511	2.1683	2.4110	2.4589	2.4518	2.7937

School districts:

Kirkwood	3.8590	3.7144	4.1525	3.9895	3.9219	4.0842	4.1869	4.2878	4.2841	4.2546
Parkway	3.6920	3.4534	3.7079	3.2300	3.2300	3.4100	3.5672	3.6761	3.9361	4.0743

Note:

(1) For nineteen consecutive years, the City has maintained the real estate tax rate at \$0.00.

Source: St. Louis County Assessor

**CITY OF DES PERES, MISSOURI
PRINCIPAL PROPERTY TAX PAYERS⁽¹⁾
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2013			2004		
	Total Assessed Value (2)	Rank	Percentage Of Total City Taxable Assessed Value	Total Assessed Value (3)	Rank	Percentage Of Total City Taxable Assessed Value
West County Center LLC	\$ 33,093,790	1	8.17%	\$ 26,636,346	1	8.25%
AT&T (Formerly Southwestern Bell Telephone)	8,146,940	2	2.01%	-	-	-
Des Peres Hospital - Tenet Health Systems	7,522,080	3	1.86%	6,263,577	4	1.94%
TC Des Peres Corners LLC	5,224,520	4	1.29%	-	-	-
Macy's (May) Department Stores	4,944,000	5	1.22%	7,329,031	3	2.27%
Duke Realty Investment Inc.	4,544,000	6	1.12%	4,778,399	5	1.48%
Dierberg's Fifty LLC	4,384,510	7	1.08%	-	-	-
Corporate Property Investors	3,556,190	8	0.88%	3,164,075	8	0.98%
Wal-Mart Properties	3,278,910	9	0.81%	2,518,345	10	0.78%
DDR Realty and Maryland Holding Inc.	2,925,370	10	0.72%	3,164,075	9	0.98%
EDJ Leasing Company (4)	-	-	-	18,080,429	2	5.60%
Land Dynamics Inc.	-	-	-	4,229,529	6	1.31%
Southwest Bank of St Louis	-	-	-	3,583,799	7	1.11%

Notes:

- (1) These entities represent property owners with the largest assessed value only, since the City has maintained the property tax rate of \$0.00 for the last nineteen years
- (2) Based on 2013 assessed valuation equal to \$405,264,350
- (3) Based on 2004 assessed valuation equal to \$322,864,802
- (4) The Edward D. Jones & Co. headquarters facility located in the City is listed in the St. Louis County real estate records as owned by St. Louis County because commercial is assessed at 32%.

Source: Office of the St. Louis County Assessor

CITY OF DES PERES, MISSOURI

SALES TAX COLLECTED ⁽¹⁾

LAST TEN FISCAL YEARS

Fiscal Year	General Fund	Capital Improvement Fund	Park Fund	Sales Tax Fire Fund (2)	Total
	1.25%	0.50%	0.50%	0.25%	
	July 1, 1971	April 1, 1995	January 1, 2001	April 1, 2004	
2004	3,714,822	1,961,645	2,002,314	704,964	8,383,745
2005	3,950,701	2,067,118	2,029,244	1,019,071	9,066,134
2006	3,783,995	1,979,044	2,049,276	1,033,241	8,845,556
2007	3,941,409	2,071,962	2,160,057	1,079,838	9,253,266
2008	3,797,718	1,939,759	2,038,706	1,019,412	8,795,595
2009	3,828,612	1,943,847	2,023,129	1,011,564	8,807,152
2010	3,939,239	2,066,018	2,093,855	1,046,922	9,146,034
2011	3,847,275	1,978,054	2,163,788	1,081,896	9,071,013
2012	4,041,279	2,155,753	2,361,206	1,180,460	9,738,698
2013	4,805,531	2,535,302	2,982,377	1,491,356	11,814,566

(1) All revenues are reported net of any costs of collection, sharing, or allocation for TIF.

(2) Des Peres voters approved a new .25% sales tax for fire purposes effective April 1, 2004.

NOTES:

In 1997, the City created a Tax Increment Finance District which provides for diverting 50% of any incremental sales above the 1996 taxes generated by the shopping center to the Special Allocation Fund until all TIF Notes have been retired. All Notes were retired in January of 2013.

Because of the significance of sales tax as a major part of City revenues and due to its concentration in a small area, the City has chosen to insure its sales tax revenue stream at certain shopping centers against loss due to fire, act of terrorism or natural disaster. The policy insures revenues for a 12-month period with a \$10,000 deductible, for all perils except for floods and earthquakes in which case the deductible is \$100,000.

The City is home to the recently developed West County Mall, a 1.2 million square foot regional shopping center featuring four anchor stores - Macy's, Nordstroms, JC Penney and Dick's Sporting Goods. The redevelopment of the shopping center together with the existing authority to level local option sales taxes at a rate of up to 2.5%, has well-positioned the City financially for years to come. In addition to the regional mall, the City is fortunate to enjoy a concentration of other commercial centers to provide additional local retail and service opportunities within the community, including Colonnade Center, Des Peres Commons, Des Peres Pointe, Des Peres Square, Olympic Oaks Village, Sam's Club and Schnuck's Shopping Center.

As set out in Section 32.057 of the Missouri Revised Statutes, it is a violation to make known in any manner the tax returns or departmental records derived from the Missouri Department of Revenue. Due to the confidentiality of earnings information, the above alternative information is provided to assist the users in understanding this revenue source.

Source: City Finance Department

CITY OF DES PERES, MISSOURI
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Total Primary Government	Percentage Of Personal Income	Per Capita
	General Obligation Bonds (4)(6)(7)	Tax Increment Refunding Revenue Bonds (1)(2)(8)	Certificates Of Participation (3)(5)				
2004	15,095,000	37,845,000	7,170,000	60,110,000	6.59%	6,996	
2005	15,130,000	35,995,000	7,170,000	58,295,000	6.39%	6,785	
2006	14,690,000	33,760,000	7,170,000	55,620,000	6.10%	6,473	
2007	13,920,000	30,685,000	5,790,000	50,395,000	5.52%	5,865	
2008	13,155,000	27,685,000	4,395,000	45,235,000	4.96%	5,265	
2009	12,165,000	24,645,000	3,320,000	40,130,000	4.40%	4,671	
2010	11,195,000	20,170,000	2,890,000	34,255,000	3.75%	3,987	
2011	10,220,000	14,510,000	2,445,000	27,175,000	2.98%	3,246	
2012	9,220,000	6,490,000	1,985,000	17,695,000	1.94%	2,113	
2013	8,200,000	-	1,515,000	9,715,000	0.95%	1,154	

Notes:

- (1) In 2001, the City issued \$24,440,000 in Tax Increment Revenue Bonds for the West County Center Project.
- (2) In 2002, the City issued \$40,115,000 in Tax Increment Refunding Revenue Bonds to refund the Series 2001 bonds and to provide funding for the West County Project.
- (3) In 2002, the City issued \$7,170,000 in Certificates of Participation to provide funding for the City's community center, The Lodge Des Peres.
- (4) In 2005, the City issued \$14,555,000 in General Obligation Refunding Bonds to advance refund the City's outstanding Series 2000 GO Bonds.
- (5) In 2009, the City issued \$3,735,000 in Certificates of Participation to refund Series 2002 COPS .
- (6) In 2010, the City issued \$6,170,000 in General Obligation Refunding Bonds to partially refund Series 2005 GO Bonds.
- (7) In 2013, the City issued \$5,025,000 in Taxable General Obligation Refunding Bonds to refund the remaining Series 2005 GO Bonds.
- (8) In 2013, the City paid off the balance of the Tax Increment Refunding Revenue Bonds.

Sources:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.
 See Demographic and Economic Statistics Schedule for personal income and population data.

CITY OF DES PERES, MISSOURI
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
2004	15,095,000	1.13%	1,757
2005	15,130,000	1.00%	1,761
2006	14,690,000	0.98%	1,710
2007	13,920,000	0.79%	1,620
2008	13,155,000	0.74%	1,531
2009	12,165,000	0.72%	1,416
2010	11,195,000	0.65%	1,303
2011	10,220,000	0.60%	1,221
2012	9,220,000	0.54%	1,101
2013	8,200,000	0.48%	974

Notes:

- (1) See "Assessed Value and Actual Value of Taxable Property" table for property value data.
- (2) See "Demographic and Economic Statistics" table for population data.

Source:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF DES PERES, MISSOURI
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
December 31, 2013

Jurisdiction	Net Debt Outstanding	Percentage Applicable To City Of Des Peres	Amount Applicable To City Of Des Peres
City of Des Peres	\$ 9,715,000	100.00%	\$ 9,715,000
Total Direct Debt	9,715,000		9,715,000
St. Louis County	113,260,000	1.85%	2,095,310
Parkway School District (1)	147,033,927	3.00%	4,411,018
Kirkwood School District (1)	37,765,000	20.00%	7,553,000
Total Overlapping Debt	298,058,927		14,059,328
Total Direct And Overlapping Debt	\$ 307,773,927		\$ 23,774,328

Note:

(1) Only portions of the school districts are located within the City limits. The applicable amounts refer to that portion of the district that is contained within the City's boundary. The total real estate assessed value for the City of Des Peres that falls within the district of each school district divided by the total real estate assessed value of that district. Net debt outstanding came from each district's June 30, 2013 financial statements.

Source: The above-named jurisdictions.

CITY OF DES PERES, MISSOURI
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Year Ended December 31,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt Limit (1)	\$ 32,286,480	\$ 35,521,085	\$ 35,685,329	\$ 41,026,026	\$ 41,120,090	\$ 39,318,603	\$ 40,341,443	\$ 39,967,174	\$ 39,972,104	\$ 40,526,435
Total net debt applicable to debt limit	15,095,000	15,130,000	14,690,000	13,920,000	13,155,000	12,165,000	10,931,038	9,647,691	8,950,274	7,033,131
Legal debt margin	\$ 17,191,480	\$ 20,391,085	\$ 20,995,329	\$ 27,106,026	\$ 27,965,090	\$ 27,153,603	\$ 29,410,405	\$ 30,319,483	\$ 31,021,830	\$ 33,493,304
Total net debt applicable to the limit as a percentage of debt limit	46.75%	42.59%	41.17%	33.93%	31.99%	30.94%	27.10%	24.14%	22.39%	17.35%

Notes:

(1) Debt limit is 10% of the assessed value, which can be found in the "Assessed Value and Actual Value of Taxable Property" table. Bonded indebtedness is limited by Sections 95.115 and 95.120 of the Missouri Revised Statutes to 10% of the assessed value of taxable tangible property.

Source:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

**CITY OF DES PERES, MISSOURI
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS⁽¹⁾**

Year	TIF Refunding Revenue Bonds (1)(3)										Certificates of Participation (2)				
	TIF					TIF					Park Sales Tax	Net Available Revenue	Debt Service Principal	Interest	Coverage
	Economic Activity Tax	Payments Lieu Of Tax	In Operating Expense	Less Operating Expense	Net Available Revenue	Principal	Interest	Debt Service Principal	Interest	Coverage					
2004	\$ 1,957,653	\$ 1,732,153	\$ 590,353	\$ 3,099,453	\$ 2,220,000	\$ 2,012,533	73.23%	\$ 2,002,314	\$ 2,002,314	\$ -	\$ 347,887	575.56%			
2005	2,805,460	2,341,435	511,931	4,634,964	1,850,000	1,935,943	122.43%	2,029,244	2,029,244	-	347,888	583.30%			
2006	3,210,553	2,758,950	619,783	5,349,720	2,235,000	1,859,415	130.66%	2,049,276	2,049,276	-	347,887	589.06%			
2007	3,094,682	2,654,304	854,058	4,894,928	3,075,000	1,745,000	101.55%	2,160,057	2,160,057	1,380,000	347,966	125.01%			
2008	3,623,222	2,185,897	926,842	4,882,277	3,000,000	1,613,045	105.84%	2,038,706	2,038,706	1,395,000	294,848	120.64%			
2009	4,123,263	2,513,350	662,225	5,974,388	3,040,000	1,465,794	132.59%	2,023,129	2,023,129	415,000	134,693	368.05%			
2010	4,722,578	2,868,572	668,969	6,922,181	4,475,000	1,257,350	120.76%	2,093,855	2,093,855	430,000	107,250	389.74%			
2011	5,128,439	2,798,730	1,091,690	6,835,479	5,660,000	976,456	103.00%	2,163,788	2,163,788	445,000	94,350	401.18%			
2012	4,300,274	-	1,194,124	3,106,150	8,020,000	668,444	35.75%	2,361,206	2,361,206	460,000	81,000	436.45%			
2013	-	-	-	-	6,490,000	108,843	0.00%	2,982,377	2,982,377	470,000	67,200	555.17%			

Notes:

(1) TIF Refunding Revenue Bonds are backed by economic activity (sales) and payments in lieu of taxes generated at the West County Mall.

(2) Certificates of Participation are backed by the sales tax revenue produced by the .5% sales tax rate in effect when the bonds were issued.

(3) TIF Refunding Revenue Bonds were paid off in January 2013.

Source:

Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses.

CITY OF DES PERES, MISSOURI
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Year	Population (1)	Personal Income	Per Capita Personal Income (1)	Median Household Income (1)	Parkway School District Enrollment (3)	Kirkwood School District Enrollment (3)	Unemployment Rate (2)
2004	8,592	912,427,440	-	106,195	19,578	5,109	5.50%
2005	8,592	912,427,440	-	106,195	18,994	4,995	5.20%
2006	8,592	912,427,440	53,507	106,195	18,787	4,982	4.60%
2007	8,592	912,427,440	53,507	106,195	18,212	4,975	5.30%
2008	8,592	912,427,440	53,507	106,195	18,787	5,026	7.20%
2009	8,592	912,427,440	53,507	106,195	17,439	5,000	10.00%
2010	8,592	912,427,440	53,507	106,195	17,300	4,931	9.40%
2011	8,373	1,033,747,326	53,507	123,462	17,234	5,035	8.30%
2012	8,373	1,025,533,413	53,771	122,481	17,156	5,132	7.00%
2013	8,420	1,021,505,980	54,757	121,319	17,104	5,606	6.60%

Sources:

- (1) US Census Data Center
- (2) US Department of Labor - Bureau of Labor Statistics
- (3) The above-named school districts.

CITY OF DES PERES, MISSOURI
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2013 (1)			2004 (2)		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Edward D. Jones and Company	1,468	1	14.68%	785	1	8.72%
Des Peres Hospital -Tenet Health Systems	650	2	6.50%	716	2	7.96%
AT&T (Formerly Southwestern Bell Telephone)	512	3	5.12%	450	3	5.00%
Schnucks Markets	380	4	3.80%	170	8	1.89%
Macy's (Formerly Famous Barr)	300	5	3.00%	207	4	2.30%
Nordstrom's	275	6	2.75%	305	6	-
JC Penney	190	7	1.90%	175	9	1.94%
Sam's Wholesale Club	185	8	1.85%	210	7	2.33%
Dierberg's	147	9	1.47%	-	-	-
Red Robin	70	10	0.70%	-	-	-
Lord & Taylor	-	-	-	160	10	1.78%
Cingular Wireless	-	-	-	420	5	4.72%

Sources:

- (1) Des Peres Business License Database
- (2) 2004 CAFR, estimated total City employment based on growth over the last 10 years.

CITY OF DES PERES, MISSOURI
FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012 (1)</u>	<u>2013</u>
General Government:										
Office of City Administrator	3	3	3	3	3	3	3	3	3	3
Finance	2	2	2	2	2	2	3	3	3	3
Municipal Court	1	1	1	1	1	1	2	2	2	2
Information Systems Coordinator	-	-	-	-	1	1	1	1	1	1
Part-time staff	-	-	-	-	-	-	-	-	1.33	1.13
Public Safety:										
Command Staff	15	15	14	14	14	15	16	15	15	15
Commissioned Officers	27	28	29	28	27	27	25	26	28	28
Office Support	7	7	7	7	6	8	8	8	8	8
Part-time staff									0.31	0.31
Public Works:										
Building	4	3	3	3	3	3	3	3	3	3
Streets	8	8	8	8	8	8	8	8	8	8
Part-time staff									1.62	1.58
Parks and Recreation:										
Parks	5	5	5	6	7	6	6	6	6	6
Recreation	20	20	20	20	20	20	19	19	21	21
Part-time staff	-	-	-	-	-	-	-	-	50.25	47.97
Total	92	92	92	92	92	94	94	94	151.51	148.99

(1) 2012 is the first year that the City included Full time equivalents for part-time hours.

CITY OF DES PERES, MISSOURI
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Public Safety:										
Average number of police calls per month	501	469	484	476	461	474	493	509	576	561
Average number of fire calls per month	43	43	42	38	32	30	40	43	24	47
Average number of EMS calls per month	46	52	56	58	57	59	56	55	79	53
Average number of physical arrests per month	66	66	66	57	65	67	66	67	72	67
Parks and Recreation:										
Average number of Lodge memberships	2,474	3,384	3,025	3,081	2,967	2,888	3,027	3,113	3,087	3,031
Annual member visits	241,172	280,189	276,033	297,574	283,049	269,679	277,292	276,522	271,903	228,894
Annual daily admission visits	30,367	33,663	35,674	39,077	38,797	34,335	37,799	40,503	40,014	33,507
Public Works:										
Number of permits issued	213	215	224	212	186	183	196	201	191	270
Value of construction	\$ 20,184,320	\$ 16,799,925	\$ 22,903,963	\$ 24,295,176	\$ 56,160,399	\$ 16,139,682	\$ 13,584,385	\$ 28,600,424	\$ 19,577,379	\$ 42,494,505
Finance and Administration:										
Business licenses issued	500	500	500	516	583	575	576	582	612	604
Liquor licenses issued	21	22	21	22	23	29	31	34	34	32

Source: Various operating departments within the City of Des Peres.

CITY OF DES PERES, MISSOURI
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Public Safety:										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	17	17	17	17	17	17	17	17	20	20
Fire trucks/pumpers	2	2	2	2	2	2	2	2	2	2
Ambulances	2	2	2	2	2	2	2	2	2	2
Fire hydrants	365	365	365	365	365	365	365	365	365	365
Parks and Recreation:										
Acres of parks	72.3	72.3	72.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3
Number of parks	4	4	4	6	6	6	6	6	6	6
Tennis courts	6	6	6	6	6	6	6	6	6	6
Miles of trails	2	2	2	3	3	3	7	7	7	7
Public Works:										
Area of City (1)	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25
Miles of streets	54	54	54	54	54	54	54	54	54	54
Miles of sidewalks	31	31	31	31	31	31	31	31	31	31
Number of streets	216	216	216	216	216	217	217	217	217	217
Number of street lights (provided by the City)	142	142	142	142	142	142	142	142	142	142

Notes:

- (1) Area in square miles.
 - (2) During 2003-2011, the City owned one ambulance and shared a reserve ambulance with Kirkwood FD. In 2012, the City purchased a second ambulance and the sharing agreement with Kirkwood FD came to an end.
- Source: Various operating departments within the City of Des Peres.