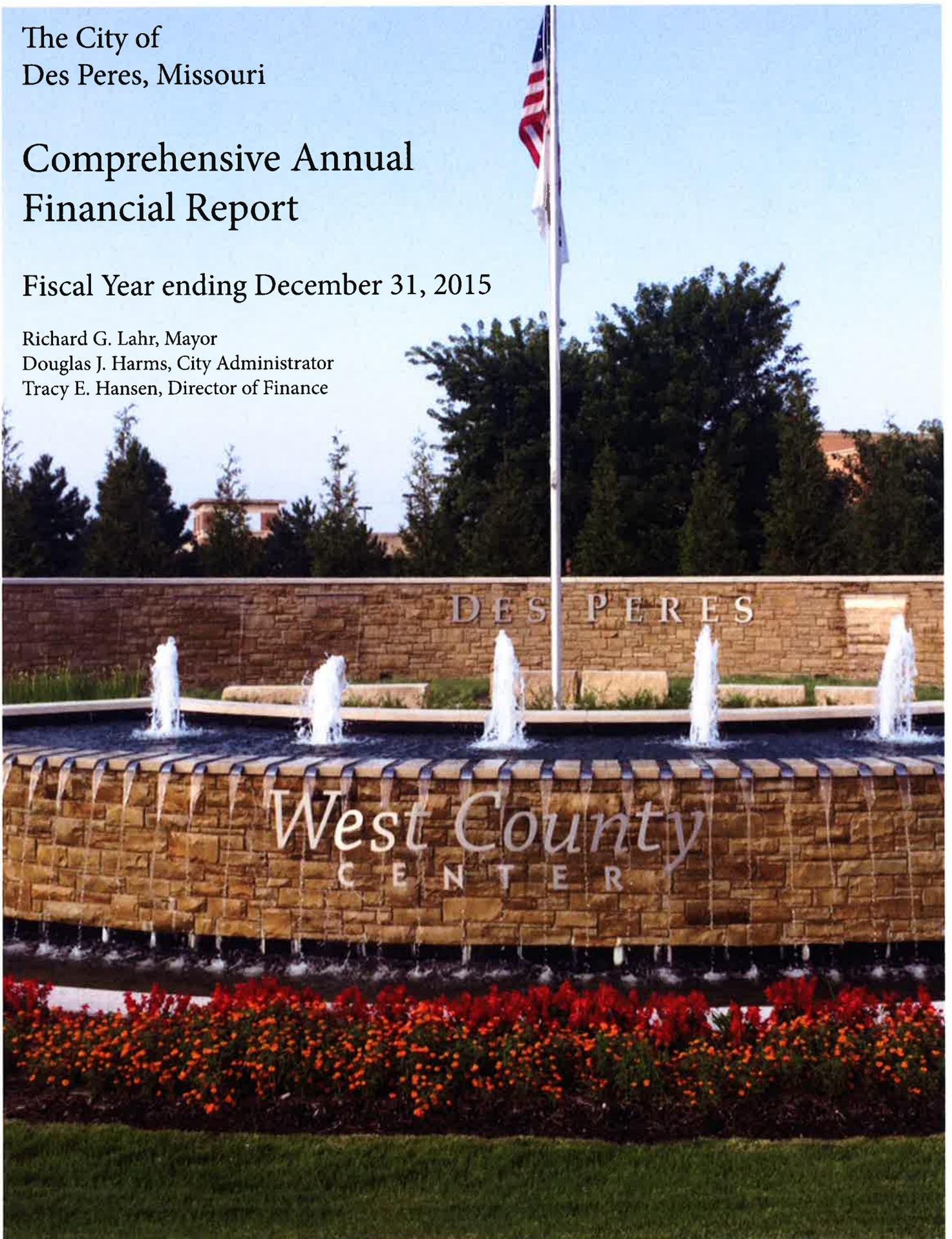


The City of  
Des Peres, Missouri

# Comprehensive Annual Financial Report

Fiscal Year ending December 31, 2015

Richard G. Lahr, Mayor  
Douglas J. Harms, City Administrator  
Tracy E. Hansen, Director of Finance



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***CITY OF DES PERES, MISSOURI***  
***COMPREHENSIVE ANNUAL***  
***FINANCIAL REPORT***  
***FOR THE YEAR ENDED DECEMBER 31, 2015***

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*Report prepared and submitted by the  
Department of Finance*

*Tracy E. Hansen, CPA  
Director of Finance*

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## **Introductory Section**

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**City of Des Peres  
Missouri**

March 25, 2016

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, 2015, 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 4<sup>th</sup> Class City incorporated under Chapter 79 of the Revised Statutes 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 six (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 and Finance Committee, Parks and 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 and zoning, streets and bridges and all City-sponsored construction projects; Parks and 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, Courts and Finance. The City has approximately 111 full-time employees and a large contingent of part-time and seasonal employees working primarily in the area of Parks and 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-two (32) 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.

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 twenty-one (21) 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.

## **LONG-TERM FINANCIAL PLANNING**

Unassigned fund balance in the general fund was 63.50% of total general fund revenues for 2015. 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 the Tax Increment Financing District (Manchester-Ballas Redevelopment Area). The balance of TIF obligations were fully retired in 2013 – seven (7) years ahead of the initial schedule. The TIF District completed a monument at the corner of North Ballas and Manchester Road to mark the success of the TIF project. The Special Allocation Fund was closed and all funds were distributed to the other taxing jurisdictions according to the provisions of the Redevelopment Agreement.

## **RELEVANT FINANCIAL POLICIES**

### **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, 2015 include \$6,100,000 in Series 2010 and Series 2013 General Obligations Bonds and \$520,000 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.

## **MAJOR INITIATIVES**

During the course of the 2015 Fiscal Year, the City undertook a number of major initiatives and projects that will have an impact on future City finances including:

- For the 21st 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 \$890,000 in revenue in an emergency.
- Given that sales tax represents nearly 60% 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 \$10,000 deductible if the City were to lose revenue as a result of a fire, natural disaster or terrorism. The deductible is \$100,000 if the loss was a result of an earthquake.
- The City entered into a Performance Agreement for Comfort with Trane (PACT) for a Guaranteed Energy Savings Contract. This energy project will bring each of our four municipal buildings up to 2015 energy standards with improvements to building insulation, pressurization and envelopes, implementation of web-based computerized energy control systems, installation of programmable thermostats, HVAC, Chiller and Pool Pak modifications and/or replacements, city-wide interior and exterior energy efficient lighting and lighting sensor technology enhancements and installation of energy efficient windows at City Hall. See Note 10 for further details of this worthwhile project.

## **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, 2014. This was the 20th 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.

The City also received the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) for the fiscal year ended December 31, 2014 and GFOA Distinguished Budget Presentation Award for the fiscal year beginning January 1, 2015. This was the second year the City received each of these notable awards.

Respectfully submitted,



**Douglas J. Harms**  
City Administrator



**Tracy E. Hansen, CPA**  
Director of Finance

CITY OF DES PERES, MISSOURI

CITY OFFICIALS

**Elected Officials:**

	<b>Title</b>	<b>First Elected</b>	<b>Current Term Ends</b>
Rick Lahr	Mayor	2000	April 2016
Jim Kleinschmidt	Alderman, Ward 2	1995	April 2017
Kathleen Gmelich	Alderman, Ward 1	1997	April 2017
Paul Raczkiewicz	Alderman, Ward 2	2000	April 2016
John Pound	Alderman, Ward 1	2002	April 2016
Mark Becker	Alderman, Ward 3	2012	April 2016
Sean Concagh	Alderman, Ward 3	2013	April 2017

**Appointed Officials:**

	<b>Title</b>	<b>Appointed</b>
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
Steve Meyer	Director of Public Works	2014
Brian Schaffer	Director of Parks and Recreation	2012

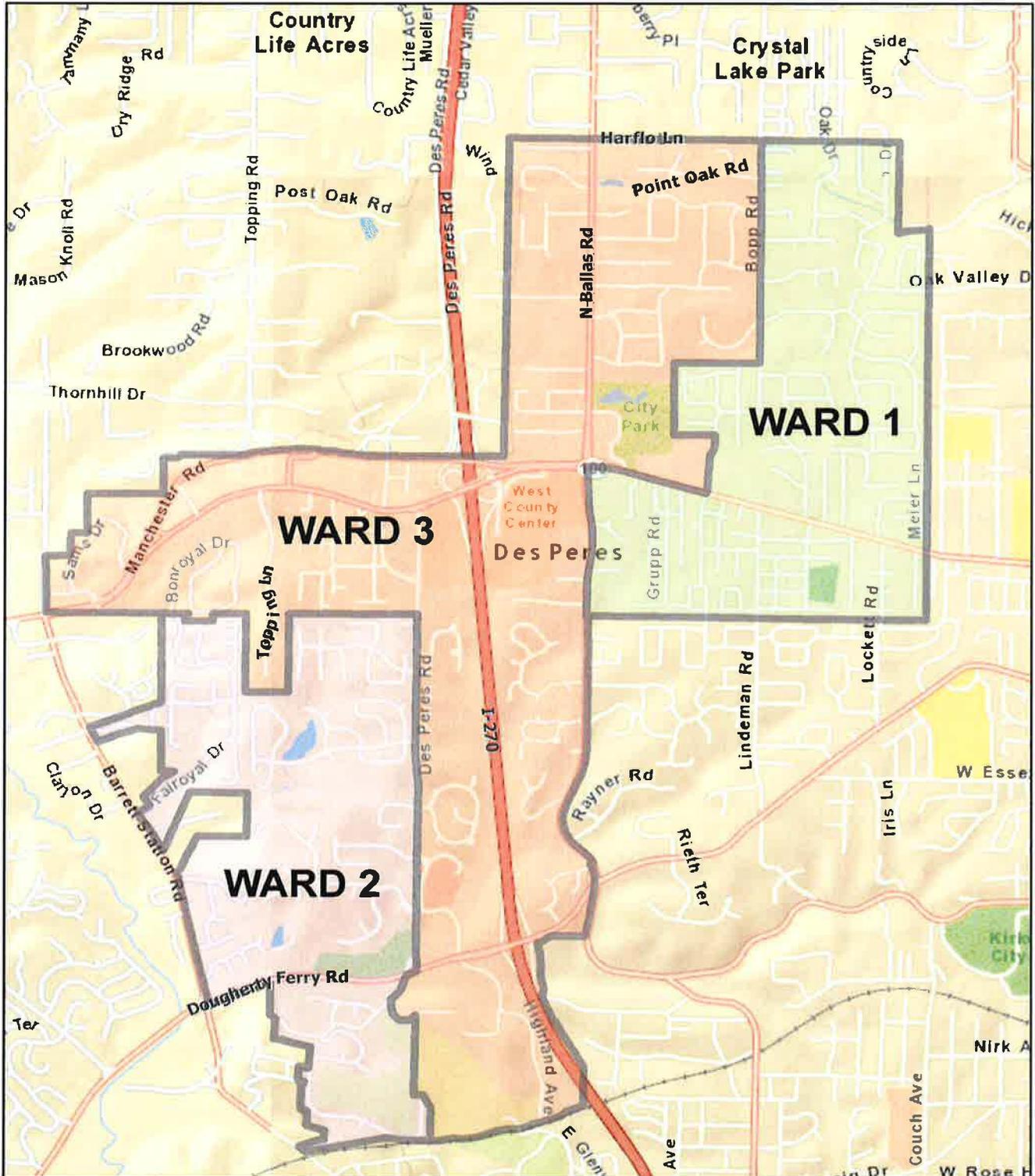
**Audit and Finance Committee:**

	<b>Ward</b>	<b>Current Term Ends</b>
Richard Carver	1	2017
Michael Hauser	1	2016
Randy Atkisson	2	2017
Mark Hamilton	3	2016
Vacant		
Vacant		

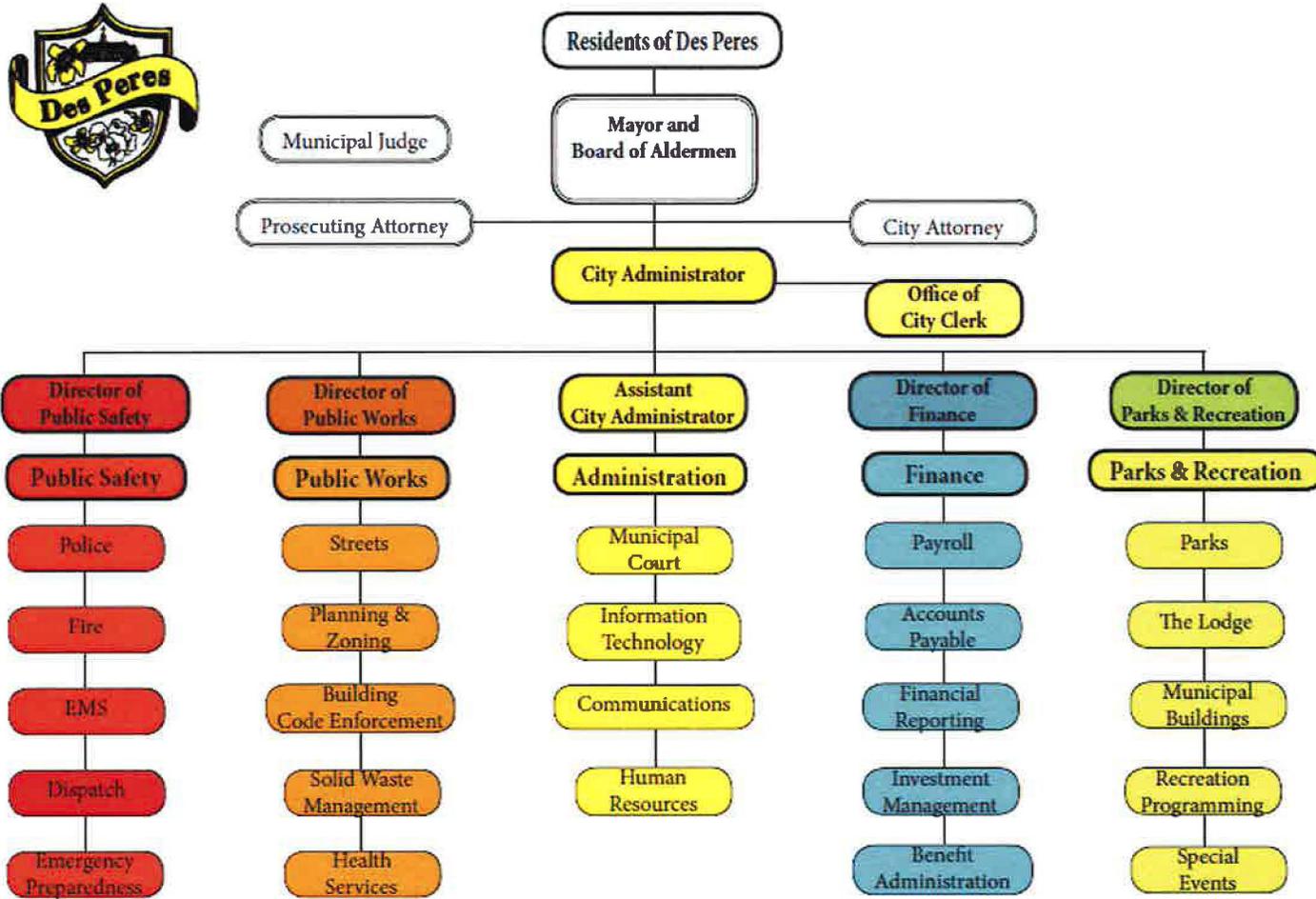
# CITY OF DES PERES WARDS

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.

KIRKWOOD G.I.S. DIVISION | 2012 JAN



ORGANIZATIONAL CHART





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Des Peres  
Missouri**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2014**

Executive Director/CEO

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**Financial Section**

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**SCHOWALTER & JABOURI, P.C.**  
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

11878 GRAVOIS ROAD  
ST. LOUIS, MISSOURI 63127  
(314) 849-4999  
FAX (314) 849-3486

FINANCIAL SERVICES  
COMPUTER SOLUTIONS  
ADMINISTRATIVE OFFICES

11777 GRAVOIS ROAD  
ST. LOUIS, MISSOURI 63127  
(314) 842-2929  
FAX (314) 842-3483

## **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, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

### **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 made by management, as well as evaluating the overall presentation of the financial statements.

MEMBERS

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AICPA GOVERNMENTAL AUDIT QUALITY CENTER • AICPA EMPLOYEE BENEFIT PLAN AUDIT QUALITY CENTER

"SCHOWALTER & JABOURI, P.C. IS A MEMBER OF NEXIA INTERNATIONAL, A WORLDWIDE NETWORK OF INDEPENDENT ACCOUNTING AND CONSULTING FIRMS"

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Des Peres, Missouri, as of December 31, 2015, 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 13 and the budgetary comparison information, related notes and schedule of funding progress on pages 41 through 47 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*

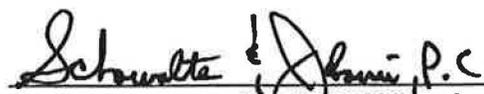
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison information, and statistical section, are 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 March 25, 2016 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  
March 25, 2016

## CITY OF DES PERES, MISSOURI

### MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2015

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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, 2015. 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.

#### 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 \$55,227,001. The City has unrestricted net position totaling \$11,420,392.
- The City's total net position increased by \$2,914,508. This is a 41.82% decrease under the prior year increase in net position. Primarily attributable to the Performance Agreement for Comfort with Trane (PACT) for a Guaranteed Energy Savings Contract, details in Note 10.
- At the close of the current year, the City's governmental funds reported combined ending fund balances of \$16,043,712, a decrease of \$2,043,635 in comparison with the prior year. Approximately 38.21% of this total or \$6,130,290 is available for spending at the City's discretion.
- At the end of the current year, unassigned fund balance for the general fund was \$6,130,290 or 57.90% of total general fund expenditures.
- The City of Des Peres' total debt decreased by \$1,565,000 or 19.12 % during 2015.

#### 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.

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).

## CITY OF DES PERES, MISSOURI

### *Management's Discussion and Analysis (Continued)*

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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 14-15 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. In addition, the City is the fiscal agent for Municipal Partners for Inclusive Recreation (MPIR) which is reported as a Fiduciary – Agency Fund.

### **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 balances 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.

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 16-20 of this report.

## **CITY OF DES PERES, MISSOURI**

### *Management's Discussion and Analysis (Continued)*

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#### **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 21-40 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 41-47 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 48-54 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 outflows of resources exceeded its liabilities (net position) at the end of the current fiscal year, for a total of \$55,227,001.

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)*

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

	<b>December 31,</b>	
	<b>2015</b>	<b>2014</b>
<b>Assets</b>		
Current and other assets	\$ 17,942,003	\$ 20,043,624
Capital assets, net	46,004,267	42,689,703
<b>Total assets</b>	<b>63,946,270</b>	<b>62,733,327</b>
<b>Deferred Outflows of Resources</b>		
Deferred charge on refunding	419,522	492,847
<b>Total deferred outflows of resources</b>	<b>419,522</b>	<b>492,847</b>
<b>Liabilities</b>		
Long-term liabilities	7,202,999	8,882,159
Other liabilities	1,935,792	2,031,522
<b>Total liabilities</b>	<b>9,138,791</b>	<b>10,913,681</b>
<b>Net Position</b>		
Net investment in capital assets	39,450,651	34,518,469
Restricted	4,355,958	4,898,245
Unrestricted	11,420,392	12,895,779
<b>Total net position</b>	<b>\$ 55,227,001</b>	<b>\$ 52,312,493</b>

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 \$11,420,392. 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)*

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**Governmental Activities**

Governmental activities increased the City of Des Peres' net position by \$2,914,508. Key elements of this are as follows:

<b>City of Des Peres' Changes in Net Position</b>		
<b>Governmental Activities</b>		
<b>For the</b>		
<b>Years Ended December 31,</b>		
	<b>2015</b>	<b>2014</b>
<b>Revenues</b>		
Program revenues:		
Charges for services	\$ 5,211,666	\$ 5,342,935
Operating grants and contributions	758,578	768,239
Capital grants and contributions	685,816	433,851
General revenues:		
Taxes	13,942,347	13,915,548
Investment income	124,071	58,005
Miscellaneous	170,778	386,187
<b>Total revenues</b>	<b>20,893,256</b>	<b>20,904,765</b>
<b>Expenses</b>		
General government	3,566,768	1,891,775
Public safety	6,583,219	6,158,847
Public works	483,606	452,595
Streets	1,489,438	1,164,129
Parks and recreation	4,912,187	5,259,585
Health	752,738	736,317
Interest on long-term debt	190,792	231,837
<b>Total expenses</b>	<b>17,978,748</b>	<b>15,895,085</b>
<b>Changes in net position</b>	<b>2,914,508</b>	<b>5,009,680</b>
<b>Net Position – Beginning Of Year</b>	<b>52,312,493</b>	<b>47,302,813</b>
<b>Net Position – End Of Year</b>	<b>\$ 55,227,001</b>	<b>\$ 52,312,493</b>

Net position increased by \$2,914,508 which is less than the increase in the prior year. That net increase is substantially due to retirement of outstanding debt in the amount of \$1,565,000 during fiscal 2015.

Revenues for 2015 totaled \$20,893,256 which is a decrease of \$11,509. This amount represent a .06% decrease compared to the prior fiscal year. This change in revenue can be attributed to three (3) primary factors:

**CITY OF DES PERES, MISSOURI**

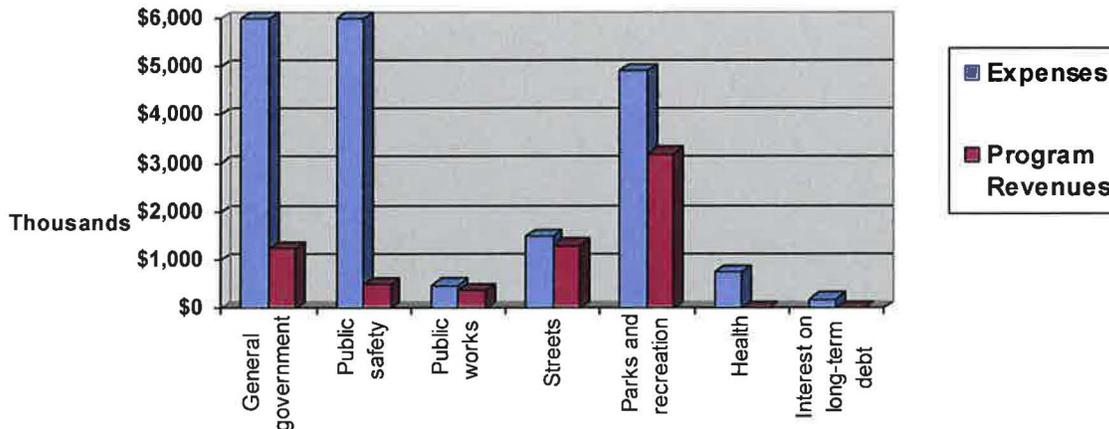
*Management's Discussion and Analysis (Continued)*

- An increase of \$251,965, 58.08% in overall Capital grant revenue over prior year. This increase is primarily due to the Fawnvalley and Oak Bridge projects which had much of the construction taking place during 2015.
- An increase of \$66,066, 113.90%, over prior year in Interest revenues attributable primarily to increased interest rates in the Certificate of Deposit markets.
- The increases were partially offset by a reduction of (\$215,420), (55.78%) in Miscellaneous revenue. This decrease is due to insurance claim proceeds for the roof repair at The Lodge Des Peres that was received in 2014 and is a one-time receipt.
- There was also a decrease of (\$131,269), (2.46%) in Charges for services under the prior year which are mostly attributable to lower License, Fees and Permits.

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.).

<b>Government Function</b>	<b>Expenses</b>	<b>Charges, Fees &amp; Grants</b>	<b>Net Revenues (Expenses)</b>
General Government	\$ 3,566,768	\$ 1,251,082	\$ (2,315,686)
Public Safety	6,583,219	507,470	(6,075,749)
Public Works and Streets	1,973,044	1,686,347	(286,697)
Parks and Recreation	4,912,187	3,211,161	(1,701,026)
Health and Sanitation	752,738	-	(752,738)
Interest on Long Term Debt	190,792	-	(190,792)
	\$ 17,978,748	\$ 6,656,060	\$ (11,322,688)

**Expenses and Program Revenues - Governmental Activities**



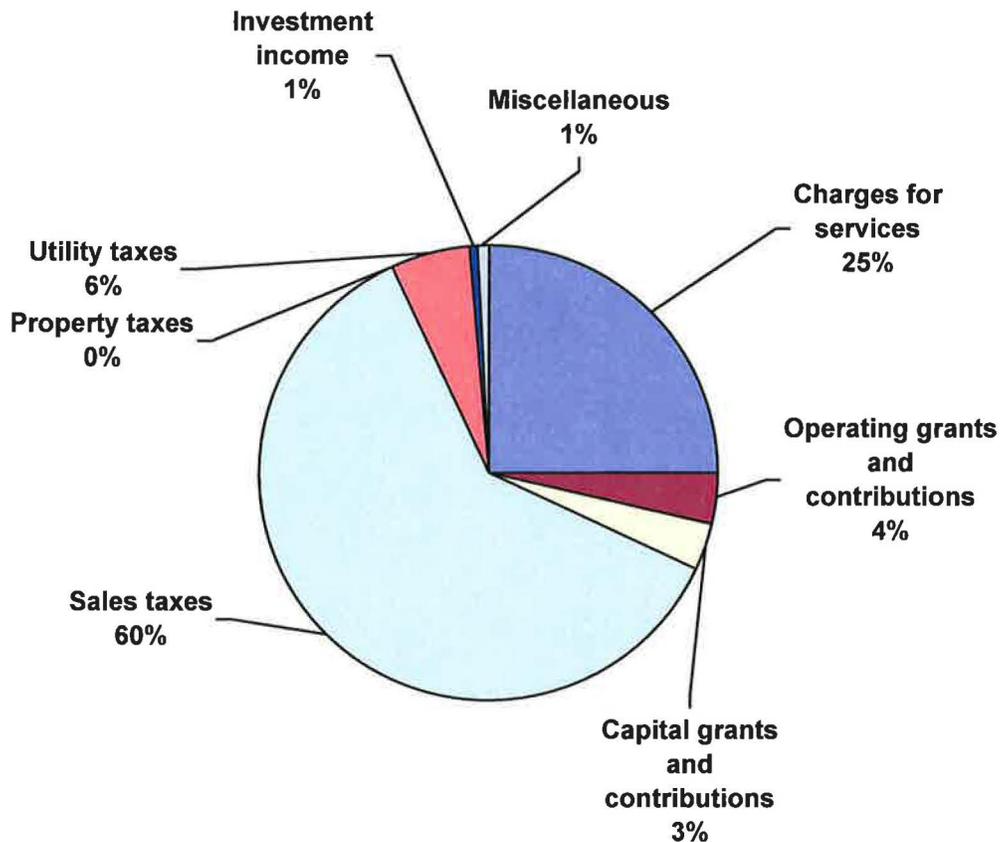
**CITY OF DES PERES, MISSOURI**

*Management's Discussion and Analysis (Continued)*

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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 2015, the unassigned fund balance of the General Fund was \$6,130,290. 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 57.90% of total general fund expenditures and transfers out totaling \$10,587,100 while the total fund balance represents 60.68% of total general fund expenditures and transfers out.

## CITY OF DES PERES, MISSOURI

### *Management's Discussion and Analysis (Continued)*

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The fund balance in the City's general fund increased by \$422,150 or 33.89% from the prior year fund balance. The change of the current year's fund balance is mainly due to:

- Expenditures in almost all departments were under budget, for a total of \$464,815 under 2015 budgetary expectations.
- Revenue came in slightly higher than budgetary expectations, for a total of \$68,450 higher than the City's 2015 budgeted amounts. Primarily due to Sales Tax receipts exceeding the budget expectations.
- Court revenues were under budget by \$167,139 due to the widespread court reform in the St. Louis area.

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

- Special Allocation Fund - The balance on the TIF bonds was paid in full in January 2013. The decrease in fund balance of \$625,491 is due to projects that were undertaken in 2015 and the distribution of the balance of the TIF to other taxing jurisdictions. The completion of the monument, which helps identify and beautify the TIF District location at the corner of Ballas and Manchester, marks the close of the TIF.
- Park Fund - The fund balance in the Park Fund increased by \$675,808. Revenues in the fund were over budget by 1.00% attributable primarily to Sales Tax and Investment Income. Expenses in the fund were \$110,241 higher than 2014, but still came in under budget by 10.00% for 2015.
- 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 2015, the fund balance decreased by \$2,615,315 due principally to the guaranteed energy savings project. Expenses for capital equipment and projects increased by \$2,443,941 over prior year due to the costs of replacement of the Fawnvalley Bridge and the guaranteed energy savings project.

### **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 2015:

- Revenues for 2015 were over budget by 0.71% and were slightly lower than the prior year's actual.
- The only revenue source showing a significant decrease from the prior year is the Court fines. This decrease is the result of ongoing court reform in the St. Louis area and reallocation of police resources to efforts other than traffic enforcement.
- General Fund expenditures grew by 3.26% over the prior year. However, in 2015 the City continued its experience in bringing actual expenditures within budget with spending at only 95.79% of appropriations. Actual expenditures for all operating budgets fell within appropriations. General Government (7.42%), Public Safety (2.79%), Public Works and Streets (9.03%) and Parks and Recreation (2.01%) all fell below appropriations for 2015.

## CITY OF DES PERES, MISSOURI

### *Management's Discussion and Analysis (Continued)*

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- The General Fund experienced revenues over expenditures and transfers of \$422,150.
- The balance in the General Fund at year end 2015 totals \$6,424,560 which represents 57.90% of expenditures for the past year. Approximately 95.42% 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 \$46,004,267 in a broad range of capital assets, including park facilities, roads, buildings, machinery and equipment and automobiles and trucks. This amount represents a net increase for the current fiscal year (including additions and deletions) of \$3,314,564 primarily due to replacement of portions of City streets, bridges and sidewalks, vehicle purchases, and equipment replacements and purchases.

#### **City of Des Peres' Capital Assets**

##### **Net of Depreciation**

	<b>December 31,</b>	
	<b>2015</b>	<b>2014</b>
Land and construction in progress	\$ 11,554,315	\$ 13,477,167
Land improvements	1,799,463	950,214
Buildings	18,071,876	18,943,719
Vehicles	776,852	800,651
Furniture, fixtures and equipment	4,471,899	1,218,447
Infrastructure	9,329,862	7,299,505
	\$ 46,004,267	\$ 42,689,703

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

### **LONG-TERM DEBT**

At the end of December 2015, the City had outstanding long-term debt obligations for governmental activities in the amount of \$6,620,000 compared to \$8,185,000 in 2014. Of this amount, \$6,100,000 is in general obligation bonds (Recreation Center Construction), and \$520,000 is in certificates of participation (Recreation Center Construction).

## CITY OF DES PERES, MISSOURI

### *Management's Discussion and Analysis (Continued)*

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#### **City of Des Peres' Outstanding Debt**

	<b>December 31,</b>	
	<b>2015</b>	<b>2014</b>
General obligation bonds	\$ 6,100,000	\$ 7,160,000
Certificates of participation	520,000	1,025,000
	\$ 6,620,000	\$ 8,185,000

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 2016 budget continues to fund all current City services while maintaining the same commitment to high level services for all citizens.

- The 2016 budget continues for the 22nd 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 \$0.27 for general revenue purposes which would generate an estimated \$890,000 per year.
- The City will continue its free sanitation and recycling program to City single family residents in 2016, 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 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 75% of projected operating costs for 2016.

#### **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](http://www.desperesmo.org).

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## **Basic Financial Statements**

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**CITY OF DES PERES, MISSOURI**

**STATEMENT OF NET POSITION  
DECEMBER 31, 2015**

	<b>Governmental Activities</b>
<b>Assets</b>	
Cash and investments	\$ 13,993,878
Receivables:	
Taxes	2,816,576
Utilities gross receipts tax	120,586
Intergovernmental	162,221
Interest	18,717
Court	50,767
Other	227,212
Prepaid items	294,270
Other post employment benefit asset	56,801
Cash and investments:	
Held by trustees	2,087
Restricted	198,888
Capital assets:	
Nondepreciable	11,554,315
Depreciable, net of accumulated depreciation	34,449,952
<b>Total Assets</b>	<u>63,946,270</u>
<b>Deferred Outflows of Resources</b>	
Deferred charge on refunding	419,522
<b>Total Deferred Outflows of Resources</b>	<u>419,522</u>
<b>Liabilities</b>	
Accounts payable	586,478
Accrued payroll	274,365
Accrued interest	94,302
Unearned revenue	606,885
Deposits payable	358,126
Court bonds / restitutions payable	1,800
Public safety forfeiture funds	13,836
Noncurrent liabilities:	
Due within one year	1,598,674
Due in more than one year	5,604,325
<b>Total Liabilities</b>	<u>9,138,791</u>
<b>Net Position</b>	
Net investment in capital assets	39,450,651
Restricted for:	
Capital projects	3,030,915
Sewer lateral repair program	228,538
Fire prevention and operations	1,096,505
Unrestricted	11,420,392
<b>Total Net Position</b>	<u>\$ 55,227,001</u>

**CITY OF DES PERES, MISSOURI**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2015**

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	
<b>Primary Governmental Activities</b>					
General government	\$ 3,566,768	\$ 1,251,082	\$ -	\$ -	\$ (2,315,686)
Public safety	6,583,219	494,764	10,526	2,180	(6,075,749)
Public works	483,606	265,929	106,422	-	(111,255)
Streets	1,489,438	-	630,360	683,636	(175,442)
Parks and recreation	4,912,187	3,199,891	11,270	-	(1,701,026)
Health	752,738	-	-	-	(752,738)
Interest on long-term debt	190,792	-	-	-	(190,792)
<b>Total Governmental Activities</b>	<b>\$ 17,978,748</b>	<b>\$ 5,211,666</b>	<b>\$ 758,578</b>	<b>\$ 685,816</b>	<b>(11,322,688)</b>
<b>General Revenues</b>					
Taxes:					
Sales tax levied for:					
General purposes					5,727,776
Parks					2,993,573
Capital improvement					2,544,537
Fire					1,496,785
Utility taxes					1,179,676
Investment income					124,072
Miscellaneous					170,777
<b>Total General Revenues</b>					<b>14,237,196</b>
<b>Change In Net Position</b>					<b>2,914,508</b>
<b>Net Position - Beginning Of Year</b>					<b>52,312,493</b>
<b>Net Position - End Of Year</b>					<b>\$ 55,227,001</b>

**CITY OF DES PERES, MISSOURI**

**BALANCE SHEET - GOVERNMENTAL FUNDS  
DECEMBER 31, 2015**

	Major Funds					Nonmajor Funds		Total Governmental Funds
	General	Special Allocation - West County Center	Park	Capital Improvements	Debt Service	Other Governmental Funds		
<b>Assets</b>								
Cash and investments	\$ 4,790,816	\$ 3,725	\$ 3,720,611	\$ 3,289,577	\$ 1,179,747	\$ 1,009,402	\$ 13,993,878	
Receivables:								
Taxes	1,421,461	-	593,666	504,616	-	296,833	2,816,576	
Utilities gross receipts tax	120,586	-	-	-	-	-	120,586	
Intergovernmental	162,221	-	-	-	-	-	162,221	
Court	50,767	-	-	-	-	-	50,767	
Interest	6,696	-	5,059	4,271	1,605	1,086	18,717	
Other	119,425	-	17,186	69,035	-	21,566	227,212	
Prepaid items	294,270	-	-	-	-	-	294,270	
Cash and investments:								
Held by trustees	2,083	-	-	-	4	-	2,087	
Restricted	198,888	-	-	-	-	-	198,888	
<b>Total Assets</b>	<b>\$ 7,167,213</b>	<b>\$ 3,725</b>	<b>\$ 4,336,522</b>	<b>\$ 3,867,499</b>	<b>\$ 1,181,356</b>	<b>\$ 1,328,887</b>	<b>\$ 17,885,202</b>	
<b>Liabilities and Fund Balances</b>								
<b>Liabilities</b>								
Accounts payable	\$ 157,309	\$ 3,725	\$ 48,887	\$ 372,713	\$ -	\$ 3,844	\$ 586,478	
Accrued payroll	211,582	-	62,783	-	-	-	274,365	
Deposits payable	358,126	-	-	-	-	-	358,126	
Court bonds / restitutions payable	1,800	-	-	-	-	-	1,800	
Public safety forfeiture funds	13,836	-	-	-	-	-	13,836	
Unearned revenue	-	-	606,885	-	-	-	606,885	
<b>Total Liabilities</b>	<b>742,653</b>	<b>3,725</b>	<b>718,555</b>	<b>372,713</b>	<b>-</b>	<b>3,844</b>	<b>1,841,490</b>	
<b>Fund Balances</b>								
<b>Nonspendable:</b>								
Prepaid Items	294,270	-	-	-	-	-	294,270	
<b>Restricted:</b>								
Capital improvements	-	-	-	3,030,915	-	-	3,030,915	
Sewer lateral repair program	-	-	-	-	-	228,538	228,538	
Fire prevention and operations	-	-	-	-	-	1,096,505	1,096,505	
<b>Committed for:</b>								
Energy savings project	-	-	-	149,109	-	-	149,109	
Infrastructure	-	-	-	290,728	-	-	290,728	
Tree replacement	-	-	-	24,034	-	-	24,034	
<b>Assigned for:</b>								
Parks and recreation	-	-	3,617,967	-	-	-	3,617,967	
Debt service	-	-	-	-	1,181,356	-	1,181,356	
<b>Unassigned:</b>								
General	6,130,290	-	-	-	-	-	6,130,290	
<b>Total Fund Balances</b>	<b>6,424,560</b>	<b>-</b>	<b>3,617,967</b>	<b>3,494,786</b>	<b>1,181,356</b>	<b>1,325,043</b>	<b>16,043,712</b>	
<b>Total Liabilities and Fund Balances</b>	<b>\$ 7,167,213</b>	<b>\$ 3,725</b>	<b>\$ 4,336,522</b>	<b>\$ 3,867,499</b>	<b>\$ 1,181,356</b>	<b>\$ 1,328,887</b>	<b>\$ 17,885,202</b>	

**CITY OF DES PERES, MISSOURI**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2015**

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**Total Fund Balance - Governmental Funds** \$16,043,712

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 \$69,473,502 and the accumulated depreciation is \$23,469,235. 46,004,267

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	(94,302)
Compensated absences	(229,861)
Unamortized bond premium	(353,138)
Unamortized deferred amount on refunding	419,522
Bonds and other long-term debt outstanding	(6,620,000)
Other post employment benefits	56,801

**Total Net Position - Governmental Activities** \$55,227,001

**CITY OF DES PERES, MISSOURI**

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Major Funds				Nonmajor Funds		Total Governmental Funds
	General	Special Allocation - West County Center	Park	Capital Improvements	Debt Service	Other Governmental Funds	
<b>Revenues</b>							
Taxes	\$ 5,703,626	\$ -	\$ 2,993,573	\$ 2,544,537	\$ -	\$ 1,496,785	\$ 12,738,521
Utility gross receipts tax	1,179,676	-	-	-	-	-	1,179,676
Intergovernmental	760,932	-	-	683,013	-	-	1,443,945
Licenses	1,116,500	-	-	-	-	-	1,116,500
Fees and permits	673,812	-	3,199,814	-	-	-	3,873,626
Investment income	40,907	-	25,738	33,732	11,852	11,843	124,072
Donations and grants	2,803	-	11,270	-	-	-	14,073
Miscellaneous	176,194	-	306	134,006	-	92,337	402,843
<b>Total Revenues</b>	<b>9,654,450</b>	<b>-</b>	<b>6,230,701</b>	<b>3,395,288</b>	<b>11,852</b>	<b>1,600,965</b>	<b>20,893,256</b>
<b>Expenditures</b>							
Current:							
General government	1,625,569	251,710	-	-	-	-	1,877,279
Public safety	6,082,064	-	-	-	-	-	6,082,064
Public works	415,650	-	-	-	-	64,290	479,940
Streets	962,279	-	-	-	-	-	962,279
Parks and recreation	748,800	-	3,730,143	-	-	-	4,478,943
Health	752,738	-	-	-	-	-	752,738
Capital outlay	-	149,160	-	6,371,570	-	-	6,520,730
Debt service:							
Principal retirement	-	-	-	-	1,565,000	-	1,565,000
Interest and fiscal charges	-	-	-	-	261,764	-	261,764
<b>Total Expenditures</b>	<b>10,587,100</b>	<b>400,870</b>	<b>3,730,143</b>	<b>6,371,570</b>	<b>1,826,764</b>	<b>64,290</b>	<b>22,980,737</b>
<b>Revenues Over (Under) Expenditures</b>	<b>(932,650)</b>	<b>(400,870)</b>	<b>2,500,558</b>	<b>(2,976,282)</b>	<b>(1,814,912)</b>	<b>1,536,675</b>	<b>(2,087,481)</b>
<b>Other Financing Sources (Uses)</b>							
Transfers in	1,354,800	-	-	324,621	1,817,250	-	3,496,671
Transfers out	-	(224,621)	(1,824,750)	(7,500)	-	(1,439,800)	(3,496,671)
Proceeds from disposal of assets	-	-	-	43,846	-	-	43,846
<b>Total Other Financing Sources (Uses)</b>	<b>1,354,800</b>	<b>(224,621)</b>	<b>(1,824,750)</b>	<b>360,967</b>	<b>1,817,250</b>	<b>(1,439,800)</b>	<b>43,846</b>
<b>Net Change In Fund Balances</b>	<b>422,150</b>	<b>(625,491)</b>	<b>675,808</b>	<b>(2,615,315)</b>	<b>2,338</b>	<b>96,875</b>	<b>(2,043,635)</b>
<b>Fund Balances - Beginning of Year</b>	<b>6,002,410</b>	<b>625,491</b>	<b>2,942,159</b>	<b>6,110,101</b>	<b>1,179,018</b>	<b>1,228,168</b>	<b>18,087,347</b>
<b>Fund Balances - End of Year</b>	<b>\$ 6,424,560</b>	<b>\$ -</b>	<b>\$ 3,617,967</b>	<b>\$ 3,494,786</b>	<b>\$ 1,181,356</b>	<b>\$ 1,325,043</b>	<b>\$ 16,043,712</b>

**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, 2015**

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**Net Change In Fund Balances - Governmental Funds** \$ (2,043,635)

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	5,975,326	
Proceeds from sale of capital assets	(43,846)	
Depreciation expense	<u>(1,871,311)</u>	4,060,169

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. (745,605)

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	1,565,000	
Deferred amount on refunding, net of amortization	(73,325)	
Premiums on debt issuance, net of amortization	<u>125,943</u>	1,617,618

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	18,355
Compensated absences	(11,783)
Other post employment benefits	<u>19,389</u>

**Change In Net Position - Governmental Activities** **\$ 2,914,508**

**CITY OF DES PERES, MISSOURI**

**STATEMENT OF FIDUCIARY NET POSITION -  
AGENCY FUND  
DECEMBER 31, 2015**

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	<b>Agency Fund</b>
	<hr/>
<b>Assets</b>	
Cash and investments	\$ 19,503
	<hr/>
<b>Total Assets</b>	<b>\$ 19,503</b>
	<hr/> <hr/>
<b>Liabilities</b>	
Held for others	\$ 19,503
	<hr/>
<b>Total Liabilities</b>	<b>\$ 19,503</b>
	<hr/> <hr/>

**CITY OF DES PERES, MISSOURI**

**NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

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**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)*

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#### **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. In 2013, the City entered into a contract to build a City of Des Peres and West County Center sign on the corner of Ballas and Manchester which includes a water feature, a pathway and garden elements. The City is funding this project from the Special Allocation Fund – West County Center Fund. This project was completed in 2015 at which time the Special Allocation Fund distributed the remaining balance and closed the Special Allocation Fund with ordinance number 2736.

**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.

## **CITY OF DES PERES, MISSOURI**

### *Notes to Basic Financial Statements (Continued)*

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**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.

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.

#### **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.

## **CITY OF DES PERES, MISSOURI**

### *Notes to Basic Financial Statements (Continued)*

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#### **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.

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

## CITY OF DES PERES, MISSOURI

### *Notes to Basic Financial Statements (Continued)*

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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.

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

<u>Asset</u>	<u>Years</u>
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.

## CITY OF DES PERES, MISSOURI

### *Notes to Basic Financial Statements (Continued)*

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#### **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.

#### **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 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 energy savings project, infrastructure and tree replacement.

**Assigned** – This consists of the governmental fund balances that are intended to be used for specific purposes by the Board of Alderman. 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”.

## CITY OF DES PERES, MISSOURI

### *Notes to Basic Financial Statements (Continued)*

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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 the energy savings project, 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, court restitutions, 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.

**CITY OF DES PERES, MISSOURI**

*Notes to Basic Financial Statements (Continued)*

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**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.

**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 \$7,854 in order to reflect the fair value at December 31, 2015.

Cash and investments as of December 31, 2015 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 13,993,878
Cash and investments held by trustees	2,087
Restricted cash and investments	198,888
Statement of Fiduciary Net Position:	
Cash and investments	<u>19,503</u>
 Total Cash and Investments	 <u><u>\$ 14,214,356</u></u>

**CITY OF DES PERES, MISSOURI**

*Notes to Basic Financial Statements (Continued)*

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Cash and investments as of December 31, 2015 consist of the following:

<u>Type</u>	<u>Amount</u>
<b>Deposits:</b>	
Cash on hand	\$ 3,500
Demand deposits	3,200,708
	<u>3,204,208</u>
<b>Investments:</b>	
Negotiable certificates of deposit	10,875,146
Money market funds	135,002
	<u>11,010,148</u>
<b>Total Deposits and Investments</b>	<u><u>\$ 14,214,356</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)*

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Maturities of investments held at December 31, 2015 are as follows:

<b>Investment Type</b>	<b>Amount</b>	<b>Less Than One</b>	
		<b>Year</b>	<b>1-5 Years</b>
Negotiable certificates of deposit	\$ 10,875,146	\$ 2,984,063	\$ 7,891,083
Money market funds	135,002	135,002	-
<b>Total Investments</b>	<b>\$ 11,010,148</b>	<b>\$ 3,119,065</b>	<b>\$ 7,891,083</b>

**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, 2015, the City's investments were rated by nationally recognized statistical rating organizations as follows:

<b>Investment Type</b>	<b>Amount</b>	<b>Rating</b>
Negotiable certificates of deposit	\$ 10,875,146	Not rated
Money market mutual funds	135,002	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.

**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

**CITY OF DES PERES, MISSOURI**

*Notes to Basic Financial Statements (Continued)*

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:

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

**3. Capital Assets**

The following table summarizes the capital asset activity for the year ended December 31, 2015:

	<b>Balance January 1, 2015</b>	<b>Additions</b>	<b>Retirements</b>	<b>Balance December 31, 2015</b>
<b>Governmental activities:</b>				
<b>Capital assets, not being depreciated:</b>				
Land	\$ 10,586,051	\$ -	\$ -	\$ 10,586,051
Construction in Progress	2,891,116	783,712	2,706,564	968,264
<b>Total capital assets not being depreciated</b>	<b>13,477,167</b>	<b>783,712</b>	<b>2,706,564</b>	<b>11,554,315</b>
<b>Capital asset, being depreciated:</b>				
Land improvements	1,143,396	900,211	-	2,043,607
Buildings	28,373,476	645,994	1,249,520	27,769,950
Vehicles	2,221,513	178,989	125,841	2,274,661
Furniture, fixtures and equipment	4,642,460	3,773,129	1,047,584	7,368,005
Infrastructure	16,235,661	2,400,233	172,930	18,462,964
<b>Total capital assets being depreciated</b>	<b>52,616,506</b>	<b>7,898,556</b>	<b>2,595,875</b>	<b>57,919,187</b>
Less accumulated depreciation for:				
Land improvements	193,182	50,962	-	244,144
Building	9,429,757	755,316	486,999	9,698,074
Vehicles	1,420,862	199,736	122,789	1,497,809
Furniture, fixtures and equipment	3,424,013	514,532	1,042,439	2,896,106
Infrastructure	8,936,156	350,765	153,819	9,133,102
<b>Total accumulated depreciation</b>	<b>23,403,970</b>	<b>1,871,311</b>	<b>1,806,046</b>	<b>23,469,235</b>
<b>Total capital assets being depreciated, net</b>	<b>29,212,536</b>	<b>6,027,245</b>	<b>789,829</b>	<b>34,449,952</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 42,689,703</b>	<b>\$ 6,810,957</b>	<b>\$ 3,496,393</b>	<b>\$ 46,004,267</b>

**CITY OF DES PERES, MISSOURI**

*Notes to Basic Financial Statements (Continued)*

Depreciation was charged to the following functions for the year ended December 31, 2015:

<b>Governmental activities:</b>	
General government	\$ 170,295
Public safety	282,104
Streets	459,479
Parks and recreation	<u>959,433</u>
<b>Total depreciation expense - governmental activities</b>	<b>\$ <u>1,871,311</u></b>

**4. Long-Term Debt**

Long-term debt consists of the following at December 31, 2015:

\$6,170,000 general obligation refunding bonds, Series 2010, due in annual installments through February 1, 2016, interest rates range from 2% to 3%.	\$ 1,075,000
\$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%.	<u>520,000</u>
	<b>\$ <u>6,620,000</u></b>

Changes in long-term debt are as follows:

	<b>Balance January 1, 2015</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance December 31, 2015</b>	<b>Amount Due Within One Year</b>
General obligation bonds	\$ 7,160,000	\$ -	\$ 1,060,000	\$ 6,100,000	\$ 1,075,000
Certificates of participation	1,025,000	-	505,000	520,000	520,000
Subtotal	<u>8,185,000</u>	-	1,565,000	6,620,000	1,595,000
Compensated absences	218,078	526,051	514,268	229,861	3,674
	8,403,078	526,051	2,079,268	6,849,861	1,598,674
Add: Unamortized premium on bonds	<u>479,081</u>	-	125,943	353,138	-
<b>Long-Term Liabilities - Governmental Activities</b>	<b>\$ <u>8,882,159</u></b>	<b>\$ 526,051</b>	<b>\$ 2,205,211</b>	<b>\$ <u>7,202,999</u></b>	<b>\$ <u>1,598,674</u></b>

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)*

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**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. On February 1, 2015, \$5,025,000 defeased debt outstanding was called and therefore, as of December 31, 2015, there is no outstanding defeased debt.

**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 City has pledged future sales tax revenues to repay \$520,000 in COPS issued in 2009. Total principal and interest remaining to be paid on the bonds is \$538,200 and is payable through August 2016. Principal and interest paid for the current year and total sales tax revenues were \$543,400 and \$2,993,573 respectively.

The annual principal and interest requirements to maturity on long-term debt outstanding as of December 31, 2015 are as follows:

For the Years Ending December 31,	2010 and 2013 GO Refunding		2009 Certificates		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
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	1,285,000	69,038	-	-	1,285,000	69,038
2020	1,330,000	23,275	-	-	1,330,000	23,275
	<u>\$ 6,100,000</u>	<u>\$ 552,591</u>	<u>\$ 520,000</u>	<u>\$ 18,200</u>	<u>\$ 6,620,000</u>	<u>\$ 570,791</u>

**CITY OF DES PERES, MISSOURI**

*Notes to Basic Financial Statements (Continued)*

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**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 - 2015 tax year	<u>\$ 420,994,075</u>
Debt limit - 10% of assessed valuation	42,099,408
Amount of debt applicable to debt limit:	
Total general obligation bonded debt	6,100,000
Less: Amount available in debt service fund	<u>(1,181,356)</u>
Bonded indebtedness applicable to debt limit	<u>4,918,644</u>
Legal Debt Margin	<u>\$ 37,180,764</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 \$599,707 for the year ended December 31, 2015. Forfeitures during the year reduced contributions by \$10,333. As of December 31, 2015, the balance of forfeited funds on the statement of net position was \$0.

**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. Employees do have the ability to obtain loans on their accounts. The loans comply with all Internal Revenue Code requirements. 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)*

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Employee contributions totaled \$471,686, and the City recognized pension expense of \$107,750 in matching contributions which were contributed to the Money Purchase Plan.

#### **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, 2015, the date of the latest actuarial valuation, membership consisted of 111 active employees and 0 retirees.

##### **Funding Policy**

The required contribution is based on projected pay-as-you-go financing requirements. As of December 31, 2015, 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	\$ 15,591
Interest on net pension obligation	(1,496)
Adjustment to annual required contribution	<u>2,647</u>
Annual pension cost	16,742
Actual contributions	<u>(36,131)</u>
Increase (decrease) in net pension obligation	(19,389)
Net pension obligation (asset), beginning of year	<u>(37,412)</u>
Net pension obligation (asset), end of year	<u><u>\$ (56,801)</u></u>

## CITY OF DES PERES, MISSOURI

### *Notes to Basic Financial Statements (Continued)*

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The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation (asset) for 2015 and the two preceding years were as follows:

<b>Year Ended December 31,</b>	<b>Annual OPEB Cost</b>	<b>Percentage of Annual OPEB Cost Contributed</b>	<b>Net OPEB Obligation (Asset)</b>
2013	\$ 9,397	150%	\$ (41,869)
2014	\$ 9,541	53%	\$ (37,412)
2015	\$ 16,742	216%	\$ (56,801)

### **Funded Status and Funding Progress**

As of January 1, 2015, the most recent actuarial valuation date, the plan was not prefunded. The actuarial accrued liability for benefits was \$135,020, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$135,020. As of December 31, 2015 the covered payroll (annual payroll of active employees covered by the plan) was \$6.8 million, and the rate of the UAAL to the covered payroll was 2.00%.

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, 2015 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 pre-funded. 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 5.50% in 2015 and scales down to an ultimate rate of 5% in 2025. The amortization period of the unfunded Actuarial Accrued Liability AAL is 20 years on an open basis. The remaining amortization period at December 31, 2015 was 19 years. An inflation rate of assumption of 2.5% 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	Special Allocation - WCC	Park Fund	Capital Improvements Fund	Sewer Lateral Fund	Fire Sales Tax Fund	
<b>Transfer To:</b>							
General Fund	\$ -	\$ -	\$ 7,500	\$ 7,500	\$ 15,000	\$ 1,324,800	\$ 1,354,800
Capital Improvements Fund	-	224,621	-	-	-	100,000	324,621
Debt Service Fund	-	-	1,817,250	-	-	-	1,817,250
<b>Total</b>	<b>\$ -</b>	<b>\$ 224,621</b>	<b>\$ 1,824,750</b>	<b>\$ 7,500</b>	<b>\$ 15,000</b>	<b>\$ 1,424,800</b>	<b>\$ 3,496,671</b>

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 2015, the City received a dividend from SLAIT in the amount of \$25,823.

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)*

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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 \$72,181 for the year ended December 31, 2015. Annual aggregate lease payments remaining under the terms of the operating lease agreements as of December 31, 2015 are as follows:

<b>Years Ending December 31,</b>	<b>Amount</b>
2016	\$ 50,836
2017	45,752
2018	29,788
2019	-
2020	-
<b>Total</b>	<b>\$ 126,376</b>

**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.

## CITY OF DES PERES, MISSOURI

### *Notes to Basic Financial Statements (Continued)*

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#### **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.

#### **Contracts**

In 2014, after a lengthy request for quote and proposal process and a detailed engineering and investment grade audit, The City entered into a Performance Agreement for Comfort with Trane (PACT) for a Guaranteed Energy Savings Contract. This energy project will bring each of our four municipal buildings up to 2015 energy standards with improvements to building insulation, pressurization and envelopes, implementation of web-based computerized energy control systems, installation of programmable thermostats, HVAC, Chiller and Pool Pak modifications and/or replacements, city-wide interior and exterior energy efficient lighting and lighting sensor technology enhancements and installation of energy efficient windows at City Hall. The City has been fiscally responsible, setting aside funds each year for future capital improvement projects such as this. Therefore, the City is able to pay for this project using a portion of the fund balance in the Capital fund. The original contract, plus the three amendments brought the contract total to \$3,645,821. As of December 31, 2015, the unpaid balance of the project is \$149,109. The project is expected to be completed in March 2016.

#### **11. 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 GAAP for state and local governments.

In February 2015, the GASB approved Statement No. 72, *Fair Value Measurement and Application*. This statement addresses accounting and financial reporting issues related to fair value measurements and provides guidance for determining fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015.

In June 2015, the GASB approved Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, and Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The objective of these Statements is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) and establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB. The requirements of Statement No. 74 are effective for financial statements for fiscal years beginning after June 15, 2016, and the requirements of Statement No. 75 are effective for fiscal years beginning after June 15, 2017.

## CITY OF DES PERES, MISSOURI

### *Notes to Basic Financial Statements (Continued)*

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In June 2015, the GASB approved Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify-in the context of the current governmental financial reporting environment-the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles.

This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The requirements of this Statement are effective for reporting periods beginning after June 15, 2015.

In August 2015, the GASB approved Statement No. 77, *Tax Abatement Disclosures*. Although many governments offer tax abatements and provide information to the public about them, they do not always provide the information necessary to assess how tax abatements affect their financial position and results of operations, including their ability to raise resources in the future. This statement requires disclosures of tax abatement information about (1) a reporting government’s own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government’s tax revenues. The requirements of the Statement are effective for reporting periods beginning after December 15, 2015.

In December 2015, the GASB approved Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. This Statement also establishes additional note disclosure requirements for qualifying external investment pools that measure all of their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. The requirements of this Statement are effective for reporting periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing. Those provisions are effective for reporting periods beginning after December 15, 2015.

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

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**Required Supplementary Information**

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**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, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
<b>Revenues</b>				
<b>Sales Tax And Use Taxes</b>	\$ 5,295,000	\$ 5,295,000	\$ 5,703,626	\$ 408,626
<b>Utility Gross Receipts Tax</b>	1,250,500	1,250,500	1,179,676	(70,824)
<b>Intergovernmental</b>				
Gasoline tax	215,000	215,000	221,115	6,115
County road and bridge tax	430,000	430,000	409,244	(20,756)
Motor vehicle sales tax	67,500	67,500	69,428	1,928
Motor vehicle license fees	35,500	35,500	36,995	1,495
Cigarette tax	21,500	21,500	24,150	2,650
<b>Total Intergovernmental</b>	769,500	769,500	760,932	(8,568)
<b>Licenses</b>				
Merchant and vending	1,171,000	1,171,000	1,103,158	(67,842)
Liquor	15,000	15,000	13,342	(1,658)
<b>Total Licenses</b>	1,186,000	1,186,000	1,116,500	(69,500)
<b>Fees And Permits</b>				
Ambulance fees	200,000	200,000	212,439	12,439
Court fines	438,000	438,000	270,861	(167,139)
Building, occupancy, and sign permits	216,000	216,000	169,578	(46,422)
Zoning and public improvements fees	4,000	4,000	5,570	1,570
Board of adjustment fees	2,500	2,500	3,900	1,400
Fire permits	15,000	15,000	11,464	(3,536)
<b>Total Fees And Permits</b>	875,500	875,500	673,812	(201,688)
<b>Investment Income</b>	33,000	33,000	40,907	7,907
<b>Donations and Grants</b>	-	-	2,803	2,803
<b>Miscellaneous</b>				
Contracts	135,000	135,000	134,582	(418)
Other	41,500	41,500	41,612	112
<b>Total Miscellaneous</b>	176,500	176,500	176,194	(306)
<b>Total Revenues</b>	9,586,000	9,586,000	9,654,450	68,450

**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, 2015**

	Budgeted Amounts		Actual	Over (Under) Budget
	Original Budget	Final Budget		
<b>Expenditures</b>				
<b>General Government</b>				
Board and commissions:				
Personnel services	58,880	58,880	57,874	(1,006)
Materials and supplies	1,850	1,850	558	(1,292)
Contractual services	105,550	106,800	87,417	(19,383)
Administration:				
Personnel services	365,380	370,380	358,207	(12,173)
Materials and supplies	2,600	2,600	1,350	(1,250)
Contractual services	67,930	67,930	78,027	10,097
Law:				
Personnel services	198,735	198,735	190,435	(8,300)
Materials and supplies	500	500	531	31
Contractual services	41,595	41,595	30,711	(10,884)
Finance:				
Personnel services	350,280	356,280	328,402	(27,878)
Materials and supplies	200	200	102	(98)
Contractual services	156,615	156,615	143,775	(12,840)
Government center:				
Personnel services	117,920	117,920	107,585	(10,335)
Materials and supplies	30,675	30,675	23,659	(7,016)
Contractual services	233,640	244,890	216,936	(27,954)
<b>Total General Government</b>	<b>1,732,350</b>	<b>1,755,850</b>	<b>1,625,569</b>	<b>(130,281)</b>
<b>Public Safety</b>				
Personnel services	5,391,505	5,451,505	5,378,005	(73,500)
Materials and supplies	171,100	171,100	121,133	(49,967)
Contractual services	596,210	633,710	582,926	(50,784)
<b>Total Public Safety</b>	<b>6,158,815</b>	<b>6,256,315</b>	<b>6,082,064</b>	<b>(174,251)</b>
<b>Public Works</b>				
Personnel services	421,015	421,015	392,826	(28,189)
Materials and supplies	5,650	5,650	6,517	867
Contractual services	19,320	21,320	16,307	(5,013)
<b>Total Public Works</b>	<b>445,985</b>	<b>447,985</b>	<b>415,650</b>	<b>(32,335)</b>
<b>Streets</b>				
Personnel services	675,675	686,975	645,582	(41,393)
Materials and supplies	214,595	220,595	186,769	(33,826)
Contractual services	135,160	159,160	129,928	(29,232)
<b>Total Streets</b>	<b>1,025,430</b>	<b>1,066,730</b>	<b>962,279</b>	<b>(104,451)</b>

**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, 2015**

	<u>Budgeted Amounts</u>		Actual	Over (Under) Budget
	Original Budget	Final Budget		
<b>Expenditures (Continued)</b>				
<b>Parks And Recreation</b>				
Park Maintenance:				
Personnel services	570,635	571,835	549,573	(22,262)
Materials and supplies	82,950	82,950	79,893	(3,057)
Contractual services	100,400	109,400	119,334	9,934
<b>Total Parks And Recreation</b>	<u>753,985</u>	<u>764,185</u>	<u>748,800</u>	<u>(15,385)</u>
<b>Health - Contractual Services</b>	760,850	760,850	752,738	(8,112)
<b>Total Expenditures</b>	<u>10,877,415</u>	<u>11,051,915</u>	<u>10,587,100</u>	<u>(464,815)</u>
<b>Revenues Under Expenditures</b>	<u>(1,291,415)</u>	<u>(1,465,915)</u>	<u>(932,650)</u>	<u>533,265</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	1,354,800	1,354,800	1,354,800	-
<b>Total Other Financing     Sources (Uses)</b>	<u>1,354,800</u>	<u>1,354,800</u>	<u>1,354,800</u>	<u>-</u>
<b>Net Change In Fund Balance</b>	<u>\$ 63,385</u>	<u>\$ (111,115)</u>	<u>422,150</u>	<u>\$ 533,265</u>
<b>Fund Balance - Beginning Of Year</b>			<u>6,002,410</u>	
<b>Fund Balance - End Of Year</b>			<u>\$ 6,424,560</u>	

**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, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>	-	-	-	-
<b>Expenditures</b>				
Current:				
Payments to other taxing jurisdictions	-	251,710	251,710	-
Contractual services	-	100,000	149,160	49,160
<b>Total Expenditures</b>	-	351,710	400,870	49,160
<b>Revenues Under Expenditures</b>	-	(351,710)	(400,870)	(49,160)
<b>Other Financing Uses</b>				
Transfers out	-	(225,345)	(224,621)	724
<b>Net Change In Fund Balance</b>	\$ -	\$ (577,055)	(625,491)	\$ (48,436)
<b>Fund Balance - Beginning Of Year</b>			625,491	
<b>Fund Balance - End Of Year</b>			\$ -	

**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, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 2,945,000	\$ 2,945,000	\$ 2,993,573	\$ 48,573
Fees and permits	3,208,800	3,208,800	3,199,814	(8,986)
Investment income	19,000	19,000	25,738	6,738
Donations and grants	10,000	10,000	11,270	1,270
Miscellaneous	5,000	5,000	306	(4,694)
<b>Total Revenues</b>	<b>6,187,800</b>	<b>6,187,800</b>	<b>6,230,701</b>	<b>42,901</b>
<b>Expenditures</b>				
Current:				
Parks and recreation	4,143,225	4,152,825	3,730,143	(422,682)
<b>Revenues Over Expenditures</b>	<b>2,044,575</b>	<b>2,034,975</b>	<b>2,500,558</b>	<b>465,583</b>
<b>Other Financing Uses</b>				
Transfers out	(1,824,750)	(1,824,750)	(1,824,750)	-
<b>Net Change In Fund Balance</b>	<b>\$ 219,825</b>	<b>\$ 210,225</b>	<b>675,808</b>	<b>\$ 465,583</b>
<b>Fund Balance - Beginning Of Year</b>			<u>2,942,159</u>	
<b>Fund Balance - End Of Year</b>			<u>\$ 3,617,967</u>	

**CITY OF DES PERES, MISSOURI**

**NOTES TO BUDGETARY COMPARISON INFORMATION  
DECEMBER 31, 2015**

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**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.
- f. Actual expenditures exceeded those budgeted in the Special Allocation – West County Center Fund and the Debt Service Fund.

**CITY OF DES PERES, MISSOURI**

**SCHEDULE OF FUNDING PROGRESS -  
OTHER POST EMPLOYMENT BENEFIT PLAN  
DECEMBER 31, 2015**

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

<b>Fiscal Year</b>	<b>Actuarial Valuation Date</b>	<b>(a) Actuarial Value of Assets</b>	<b>(b) Actuarial Accrued Liability</b>	<b>(b-a) Unfunded Actuarial Liability (UAAL)</b>	<b>(a/b) Funded Ratio</b>	<b>(c) Covered Payroll</b>	<b>((b-a)/c) UAAL as a Percentage of Covered Payroll</b>
2013	1/1/2012	\$ -	\$ 72,650	\$ 72,650	0.00%	\$ 6,528,855	1.11%
2014	1/1/2012	\$ -	\$ 72,650	\$ 72,650	0.00%	\$ 6,485,382	1.12%
2015	1/1/2015	\$ -	\$ 135,020	\$ 135,020	0.00%	\$ 6,752,675	2.00%

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

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**Supplementary Information**

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

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## **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, 2015**

	<b>Special Revenue Funds</b>		<b>Total</b>
	<b>Sewer Lateral Fund</b>	<b>Fire Sales Tax Fund</b>	
<b>Assets</b>			
Cash and investments	\$ 210,816	\$ 798,586	\$ 1,009,402
Receivables:			
Taxes	-	296,833	296,833
Interest	-	1,086	1,086
Other	21,566	-	21,566
<b>Total Assets</b>	<b>\$ 232,382</b>	<b>\$ 1,096,505</b>	<b>\$ 1,328,887</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 3,844	\$ -	\$ 3,844
<b>Fund Balances</b>			
Restricted for:			
Sewer lateral program	228,538	-	228,538
Fire prevention and operations	-	1,096,505	1,096,505
<b>Total Fund Balances</b>	<b>228,538</b>	<b>1,096,505</b>	<b>1,325,043</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 232,382</b>	<b>\$ 1,096,505</b>	<b>\$ 1,328,887</b>

**CITY OF DES PERES, MISSOURI**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE -  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<b>Special Revenue Funds</b>			<b>Total</b>
	<b>Sewer Lateral Fund</b>	<b>Fire Sales Tax Fund</b>		
<b>Revenues</b>				
Taxes	\$ -	\$ 1,496,785		\$ 1,496,785
Investment income	-	11,843		11,843
Miscellaneous	92,337	-		92,337
<b>Total Revenues</b>	<b>92,337</b>	<b>1,508,628</b>		<b>1,600,965</b>
<b>Expenditures</b>				
Current:				
Public works	64,290	-		64,290
<b>Revenues Over Expenditures</b>	<b>28,047</b>	<b>1,508,628</b>		<b>1,536,675</b>
<b>Other Financing Uses</b>				
Transfers out	(15,000)	(1,424,800)		(1,439,800)
<b>Net Change In Fund Balance</b>	<b>13,047</b>	<b>83,828</b>		<b>96,875</b>
<b>Fund Balance - Beginning Of Year</b>	<b>215,491</b>	<b>1,012,677</b>		<b>1,228,168</b>
<b>Fund Balance - End Of Year</b>	<b>\$ 228,538</b>	<b>\$ 1,096,505</b>	<b>\$ 1,325,043</b>	

**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, 2015**

	<b>Original And Final Budgeted Amounts</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>Revenues</b>			
Miscellaneous	\$ 93,200	\$ 92,337	\$ (863)
<b>Expenditures</b>			
Current:			
Public works	78,200	64,290	(13,910)
<b>Revenues Over Expenditures</b>	15,000	28,047	13,047
<b>Other Financing Uses</b>			
Transfers out	(15,000)	(15,000)	-
<b>Net Change In Fund Balance</b>	<b>\$ -</b>	<b>13,047</b>	<b>\$ 13,047</b>
<b>Fund Balance - Beginning Of Year</b>		<u>215,491</u>	
<b>Fund Balance - End Of Year</b>		<u><u>\$ 228,538</u></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, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 1,472,000	\$ 1,472,000	\$ 1,496,785	\$ 24,785
Investment income	6,000	6,000	11,843	5,843
<b>Total Revenues</b>	<b>1,478,000</b>	<b>1,478,000</b>	<b>1,508,628</b>	<b>30,628</b>
<b>Other Financing Uses</b>				
Transfers out	(1,324,800)	(1,424,800)	(1,424,800)	-
<b>Net Change In Fund Balance</b>	<b>\$ 153,200</b>	<b>\$ 53,200</b>	<b>83,828</b>	<b>\$ 30,628</b>
<b>Fund Balance - Beginning Of Year</b>			<u>1,012,677</u>	
<b>Fund Balance - End Of Year</b>			<u>\$ 1,096,505</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, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Investment income	\$ 9,000	\$ 9,000	\$ 11,852	\$ 2,852
<b>Total Revenues</b>	<b>9,000</b>	<b>9,000</b>	<b>11,852</b>	<b>2,852</b>
<b>Expenditures</b>				
Debt service:				
Principal retirement	1,565,000	1,565,000	1,565,000	-
Interest and fiscal charges	261,250	261,250	261,764	514
<b>Total Expenditures</b>	<b>1,826,250</b>	<b>1,826,250</b>	<b>1,826,764</b>	<b>514</b>
<b>Revenues Under Expenditures</b>	<b>(1,817,250)</b>	<b>(1,817,250)</b>	<b>(1,814,912)</b>	<b>2,338</b>
<b>Other Financing Sources</b>				
Transfers in	1,817,250	1,817,250	1,817,250	-
<b>Total Other Financing Sources</b>	<b>1,817,250</b>	<b>1,817,250</b>	<b>1,817,250</b>	<b>-</b>
<b>Net Change In Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>2,338</b>	<b>\$ 2,338</b>
<b>Fund Balance - Beginning Of Year</b>			<u>1,179,018</u>	
<b>Fund Balance - End Of Year</b>			<u>\$ 1,181,356</u>	

**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, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Over (Under) Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 2,500,000	\$ 2,500,000	\$ 2,544,537	\$ 44,537
Investment income	18,000	18,000	33,732	15,732
Grants	1,108,000	1,108,000	683,013	(424,987)
Miscellaneous	2,000	57,000	134,006	77,006
<b>Total Revenues</b>	<b>3,628,000</b>	<b>3,683,000</b>	<b>3,395,288</b>	<b>(287,712)</b>
<b>Expenditures</b>				
Capital outlay:				
General government	2,827,225	2,871,725	2,789,979	(81,746)
Public safety	274,000	474,000	394,478	(79,522)
Public works	15,000	15,000	3,248	(11,752)
Streets	1,832,000	2,042,275	1,925,980	(116,295)
Parks and recreation	1,193,365	1,672,865	1,257,885	(414,980)
<b>Total Expenditures</b>	<b>6,141,590</b>	<b>7,075,865</b>	<b>6,371,570</b>	<b>(704,295)</b>
<b>Revenues Under Expenditures</b>	<b>(2,513,590)</b>	<b>(3,392,865)</b>	<b>(2,976,282)</b>	<b>416,583</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	325,345	324,621	(724)
Transfers out	(7,500)	(7,500)	(7,500)	-
Proceeds from disposal of assets	15,000	15,000	43,846	28,846
<b>Total Other Financing Sources (Uses)</b>	<b>7,500</b>	<b>332,845</b>	<b>360,967</b>	<b>28,122</b>
<b>Net Change In Fund Balance</b>	<b>\$ (2,506,090)</b>	<b>\$ (3,060,020)</b>	<b>(2,615,315)</b>	<b>\$ 444,705</b>
<b>Fund Balance - Beginning Of Year</b>			<u>6,110,101</u>	
<b>Fund Balance - End Of Year</b>			<u>\$ 3,494,786</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, 2015**

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	<b>Balance</b>				<b>Balance</b>
	<b>January 1, 2014</b>	<b>Additions</b>	<b>Deductions</b>		<b>December 31, 2015</b>
<b>Assets</b>					
Cash	\$ 26,656	\$ 86,536	\$ 93,689	\$	19,503
<b>Total Assets</b>	<u>\$ 26,656</u>	<u>\$ 86,536</u>	<u>\$ 93,689</u>	<u>\$</u>	<u>19,503</u>
<b>Liabilities</b>					
Accounts payable	\$ -	\$ 93,689	\$ 93,689	\$	-
Held for others - MPIR	26,656	86,536	93,689		19,503
<b>Total Liabilities</b>	<u>\$ 26,656</u>	<u>\$ 180,225</u>	<u>\$ 187,378</u>	<u>\$</u>	<u>19,503</u>

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**Statistical Section**

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## Statistical Section

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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

<b>Financial Trends .....</b>	<b>55 - 58</b>
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	
<b>Revenue Capacity .....</b>	<b>59 - 62</b>
These schedules contain information to help the reader assess the City’s most significant local revenue sources.	
<b>Debt Capacity .....</b>	<b>63 - 67</b>
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.	
<b>Demographic and Economic Information .....</b>	<b>68 - 69</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	
<b>Operating Information .....</b>	<b>70 - 72</b>
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<sup>(1)(2)(3)</sup>  
LAST TEN FISCAL YEARS**

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	<b>Year Ended December 31,</b>									
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Governmental activities:										
Net investment in										
capital assets	\$ 15,239,229	\$ 17,504,073	\$ 19,516,558	\$ 21,809,374	\$ 23,688,003	\$ 25,893,071	\$ 28,572,988	\$ 30,084,309	\$ 34,518,469	\$ 39,450,651
Restricted	12,232,047	12,384,897	12,284,976	13,986,792	16,915,318	16,786,137	11,346,853	5,289,331	4,898,245	4,355,958
Unrestricted	(27,427,163)	(23,323,217)	(19,861,642)	(16,152,394)	(12,129,949)	(5,422,204)	2,792,787	11,929,173	12,895,779	11,420,392
	<b>\$ 44,113</b>	<b>\$ 6,565,753</b>	<b>\$ 11,939,892</b>	<b>\$ 19,643,772</b>	<b>\$ 28,473,372</b>	<b>\$ 37,257,004</b>	<b>\$ 42,712,628</b>	<b>\$ 47,302,813</b>	<b>\$ 52,312,493</b>	<b>\$ 55,227,001</b>

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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<sup>(1)(2)(3)</sup>  
LAST TEN FISCAL YEARS**

EXPENSES	Year Ended December 31.									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Primary Government										
Governmental activities:										
General government	\$ 1,382,122	\$ 1,697,363	\$ 1,764,014	\$ 1,808,969	\$ 1,713,251	\$ 2,630,621	\$ 2,798,859	\$ 1,713,251	\$ 1,891,775	\$ 3,566,768
Public safety	4,679,762	4,914,165	5,395,427	5,212,814	5,929,463	5,670,664	5,782,299	5,929,463	6,158,847	6,583,219
Public works	323,408	367,052	379,058	395,708	502,917	484,431	510,521	502,917	452,595	483,606
Streets	895,483	1,026,139	1,104,558	1,109,000	1,388,533	1,135,172	1,241,021	1,388,533	1,164,129	1,489,438
Parks and recreation	4,380,856	4,458,609	4,855,252	4,563,981	5,193,756	4,924,610	5,001,826	5,193,756	5,259,585	4,912,187
Health	527,638	539,531	607,080	637,706	710,076	693,659	689,580	710,076	736,317	752,738
Interest on long-term debt	3,400,120	3,499,618	3,308,578	2,708,747	295,370	1,449,725	1,032,522	295,370	231,837	190,792
Total primary government expenses	15,589,389	16,502,477	17,413,967	16,436,925	15,733,366	16,988,882	17,056,628	15,733,366	15,895,085	17,978,748
<b>PROGRAM REVENUES</b>										
Primary Government										
Governmental activities:										
Charges for services:										
General government	907,564	1,276,262	1,343,209	1,446,759	1,292,514	1,260,220	1,296,357	1,292,514	1,274,253	1,251,082
Public safety	412,619	443,325	524,315	475,010	617,157	538,883	534,683	617,157	624,695	494,764
Public works	235,004	209,133	253,387	95,587	394,882	260,284	232,282	394,882	294,558	265,929
Parks and recreation	2,929,021	3,052,916	3,056,027	2,935,414	3,216,668	3,233,864	3,217,928	3,216,668	3,149,429	3,199,891
Operating grants and contributions	771,644	69,574	-	-	765,530	753,591	712,205	765,530	768,239	758,578
Capital grants and contributions	47,506	13,530	9,696	596,660	123,955	463,468	794,835	123,955	433,851	685,816
Total primary government program revenues	5,303,358	5,064,740	5,186,634	5,549,430	6,410,706	6,510,310	6,788,290	6,410,706	6,545,025	6,656,060
Net Revenue (Expenses)	(10,286,031)	(11,437,737)	(12,227,333)	(10,887,495)	(9,322,660)	(10,478,572)	(10,268,338)	(9,322,660)	(9,350,060)	(11,322,688)
<b>General Revenues and Other Changes in Net Position</b>										
Primary Government										
Governmental activities:										
Taxes:										
Sales tax	12,409,770	12,765,520	12,808,569	13,372,985	12,415,908	9,655,565	10,204,911	12,415,908	12,699,174	12,762,671
Tax increment financing	2,387,945	2,654,304	2,185,897	2,513,350	-	7,952,159	4,299,579	-	-	-
Utility tax	870,934	1,063,243	1,274,473	1,309,723	1,270,881	1,238,183	1,159,484	1,270,881	1,216,374	1,179,676
Investment income	435,196	804,368	601,493	346,463	50,054	218,152	100,961	50,054	58,005	124,072
Miscellaneous	203,110	671,942	731,040	589,008	176,002	198,145	172,423	176,002	386,187	170,777
Total primary government	16,306,955	17,959,377	17,601,472	18,131,529	13,912,845	19,262,204	15,937,358	13,912,845	14,359,740	14,237,196
Change in Net Position	\$ 6,020,924	\$ 6,521,640	\$ 5,374,139	\$ 7,244,034	\$ 4,590,185	\$ 8,783,632	\$ 5,669,020	\$ 4,590,185	\$ 5,009,680	\$ 2,914,508

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<sup>(1)(2) (3) (4)</sup>  
LAST TEN FISCAL YEARS**

	Year Ended December 31,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Fund</b>										
Reserved	\$ 250,145	\$ 132,109	\$ 76,944	\$ 84,550	\$ 68,314	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	4,261,995	4,751,694	4,758,774	5,099,914	5,150,235	-	-	-	-	-
Nonspendable	-	-	-	-	-	214,089	234,915	235,235	288,368	294,270
Unassigned	-	-	-	-	-	5,454,828	5,466,972	6,590,799	5,714,042	6,130,290
<b>Total General Fund</b>	<b>\$ 4,512,140</b>	<b>\$ 4,883,803</b>	<b>\$ 4,835,718</b>	<b>\$ 5,184,464</b>	<b>\$ 5,218,549</b>	<b>\$ 5,668,917</b>	<b>\$ 5,701,887</b>	<b>\$ 6,826,034</b>	<b>\$ 6,002,410</b>	<b>\$ 6,424,560</b>
<b>All other governmental funds:</b>										
Reserved	\$ 6,915,068	\$ 6,853,727	\$ 7,685,690	\$ 7,144,263	\$ 7,757,319	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue <sup>(1)</sup>	6,044,823	7,326,493	7,456,962	8,691,022	9,838,687	-	-	-	-	-
Capital project	2,044,652	1,609,204	978,202	1,935,598	2,358,723	-	-	-	-	-
Debt service <sup>(2)</sup>	-	-	-	-	263,962	-	-	-	-	-
Restricted For:										
Capital projects	-	-	-	-	-	1,977,850	2,224,468	2,767,495	3,044,586	3,030,915
Sewer lateral repair program	-	-	-	-	-	219,370	214,090	203,443	215,491	228,538
Fire prevention and operations	-	-	-	-	-	1,069,692	950,456	911,281	1,012,677	1,096,505
TIF projects and debt obligations	-	-	-	-	-	13,663,876	8,066,683	1,407,112	625,491	-
Committed For:										
Energy savings project	-	-	-	-	-	-	-	-	2,671,724	149,109
Infrastructure	-	-	-	-	-	211,379	235,897	294,256	369,757	290,728
Tree replacement	-	-	-	-	-	24,034	24,034	24,034	24,034	24,034
Assigned, reported in:										
Parks and recreation	-	-	-	-	-	2,727,801	3,312,659	3,680,652	2,641,721	2,505,374
Lodge equipment	-	-	-	-	-	214,560	214,560	298,238	300,438	1,112,593
Debt service	-	-	-	-	-	572,308	269,727	1,166,869	1,179,018	1,181,356
<b>Total All Other Governmental Funds</b>	<b>\$ 15,004,543</b>	<b>\$ 15,789,424</b>	<b>\$ 16,120,854</b>	<b>\$ 17,770,883</b>	<b>\$ 20,218,691</b>	<b>\$ 20,680,870</b>	<b>\$ 15,512,574</b>	<b>\$ 10,753,380</b>	<b>\$ 12,084,937</b>	<b>\$ 9,619,152</b>

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,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues</b>										
Taxes	\$ 14,797,715	\$ 15,419,824	\$ 14,994,465	\$ 15,886,335	\$ 17,128,517	\$ 17,582,735	\$ 14,481,386	\$ 12,415,908	\$ 12,699,174	\$ 12,738,521
Utility gross receipts tax	870,934	1,063,243	1,274,473	1,309,723	1,229,544	1,263,174	1,182,587	1,270,881	1,216,374	1,179,676
Intergovernmental	780,093	767,063	752,707	725,401	726,853	1,201,306	1,494,942	871,589	1,195,705	1,443,945
Licenses	875,658	952,523	984,522	998,816	1,055,107	1,122,974	1,169,840	1,162,291	1,136,497	1,116,500
Fees and permits	3,069,866	3,168,336	3,309,414	3,031,001	3,725,160	3,977,334	3,896,103	4,170,087	3,990,397	3,873,626
Investment income	435,196	804,368	601,494	346,463	478,186	218,151	100,961	50,054	58,005	124,072
Miscellaneous	780,851	848,760	871,031	1,383,220	853,819	406,843	399,829	382,741	608,613	416,916
<b>Total Revenues</b>	<b>21,610,313</b>	<b>23,024,117</b>	<b>22,788,106</b>	<b>23,680,959</b>	<b>25,197,186</b>	<b>25,772,517</b>	<b>22,725,648</b>	<b>20,323,551</b>	<b>20,904,765</b>	<b>20,893,256</b>
<b>Expenditures</b>										
Current:										
General government	1,063,361	1,207,845	1,175,684	1,227,046	2,015,405	2,432,683	2,618,577	1,559,517	1,644,231	1,877,279
Public safety	4,458,351	4,711,803	4,931,472	5,001,690	5,146,973	5,319,019	5,493,858	5,613,979	5,855,058	6,082,064
Public works	323,408	367,052	379,058	395,708	396,190	428,177	510,521	468,306	450,859	479,940
Streets	594,400	713,339	770,624	766,156	798,893	815,524	820,948	864,933	931,735	962,279
Parks and recreation	3,619,151	3,735,649	3,924,021	3,935,233	3,958,543	4,057,072	4,187,064	4,292,621	4,325,463	4,478,943
Health	527,638	539,531	607,080	637,706	668,964	669,611	689,580	710,076	731,003	752,738
Capital outlay	1,887,317	1,841,814	2,185,996	1,775,059	2,146,280	2,597,147	2,931,379	2,054,956	4,634,250	6,520,730
Debt service:										
Principal retirement	2,675,000	5,225,000	5,160,000	4,445,000	5,780,000	7,080,000	9,480,000	7,980,000	1,530,000	1,565,000
Interest and fiscal charges	3,395,432	3,525,540	3,370,826	2,775,708	1,839,837	1,476,471	1,146,050	446,276	300,287	261,764
Bond issuance costs	-	-	-	79,521	72,357	-	-	60,299	-	-
<b>Total Expenditures</b>	<b>18,544,058</b>	<b>21,867,573</b>	<b>22,504,761</b>	<b>21,038,827</b>	<b>22,823,442</b>	<b>24,875,704</b>	<b>27,877,977</b>	<b>24,050,963</b>	<b>20,402,886</b>	<b>22,980,737</b>
<b>Revenues Over (Under) Expenditures</b>	<b>3,066,255</b>	<b>1,156,544</b>	<b>283,345</b>	<b>2,642,132</b>	<b>2,373,744</b>	<b>896,813</b>	<b>(5,152,329)</b>	<b>(3,727,412)</b>	<b>501,879</b>	<b>(2,087,481)</b>
<b>Other Financing Sources (Uses)</b>										
Transfers in	2,495,874	4,351,150	4,112,575	3,123,950	3,391,580	3,436,895	2,967,250	4,310,315	6,882,025	3,496,671
Transfers out	(2,495,874)	(4,351,150)	(4,112,575)	(3,123,950)	(3,391,580)	(3,436,895)	(2,967,250)	(4,310,315)	(6,882,025)	(3,496,671)
Proceeds from disposal of assets	-	-	-	-	18,376	15,737	17,000	56,533	6,054	43,846
Premium from refunding debt	-	-	-	122,062	184,773	-	-	548,178	-	-
Issuance of refunding debt	-	-	-	3,735,000	6,170,000	-	-	5,025,000	-	-
Payments to refunding escrow agent	-	-	-	(4,500,419)	(6,265,000)	-	-	(5,537,346)	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(643,357)</b>	<b>108,149</b>	<b>15,737</b>	<b>17,000</b>	<b>92,365</b>	<b>6,054</b>	<b>43,846</b>
<b>Net Change In Fund Balances</b>	<b>3,066,255</b>	<b>1,156,544</b>	<b>283,345</b>	<b>1,998,775</b>	<b>2,481,893</b>	<b>912,550</b>	<b>(5,135,329)</b>	<b>(3,635,047)</b>	<b>507,933</b>	<b>(2,043,635)</b>
<b>Fund Balances - Beginning Of Year</b>	<b>16,450,428</b>	<b>19,516,683</b>	<b>20,673,227</b>	<b>20,956,572</b>	<b>22,955,347</b>	<b>25,437,240</b>	<b>26,349,790</b>	<b>21,214,461</b>	<b>17,579,414</b>	<b>18,087,347</b>
<b>Fund Balances - End Of Year</b>	<b>\$ 19,516,683</b>	<b>\$ 20,673,227</b>	<b>\$ 20,956,572</b>	<b>\$ 22,955,347</b>	<b>\$ 25,437,240</b>	<b>\$ 26,349,790</b>	<b>\$ 21,214,461</b>	<b>\$ 17,579,414</b>	<b>\$ 18,087,347</b>	<b>\$ 16,043,712</b>
<b>Debt Service As A Percentage Of Noncapital Expenditures</b>	<b>35.9%</b>	<b>42.9%</b>	<b>41.2%</b>	<b>36.6%</b>	<b>36.3%</b>	<b>37.6%</b>	<b>42.1%</b>	<b>37.6%</b>	<b>11.5%</b>	<b>10.7%</b>

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 <sup>(2)</sup>
	Residential Property	Commercial Property	Agricultural Property			Assessed Value	Estimated Actual Value	
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	-
2014	214,597,770	150,093,659	48,350	44,977,321	-	409,717,100	1,733,974,578	-
2015*	226,245,590	147,821,461	89,390	46,837,634	-	420,994,075	1,794,106,802	-

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 twenty 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**

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
City of Des Peres, Missouri <sup>(1)</sup>	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000	\$ 0.0000
<b>Overlapping governments:</b>										
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	0.5580	0.5580	0.5580	0.5230	0.5230	0.5230	0.5230	0.5230	0.5230	0.5150
Special School District	0.8235	0.9084	0.9184	0.9384	0.9950	1.0125	1.0123	1.2400	1.2609	1.2348
St. Louis Community College	0.2233	0.2003	0.2013	0.2136	0.2179	0.2200	0.2200	0.2200	0.2200	0.2176
St. Louis County Library	0.1400	0.1400	0.1400	0.1400	0.1565	0.1630	0.1730	0.2500	0.2500	0.2460
Metro Sewer District	0.0687	0.0667	-	-	0.0790	0.0818	0.0635	0.0874	0.0879	0.0876
Metro Sewer District Extension	0.0187	0.0167	-	-	0.0180	0.0185	0.0186	0.0196	0.0197	0.0195
Sugar Creek Subdistrict	0.0610	0.0520	-	-	0.0580	0.0590	0.0590	0.0550	0.0550	0.0540
Deer Creek Subdistrict	-	-	-	-	-	-	-	0.0860	0.0860	0.0830
Meramec River Basin Subdistrict	0.0700	0.0700	-	-	-	-	-	-	-	-
Metropolitan Zoological Park	0.2611	0.2300	0.2344	0.2493	0.2546	0.2671	0.2684	0.2797	0.2797	0.2777
Sheltered Workshop	0.0820	0.0700	0.0690	0.0740	0.0790	0.0840	0.0840	0.0890	0.0900	0.0880
<b>Total Overlapping Governments</b>	<b>2.3363</b>	<b>2.3421</b>	<b>2.1511</b>	<b>2.1683</b>	<b>2.4110</b>	<b>2.4589</b>	<b>2.4518</b>	<b>2.8797</b>	<b>2.9022</b>	<b>2.8532</b>
<b>Total City And Overlapping Governments</b>	<b>\$ 2.3363</b>	<b>\$ 2.3421</b>	<b>\$ 2.1511</b>	<b>\$ 2.1683</b>	<b>\$ 2.4110</b>	<b>\$ 2.4589</b>	<b>\$ 2.4518</b>	<b>\$ 2.8797</b>	<b>\$ 2.9022</b>	<b>\$ 2.8532</b>
<b>School districts:</b>										
Kirkwood	\$ 4.1525	\$ 3.9895	\$ 3.9219	\$ 4.0842	\$ 4.1869	\$ 4.2878	\$ 4.2841	\$ 4.2546	\$ 4.2524	\$ 4.1377
Parkway	\$ 3.7079	\$ 3.2300	\$ 3.2300	\$ 3.4100	\$ 3.5672	\$ 3.6761	\$ 3.9361	\$ 4.0743	\$ 4.0743	\$ 4.4617

Note:

(1) For twenty one 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<sup>(1)</sup>  
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2015			2006		
	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	\$ 31,630,110	1	7.51%	\$29,771,710	1	8.41%
Macy's (May) Department Stores	7,588,930	2	1.80%	4,539,640	6	1.28%
Des Peres Hospital - Tenet Health Systems	7,504,240	3	1.78%	6,320,200	4	1.79%
AT&T (Formerly Southwestern Bell Telephone)	6,097,280	4	1.45%	7,652,480	3	0.00%
TC Des Peres Corners LLC	5,033,470	5	1.20%	-	-	-
Duke Realty Investment Inc.	4,305,800	6	1.02%	4,727,490	5	1.34%
Dierberg's Fifty LLC	4,288,840	7	1.02%	-	-	-
SVT Westmark LP	4,186,850	8	0.99%	-	-	-
Corporate Property Investors	3,520,000	9	0.84%	2,979,550	10	0.84%
Altus Group US Inc.	3,307,380	10	0.79%	-	-	-
EDJ Leasing Company (4)	-	-	-	9,608,320	2	2.72%
Complex Property Advisors Corp	-	-	-	3,761,310	7	1.06%
Southwest Bank of St Louis	-	-	-	3,453,690	8	0.98%
DDR Realty and Maryland Holding Inc.	-	-	-	3,213,340	9	0.91%

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 twenty years
- (2) Based on 2015 assessed valuation equal to \$420,994,075
- (3) Based on 2006 assessed valuation equal to \$353,890,810
- (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 of a tax abatement approved in 2008 and beginning in 2010.

Source: Office of the St. Louis County Assessor

## CITY OF DES PERES, MISSOURI

### SALES TAX COLLECTED <sup>(1)</sup> LAST TEN FISCAL YEARS

Fiscal Year	Capital Improvement Fund				Sales Tax Fire Fund (2)	Total
	General Fund 1.25% July 1, 1971	Fund 0.50% April 1, 1995	Park Fund 0.50% January 1, 2001			
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	
2014	4,857,970	2,553,725	3,004,381	1,502,178	11,918,254	
2015	5,073,733	2,544,537	2,993,573	1,496,785	12,108,628	

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

(2) Des Peres voters approved a new 0.25% 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 West County Mall, a 1.2 million square foot regional shopping center featuring four anchor stores - Macy's, Nordstrom's, 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	Tax Increment Refunding Revenue Bonds	Certificates Of Participation			
	(4)(6)(7)	(1)(2)(8)	(3)(5)			
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
2014	7,160,000	-	1,025,000	8,185,000	0.80%	967
2015	6,032,086	-	521,530	6,553,616	0.66%	768

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.

(9) In 2015, the City began reporting the principal, unamortized premium and deferred amount on refunding as the outstanding balance.

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**

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<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Percentage of Actual Taxable Value of Property (1)</b>	<b>Per Capita (2)</b>
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
2014	7,160,000	0.41%	846
2015	6,032,086	0.34%	707

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, 2015**

<b>Jurisdiction</b>	<b>Net Debt Outstanding</b>	<b>Percentage Applicable To City Of Des Peres</b>	<b>Amount Applicable To City Of Des Peres</b>
City of Des Peres	\$ 6,553,616	100.00%	\$ 6,553,616
<b>Total Direct Debt</b>	<b>6,553,616</b>		<b>6,553,616</b>
St. Louis County	105,615,000	1.86%	1,964,439
Parkway School District (1)	179,735,000	3.00%	5,392,050
Kirkwood School District (1)	30,930,000	20.00%	6,186,000
<b>Total Overlapping Debt</b>	<b>316,280,000</b>		<b>13,542,489</b>
<b>Total Direct And Overlapping Debt</b>	<b>\$ 322,833,616</b>		<b>\$ 20,096,105</b>

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, 2015 financial statements.

Source: The above-named jurisdictions.

**CITY OF DES PERES, MISSOURI**

**LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

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	<b>Year Ended December 31,</b>									
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Debt Limit (1)	\$ 35,685,329	\$ 41,026,026	\$ 41,120,090	\$ 39,318,603	\$ 40,341,443	\$ 39,967,174	\$ 39,972,104	\$ 40,526,435	\$ 40,971,710	\$ 42,099,408
Total net debt applicable to debt limit	14,690,000	13,920,000	13,155,000	12,165,000	10,931,038	9,647,691	8,950,274	7,033,131	5,980,982	4,850,730
Legal debt margin	\$ 20,995,329	\$ 27,106,026	\$ 27,965,090	\$ 27,153,603	\$ 29,410,405	\$ 30,319,483	\$ 31,021,830	\$ 33,493,304	\$ 34,990,728	\$ 37,248,678
Total net debt applicable to the limit as a percentage of debt limit	41.17%	33.93%	31.99%	30.94%	27.10%	24.14%	22.39%	17.35%	14.60%	11.52%

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<sup>(1)</sup>**

Year	TIF Refunding Revenue Bonds (1)(3)							Certificates of Participation (2)				
	TIF Economic Activity Tax	TIF Payments In Lieu Of Tax	Less Operating Expense	Net Available Revenue	Debt Service		Coverage	Park Sales Tax	Net Available Revenue	Debt Service		Coverage
					Principal	Interest				Principal	Interest	
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%
2014	-	-	-	-	-	-	0.00%	3,004,381	3,004,381	490,000	53,100	553.19%
2015	-	-	-	-	-	-	0.00%	2,993,573	2,993,573	505,000	38,400	550.90%

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 0.5% 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**

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<b>Year</b>	<b>Population (1)</b>	<b>Personal Income</b>	<b>Per Capita Personal Income (1)</b>	<b>Median Household Income (1)</b>	<b>Parkway School District Enrollment (3)</b>	<b>Kirkwood School District Enrollment (3)</b>	<b>Unemploymen Rate (2)</b>
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%
2014	8,466	1,028,373,486	57,691	121,471	17,097	5,595	5.60%
2015	8,534	991,420,382	51,796	116,173	17,279	5,688	4.30%

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**

<b>Employer</b>	<b>2015 (1)</b>			<b>2006 (2)</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
Edward D. Jones and Company	1,468	1	14.68%	798	1	8.87%
Des Peres Hospital -Tenet Health Systems	650	2	6.50%	716	2	7.96%
AT&T (Formerly Southwestern Bell Telephone)	381	3	3.81%	450	3	5.00%
Macy's (Formerly Famous Barr)	351	4	3.51%	210	7	2.33%
Nordstrom's	248	5	2.48%	281	5	3.12%
Schnucks Markets	204	6	2.04%	187	9	-
JC Penney	190	7	1.90%	215	6	2.39%
Sam's Wholesale Club	185	8	1.85%	210	8	2.33%
Dierberg's	147	9	1.47%	-	-	-
Red Robin	77	10	0.77%	-	-	-
Cingular Wireless	-	-	-	420	4	4.72%
R.W. Kunz & Associates, Inc.	-	-	-	154	10	1.71%

Sources:

(1) Des Peres Business License Database

(2) 2006 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**

<b>Function/Program</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012 (1)</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>General Government:</b>										
Office of City Administrator	3	3	3	3	3	3	3	3	3	3
Finance	2	2	2	2	3	3	3	3	3	3
Municipal Court	1	1	1	1	2	2	2	2	2	2
Information Systems Coordinator	-	-	1	1	1	1	1	1	1	1
Part-time staff	-	-	-	-	-	-	1.33	1.13	1.13	1.13
<b>Public Safety:</b>										
Command Staff	14	14	14	15	16	15	15	15	15	15
Commissioned Officers	29	28	27	27	25	26	28	28	28	28
Office Support	7	7	6	8	8	8	8	8	8	8
Part-time staff							0.31	0.31	0.31	0.31
<b>Public Works:</b>										
Building	3	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	1.58	1.58
<b>Parks and Recreation:</b>										
Parks	5	6	7	6	6	6	6	6	6	6
Recreation	20	20	20	20	19	19	21	21	21	21
Part-time staff	-	-	-	-	-	-	50.25	47.97	42.95	43.94
<b>Total</b>	<b>92</b>	<b>92</b>	<b>92</b>	<b>94</b>	<b>94</b>	<b>94</b>	<b>151.51</b>	<b>148.99</b>	<b>143.97</b>	<b>144.96</b>

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

Source: City of Des Peres Finance Department

**CITY OF DES PERES, MISSOURI**

**OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

<b>Function/Program</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Public Safety:</b>										
Average number of police calls per month	484	476	461	474	493	509	576	561	570	514
Average number of fire calls per month	42	38	32	30	40	43	24	47	51	49.8
Average number of EMS calls per month	56	58	57	59	56	55	79	53	62	65
Average number of physical arrests per month	66	57	65	67	66	67	72	67	50	45
<b>Parks and Recreation:</b>										
Average number of Lodge memberships	3,025	3,081	2,967	2,888	3,027	3,113	3,087	3,031	3,074	3,108
Annual member visits	276,033	297,574	283,049	269,679	277,292	276,522	271,903	228,894	265,981	269,875
Annual daily admission visits	35,674	39,077	38,797	34,335	37,799	40,503	40,014	33,507	36,622	34,049
<b>Public Works:</b>										
Number of permits issued	224	212	186	183	196	201	191	270	220	157
Value of construction	\$ 22,903,963	\$ 24,295,176	\$ 56,160,399	\$ 16,139,682	\$ 13,584,385	\$ 28,600,424	\$ 19,577,379	\$ 42,494,505	\$ 9,803,035	\$ 26,771,260
<b>Finance and Administration:</b>										
Business licenses issued	500	516	583	575	576	582	612	604	589	561
Liquor licenses issued	21	22	23	29	31	34	34	32	29	28

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**

<b>Function/Program</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Public Safety:</b>										
Stations	2	2	2	2	2	2	2	2	2	2
Vehicles	17	17	17	17	17	17	20	20	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	2
Fire hydrants	365	365	365	365	365	365	365	365	365	365
<b>Parks and Recreation:</b>										
Acres of parks	72.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3	96.3
Number of parks	4	6	6	6	6	6	6	6	6	6
Tennis courts	6	6	6	6	6	6	6	6	6	6
Miles of trails	2	3	3	3	7	7	7	7	7	7
<b>Public Works:</b>										
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	217	217	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.

