
**CITY OF FLORISSANT,
MISSOURI**

FINANCIAL REPORT
(Audited)

Year Ended November 30, 2009

CITY OF FLORISSANT, MISSOURI
FINANCIAL REPORT

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

INDEPENDENT AUDITORS' REPORT

March 22, 2010

Honorable Mayor and City Council
CITY OF FLORISSANT, MISSOURI

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **CITY OF FLORISSANT, MISSOURI** (the City) as of and for the year ended November 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information as of November 30, 2009, and the respective changes in financial position thereof for the year then ended, in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 22, 2010, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information, as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Hochschild, Bloom + Company LLP
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF FLORISSANT, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2009

The City of Florissant, Missouri (the City) presents this narrative to help our readers review the accompanying annual financial statements for the year ended November 30, 2009. We have prepared the management's discussion and analysis (MD&A) of the City's financial activities to add additional information to the financial schedules and the note disclosures. This is the seventh year of reporting in conformance with the guidelines prescribed in the Governmental Accounting Standards Board Statement No. 34 (GASB 34).

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the fiscal year by \$67,356,191 (net assets). Of this amount, \$4,510,538 (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors.
- Fund balances, a measure of current financial resources not otherwise budgeted or encumbered, in the governmental funds decreased \$3,141,842 to a total of \$10,465,332. \$7,920,924 is unreserved and available for future programs.
- The General Fund unreserved fund balance is \$5,810,625 or 23.6% of the final adopted budget appropriations, the Capital Improvements Fund unreserved fund balance is \$423,590 or 8.2% of the final adopted budget appropriations which includes transfers out for debt service payments, and the Park Improvement Fund unreserved fund balance is \$495,657 or 12.6% of the final adopted budget appropriations which includes transfers out for debt service payments.
- The City's total debt for the 2002 Certificates of Participation decreased \$980,000 during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

CITY OF FLORISSANT, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2009

Government-wide statements are separated into two major categories: 1) governmental activities that are principally supported by taxes and intergovernmental revenues and 2) business-type activities that are supported with user fees and charges. Governmental activities include general government, culture and recreation, public safety, and public works and health.

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

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

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

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

The City uses the following governmental funds:

<u>Major Funds</u>	<u>Nonmajor Funds</u>
✓ General	✓ Community Development
✓ Capital Improvements	✓ Home Equity Assurance
✓ Park Improvement	✓ Koch TIF
✓ Sewer Lateral	✓ Neighborhood Stabilization Program
✓ Debt Service	

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

CITY OF FLORISSANT, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2009

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

Proprietary funds. Proprietary funds are used for two types of accounting. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among a government's various functions. The City has no proprietary funds.

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The first statement in the government-wide statements is the statement of net assets. The following table summarizes the statement of net assets for the governmental activities as of November 30, 2009 and 2008 (dollars in thousands):

	<u>Governmental Activities</u>	
	<u>November 30</u>	
	<u>2009</u>	<u>2008</u>
ASSETS		
Current and other assets	\$13,317	15,802
Capital assets, net	<u>66,569</u>	<u>64,779</u>
Total Assets	<u>79,886</u>	<u>80,581</u>
LIABILITIES		
Long-term debt outstanding	10,810	12,109
Other liabilities	<u>1,720</u>	<u>1,808</u>
Total Liabilities	<u>12,530</u>	<u>13,917</u>
NET ASSETS		
Invested in capital assets, net of related debt	58,613	55,784
Restricted	4,232	4,867
Unrestricted	<u>4,511</u>	<u>6,013</u>
Total Net Assets	<u>\$67,356</u>	<u>66,664</u>

CITY OF FLORISSANT, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2009

Total assets decreased by \$695,000 while total liabilities decreased by \$1,387,000. The net result is an increase in total net assets of \$692,000.

The second statement in the government-wide statements is the statement of activities. This financial summary outlines the City's primary programs. The following table outlines the major components of the statement of activities for the governmental activities for the years ended November 30, 2009 and 2008 (dollars in thousands):

		<u>Governmental Activities</u>	
		<u>For The Years</u>	
		<u>Ended November 30</u>	
		<u>2009</u>	<u>2008</u>
REVENUES			
Program revenues:			
Charges for services	\$ 5,109		5,391
Operating grants and contributions	3,008		3,062
Capital grants and contributions	2,162		361
General revenues:			
Sales tax	13,236		14,262
Utility tax	4,777		5,533
Investment income	195		464
Licenses and permits	774		785
Other general revenues	<u>1,173</u>		<u>1,027</u>
Total Revenues	<u>30,434</u>		<u>30,885</u>
PROGRAM EXPENSES			
General government	4,263		4,227
Culture and recreation	6,737		6,547
Public safety	9,705		9,304
Public works and health	8,488		8,408
Interest on long-term debt	<u>549</u>		<u>600</u>
Total Program Expenses	<u>29,742</u>		<u>29,086</u>
CHANGE IN NET ASSETS		<u>\$ 692</u>	<u>1,799</u>

Total revenues decreased \$451,000 from 2008 with program revenues increasing \$1,465,000 and general revenues decreasing \$1,916,000.

Program expenses increased \$656,000. Public safety increased \$401,000 due to increases in wages and benefits. Culture and recreation increased \$190,000 due to increases in wages and benefits and for expenses related to the professional management of the golf course.

CITY OF FLORISSANT, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2009

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Financial information for the City's governmental funds is summarized in the balance sheet - governmental funds and the statement of revenues, expenditures, and changes in fund balances - governmental funds. Total governmental fund balances decreased \$3,141,842. The General Fund balance decreased \$2,502,979. The Capital Improvement Fund balance decreased \$170,462. The Park Improvement Fund balance decreased \$686,952. The Sewer Lateral Fund balance increased \$261,768. The Debt Service Fund decreased \$27,564.

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

BUDGETARY HIGHLIGHTS

This financial report includes information about both the original budget and the final budget as amended through the course of the year. This information is detailed in the required supplemental information. Generally, budgets are amended to add projects, programs, commodities, and services that were not anticipated when the budget was first adopted.

Over the course of the year, the City Council will revise the adopted budget as needed. These revisions fall into three general categories:

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

One of the worst recessions in history led to a fall off in revenues in nearly every category. Total General Fund revenue was short of the budget estimate by \$2,026,967 or 9.2%. Sales tax missed the budget goal by \$712,685. The utility tax was short by \$280,195, and gasoline tax was short by \$97,702.

Licenses and permits were short of the budget goal by \$68,887. Building permits were short by \$61,098 as construction of all types slowed dramatically. Charges for services were short by \$31,508. The two outdoor pools combined were short by \$24,051, and the golf course was short by \$9,275.

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FOR THE YEAR ENDED NOVEMBER 30, 2009

Other miscellaneous revenue was short of the budget goal by \$460,616. The sale of the Bangert Park cell phone tower was budgeted at \$500,000 but the sale fell through. Investment income was short by \$199,343 as interest rates fell to historic lows. Fines and forfeitures were short by \$261,786.

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

- \$270,000 - Salt and calcium chloride for snow removal
- \$210,000 - Police capital items and equipment, to be offset by seizure money
- \$194,500 - Recycling totes for residents, to be offset by \$175,000 in grant revenue
- \$100,000 - Legal services
- \$ 93,000 - Chiller for the James J. Eagan Civic Center
- \$ 46,270 - Wages and benefits for the Public Works Department
- \$ 25,000 - Telephone expenses
- \$ 25,000 - Golf course expenses

CAPITAL ASSETS AND DEBT ADMINISTRATION

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

Capital assets. The following table summarizes the capital assets, net of depreciation, for the governmental activities as of November 30, 2009 and 2008 (dollars in thousands):

	<u>Governmental Activities</u>	
	<u>November 30</u>	
	<u>2009</u>	<u>2008</u>
Land	\$ 4,576	4,578
Construction in progress	349	410
Buildings	5,418	4,732
Improvements	8,404	8,416
Land improvements	189	182
Infrastructure	44,571	43,541
Vehicles and equipment	<u>3,062</u>	<u>2,920</u>
Total	<u>\$66,569</u>	<u>64,779</u>

Total capital assets increased \$1,790,000 from 2008. Construction-in progress of \$349,000 represents the on-going street and bridge construction. Additional information can be found in Note C of the financial statements.

CITY OF FLORISSANT, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2009

Long-term debt. The following table summarizes the City's scheduled long-term outstanding debt for the governmental activities as of November 30, 2009 and 2008 (dollars in thousands):

	<u>Governmental Activities</u>	
	<u>November 30</u>	
	<u>2009</u>	<u>2008</u>
Certificates of participation	\$7,760	8,740
Tax increment revenue bonds	1,950	2,200
Capital lease payable	<u>196</u>	<u>256</u>
Total	<u>\$9,906</u>	<u>11,196</u>

The City has \$7,760,000 in bonds outstanding from the Series 2002 Certificates of Participation bonds issued to renovate the James J. Eagan and John F. Kennedy community centers and Bangert Pool and to refinance the purchase of the municipal golf course. The principal balance on this debt decreased \$980,000 from last year. The Certificates of Participation are scheduled to be paid off in the year 2022.

Certificates of Participation are not included in the calculation of the City's legal debt margin. Since there are no general obligation debt issues outstanding, the City has not committed any funds against the legal debt margin.

The City has other long-term debt of \$904,087 for compensated absences. Additional information can be found in Note D of the financial statements.

HIGHLIGHTS FROM 2009 AND THE OUTLOOK FOR THE FUTURE

In March 2009, President Obama stated that the United States was experiencing the worst recession since the Great Depression. This was not hyperbole. The current national economic recession officially began in December 2007 and no end is in sight. It has taken a severe toll on U.S. labor markets with the official unemployment rate rising above 10%. Job losses in the current recession are the largest ever experienced in the post-World War II era. The effects of this recession have been felt throughout St. Louis County and in the City of Florissant with high unemployment and underemployment, housing markets with depressed values and high foreclosure rates and credit markets with interest rates at historic lows. By the time it is over this recession will be the longest lasting recession since World War II.

City of Florissant finances have not been immune to the effects of this recession. City revenues, which had already been slipping, saw this decline accelerate in 2009. The General Fund was hit particularly hard as revenue missed the budget goal of \$21,983,000 by \$2,026,967, or 9.2%. Revenue was down across all revenue categories and types, including taxes, licenses and permits, charges for services, miscellaneous, investment income, and fines and forfeitures. This is unprecedented in the City's history.

Sales tax, the single largest source of revenue, missed budget goals in all three funds receiving sales tax. The General Fund sales tax missed the \$7,500,000 budget by \$712,685, the Capital Improvement Fund sales tax missed the \$3,250,000 budget by \$142,817, and the Park Improvement Fund sales tax missed

**CITY OF FLORISSANT, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED NOVEMBER 30, 2009**

the \$3,100,000 budget by \$79,157. Combined, these three sales taxes were short of their budgets by \$934,659.

Other revenue sources which missed budget goals by a significant margin include the gasoline tax which was short by \$97,702, the utility tax was short by \$280,195, building permits were short by \$61,098, investment income was short by \$199,343, fines and forfeitures were short by \$261,786, and other miscellaneous revenue was short by \$460,616.

In an ongoing endeavor to shore up the City's revenue and to correct an egregious error, the City continued to pursue efforts to force the Missouri Department of Revenue (DOR) to correct underpayment of the motor fuel tax, motor vehicle sales tax, motor vehicle fee increases, and the cigarette tax resulting from DOR's failure to properly apply population increases resulting from annexations dating from 2002 to 2004. After exhausting all other avenues the City filed a petition against DOR in the Circuit Court of Cole County on October 12, 2009 seeking a declaratory judgment and reimbursement of revenues.

On December 18, 2009 the Mayor, City Attorney, and Director of Finance met with representatives from DOR and the Missouri Attorney General's office in a final effort to reach a mutual agreement leading to the proper distribution of the funds owed the City. The meeting was very productive with DOR and the City agreeing on all major points. Only one issue remained to be resolved which involves a legal issue between the City Attorney and attorneys from the Attorney General's office. Both parties had hoped to settle this by the end of January but it has yet to be settled.

At the meeting, DOR disclosed that by their calculations the city had been shorted \$811,965 by DOR for the three motor taxes. The city's estimate was \$807,827, a difference of \$4,138 or 0.5%. It was extraordinary that the City's estimate could have been so close. The cigarette tax numbers were not quite as good as DOR came up with \$46,540 while the city's estimate was \$67,805. There are some quirks in the law relating to distribution of the cigarette tax that the City was not aware of. The total amount DOR owes the city was agreed upon at \$858,494.

On April 7th the voters in both the City and the annexation area approved the annexation of the Paddock Estates area. This increased the City's population by 588 persons to a total of 54,536. The effective date of the annexation was to be October 7, 2009. Population adjustments were properly implemented by St. Louis County which distributes the 1% countywide sales tax. However, and not surprisingly, the City experienced problems with DOR failing to adjust their records to reflect the change. DOR required the City to submit an official notice from the United States Census Bureau certifying the population of the annexed area. This was impossible to obtain. After some effort DOR finally agreed to accept an affidavit from the City attesting to the population, methodology, and qualifications of the individual attesting to the population. In February 2010, after rejecting several versions of the affidavit, DOR finally accepted the affidavit and will adjust the City's population to reflect the annexation.

In February 2009, the city hall cashier noted that daily deposits from the ice rink had not been received for two weeks. The Park Department was notified and immediately began a search for the missing deposits. The Florissant Police Department was called in and it was determined that a Recreation Specialist, who had supervisory responsibility over the ice rink, had stolen the missing deposits.

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An investigation by the Florissant Police Department determined that the employee stole \$6,026 from the ice rink and various park concessions. The Florissant Police Department presented evidence to the St. Louis County Prosecutors office which filed charges against the employee in St. Louis County Court. The City's insurance carrier reimbursed the City for the loss.

In September 2009, construction was completed on the Nature Lodge at Sunset Park. This was a multi-year project involving the City, the Florissant Park Foundation, the Municipal Park Grant Commission, various labor unions, and numerous other vendors and individuals. The City provided funds, manpower, and materials. A grant was obtained for the log structure. The labor unions declared the area an apprentice zone and provided much of the labor for free. Many other businesses and individuals donated time and materials to this project. The Florissant Park Foundation was very active in fundraising for this project. A local developer, served as the general manager for the project at no cost to the City. The completed building is a very attractive log structure occupying a strategic site overlooking the Missouri River flood plain.

In December 2009, in response to a petition submitted by a group of citizens, the Missouri State Auditor's office arrived to begin a petition audit of the City. This audit is expected to take from four to six months to complete and will cost the city between \$16,000 and \$24,000. The audit is not specifically a financial audit but more of a procedural or performance audit. The state auditors will be looking to see that the City is in compliance with applicable policies, procedures, rules, regulations, and statutes relative to the City's ongoing operations.

Areas of concern expressed by the group filing the petition include; years of deficit spending, understaffing of the police department, thousands of dollars spent on unnecessary and extravagant purchases, the practice of paying salaries from the Sewer Lateral and Park Improvement Funds, the Mayor's salary, the Mayor's benefits, increasing crime and high profile shootings, concerns about losses at the golf course, and questions about the sale of the Fatima convent building owned by the City.

The City continues to actively pursue redevelopment opportunities in the City and currently has a number of active redevelopment projects which will improve the economic prosperity and quality of life for our residents. Current projects include:

- The Rolwes company has broken ground to build 18 detached villas on a site across from Koch Park on Charbonier Road to be known as "Parkside Estates". Development costs are estimated at \$4,500,000.
- The 54th Street Grill restaurant on Lindbergh has broken ground on the site previously occupied by the Ponderosa restaurant. Cost is estimated at \$3,000,000.
- Life Care Centers of America, located in Cleveland, Tennessee, has broken ground to build a senior living community called "Garden Plaza of Florissant". The development will be a state of the art senior community with multiple levels of housing and care. Cost is estimated at \$56,000,000.
- A Long John Silvers restaurant on Graham Road is nearing completion. Cost is estimated at \$1,000,000.
- The Behlmann Construction Company has broken ground to build 53 town home condominiums at a site on Charbonier Road to be known as "Fleurissant Parc Place". Development costs are estimated at \$17,000,000.

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- Thistle and Clover, an Irish, Scotch, and Welch specialty shop, has opened in the historic Train Depot at Tower Park.
- Christian Hospital Northwest will start soon on upgrades to the emergency room and the addition of medical offices. Cost is estimated at \$6,000,000.

The City continues to deal with serious issues resulting from the recession. Revenues were reduced in the 2010 budget. A 3% across-the-board pay reduction was implemented for all employees. A hiring freeze has been instituted. Numerous additional cuts were made in the 2010 budget to bring it in line with the reduced revenue. The City will be actively monitoring the financial situation as the 2010 fiscal year progresses. Additional cuts and reductions may be necessary. Economic recovery is expected to take many years.

The City is now on the cusp of the 2010 census and has been actively working to promote completion of the census form by our residents. It is vital to the City's long-term health and vitality to get as complete and accurate count as possible. Should the City's population decline, additional and deeper cuts in services and programs may be necessary. The new population figures will be implemented for the 2012 fiscal year. A drastic drop in population, combined with the impact of the recession, could be devastating. The Mayor and City Council are well aware of this potential and are actively planning to position the City to deal with this possibility.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the office of the Director of Finance, 955 Rue St. Francois, Florissant, MO 63031.

CITY OF FLORISSANT, MISSOURI

STATEMENT OF NET ASSETS

NOVEMBER 30, 2009

	<u>Primary Government</u>	<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>Industrial Development Authority</u>
ASSETS		
Cash	\$ 3,211,424	59,769
Investments	2,641,390	-
Prepaid expenses	85,765	-
Receivables:		
Taxes	4,010,474	128,701
Interest	2,361	-
Intergovernmental	67,896	-
Court	359,405	-
Golf	87,722	-
Due from Fiduciary Fund	194,189	-
Inventories	4,462	-
Restricted assets:		
Investments	1,665,389	1,273,768
Bond issue costs	94,946	516,598
Net pension asset	892,101	-
Capital assets:		
Land and construction in progress	4,924,845	-
Other capital assets, net of accumulated depreciation	61,644,113	-
Total Assets	<u>79,886,482</u>	<u>1,978,836</u>
LIABILITIES		
Accounts payable	604,765	-
Accrued interest payable	155,708	72,190
Accrued payroll	900,975	-
Net OPEB obligation	59,233	-
Noncurrent liabilities:		
Due within one year	1,761,671	840,000
Due in more than one year	9,047,939	15,505,000
Total Liabilities	<u>12,530,291</u>	<u>16,417,190</u>
NET ASSETS		
Invested in capital assets, net of related debt	58,613,435	-
Restricted:		
Debt service	1,737,129	1,273,768
Capital projects	1,422,059	-
Sewer lateral	1,073,030	-
Unrestricted (deficit)	<u>4,510,538</u>	<u>(15,712,122)</u>
Total Net Assets	<u>\$ 67,356,191</u>	<u>(14,438,354)</u>

See notes to financial statements

CITY OF FLORISSANT, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED NOVEMBER 30, 2009

					Net Revenues (Expenses) And Changes In Net Assets	
			Program Revenues		Primary Government	Component Unit
	<u>Expenses</u>	<u>Charges For Services</u>	<u>Operating Grants And Contributions</u>	<u>Capital Grants And Contributions</u>	<u>Governmental Activities</u>	<u>Industrial Development Authority</u>
FUNCTIONS/PROGRAMS						
Primary Government						
Governmental Activities						
General government	\$ 4,262,464	-	287,977	-	(3,974,487)	-
Culture and recreation	6,737,417	1,695,474	-	271,644	(4,770,299)	-
Public safety	9,704,797	2,143,105	235,587	-	(7,326,105)	-
Public works and health	8,488,463	1,270,546	2,484,430	1,890,757	(2,842,730)	-
Interest on long-term debt	548,927	-	-	-	(548,927)	-
Total Governmental Activities	<u>\$ 29,742,068</u>	<u>5,109,125</u>	<u>3,007,994</u>	<u>2,162,401</u>	<u>(19,462,548)</u>	<u>-</u>
Component Unit						
Industrial Development Authority	<u>\$ 952,847</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(952,847)</u>
General Revenues						
Taxes:						
Sales					13,236,383	1,108,154
Utility					4,776,804	2,895
Property					41,462	520,267
Other					159,137	-
Gain on sale of fixed assets					102,990	-
Investment income					195,164	46,777
Licenses and permits					773,814	-
Other					868,895	-
Total General Revenues					<u>20,154,649</u>	<u>1,678,093</u>
CHANGES IN NET ASSETS					692,101	725,246
NET ASSETS, DECEMBER 1					<u>66,664,090</u>	<u>(15,163,600)</u>
NET ASSETS, NOVEMBER 30					<u>\$ 67,356,191</u>	<u>(14,438,354)</u>

See notes to financial statements

CITY OF FLORISSANT, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
NOVEMBER 30, 2009

	General Fund	Capital Improvements Fund	Park Improvement Fund	Sewer Lateral Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash	\$ 2,173,375	465,945	145,835	382,924	-	43,345	3,211,424
Investments	1,785,791	-	100,000	655,599	-	100,000	2,641,390
Prepaid items	85,765	-	-	-	-	-	85,765
Receivables:							
Taxes	2,798,520	542,277	544,117	53,820	-	71,740	4,010,474
Interest	1,875	-	65	320	-	101	2,361
Intergovernmental	26,731	35,730	-	-	-	5,435	67,896
Court	359,405	-	-	-	-	-	359,405
Golf	87,722	-	-	-	-	-	87,722
Restricted assets:							
Investments	-	-	-	-	1,314,307	351,082	1,665,389
Inventories	4,462	-	-	-	-	-	4,462
Due from other funds	228,639	-	19,799	-	-	-	248,438
Total Assets	<u>\$ 7,552,285</u>	<u>1,043,952</u>	<u>809,816</u>	<u>1,092,663</u>	<u>1,314,307</u>	<u>571,703</u>	<u>12,384,726</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 256,388	251,538	81,588	8,060	-	7,191	604,765
Accrued payroll	813,557	-	72,422	10,908	-	4,088	900,975
Deferred revenue	359,405	-	-	-	-	-	359,405
Due to other funds	19,799	15,406	10,755	665	-	7,624	54,249
Total Liabilities	<u>1,449,149</u>	<u>266,944</u>	<u>164,765</u>	<u>19,633</u>	<u>-</u>	<u>18,903</u>	<u>1,919,394</u>
Fund Balances							
Reserved for:							
Encumbrances	202,284	353,418	149,394	11,428	-	528	717,052
Debt service	-	-	-	-	1,314,307	422,822	1,737,129
Prepaid items	85,765	-	-	-	-	-	85,765
Inventories	4,462	-	-	-	-	-	4,462
Unreserved, reported in:							
General Fund	5,810,625	-	-	-	-	-	5,810,625
Special Revenue Funds	-	423,590	495,657	1,061,602	-	129,450	2,110,299
Total Fund Balances	<u>6,103,136</u>	<u>777,008</u>	<u>645,051</u>	<u>1,073,030</u>	<u>1,314,307</u>	<u>552,800</u>	<u>10,465,332</u>
Total Liabilities And Fund Balances	<u>\$ 7,552,285</u>	<u>1,043,952</u>	<u>809,816</u>	<u>1,092,663</u>	<u>1,314,307</u>	<u>571,703</u>	<u>12,384,726</u>

See notes to financial statements

CITY OF FLORISSANT, MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF GOVERN-
MENTAL FUNDS TO THE STATEMENT OF NET ASSETS
NOVEMBER 30, 2009

Total Fund Balances - Governmental Funds \$ 10,465,332

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of the assets is \$122,781,389 and the accumulated depreciation is \$56,212,431. 66,568,958

Municipal court receivables are assessed by the City, but are not collected as of November 30, 2009 and deferred within the governmental funds financial statements. However, revenue for this amount is recognized in the government-wide financial statements. 359,405

The net pension asset is not a financial resource and, therefore, is not reported in the governmental funds. 892,101

The net OPEB obligation is not a financial resource and, therefore, is not reported in the governmental funds. (59,233)

Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:

Accrued interest payable	(155,708)
Certificates of participation	(7,760,000)
Tax increment revenue bonds	(1,950,000)
Unamortized bond issuance cost	94,946
Capital lease payable	(195,523)
Compensated absences	(904,087)

Total Net Assets Of Governmental Activities \$ 67,356,191

CITY OF FLORISSANT, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2009

	General Fund	Capital Improvements Fund	Park Improvement Fund	Sewer Lateral Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 13,962,325	3,202,563	2,979,833	813,247	-	384,228	21,342,196
Licenses and permits	1,231,113	-	-	-	-	-	1,231,113
Charges for services	1,684,900	-	-	-	-	-	1,684,900
Other	1,171,817	-	-	-	-	20	1,171,837
Investment income	99,085	8,522	7,139	20,659	57,407	2,352	195,164
Fines and forfeitures	1,961,675	-	-	-	-	-	1,961,675
Intergovernmental	404,854	67,524	82,557	-	-	287,977	842,912
Total Revenues	<u>20,515,769</u>	<u>3,278,609</u>	<u>3,069,529</u>	<u>833,906</u>	<u>57,407</u>	<u>674,577</u>	<u>28,429,797</u>
EXPENDITURES							
Current:							
General government	3,851,276	-	-	-	-	295,442	4,146,718
Culture and recreation	3,698,673	-	2,224,552	-	-	-	5,923,225
Public safety	10,234,946	-	-	-	-	-	10,234,946
Public works and health	4,921,874	-	-	486,627	-	-	5,408,501
Capital outlay	242,000	2,703,114	977,662	85,511	-	-	4,008,287
Debt service:							
Principal	60,129	-	-	-	980,000	250,000	1,290,129
Interest	9,850	-	-	-	405,195	144,788	559,833
Total Expenditures	<u>23,018,748</u>	<u>2,703,114</u>	<u>3,202,214</u>	<u>572,138</u>	<u>1,385,195</u>	<u>690,230</u>	<u>31,571,639</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(2,502,979)</u>	<u>575,495</u>	<u>(132,685)</u>	<u>261,768</u>	<u>(1,327,788)</u>	<u>(15,653)</u>	<u>(3,141,842)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	1,300,224	-	1,300,224
Transfers out	-	(745,957)	(554,267)	-	-	-	(1,300,224)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(745,957)</u>	<u>(554,267)</u>	<u>-</u>	<u>1,300,224</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(2,502,979)	(170,462)	(686,952)	261,768	(27,564)	(15,653)	(3,141,842)
FUND BALANCES, DECEMBER 1	<u>8,606,115</u>	<u>947,470</u>	<u>1,332,003</u>	<u>811,262</u>	<u>1,341,871</u>	<u>568,453</u>	<u>13,607,174</u>
FUND BALANCES, NOVEMBER 30	<u>\$ 6,103,136</u>	<u>777,008</u>	<u>645,051</u>	<u>1,073,030</u>	<u>1,314,307</u>	<u>552,800</u>	<u>10,465,332</u>

See notes to financial statements

CITY OF FLORISSANT, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED NOVEMBER 30, 2009

Net Change In Fund Balances - Governmental Funds \$ (3,141,842)

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

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$3,999,789) exceeded capital outlays over the capitalization threshold totaling \$3,834,965 in the current period. (164,824)

The net effect of contributed assets and various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets. 1,954,624

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. (6,016)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Increase in net OPEB obligation	(59,233)	
Increase in net pension asset	798,910	
Decrease in accrued interest payable	16,061	755,738

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

Decrease in compensated absences		9,447
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Repayments:

Certificates of participation	980,000	
Tax increment revenue bonds	250,000	
Payments on capital lease payable	60,129	
Amortization of issuance costs	(5,155)	1,284,974

Change In Net Assets Of Governmental Activities		\$ 692,101
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CITY OF FLORISSANT, MISSOURI
STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS
NOVEMBER 30, 2009

	<u>Pension Trust Fund</u>	<u>Agency Fund</u>
ASSETS		
Cash	\$ -	1,691,461
Investments	<u>9,845,789</u>	<u>-</u>
Total Assets	<u>9,845,789</u>	<u>1,691,461</u>
LIABILITIES		
Due to others:		
Court bonds	-	853,090
Construction deposits	-	129,969
Other deposits	<u>-</u>	<u>514,213</u>
	-	1,497,272
Due to other funds	<u>-</u>	<u>194,189</u>
Total Liabilities	<u>-</u>	<u>1,691,461</u>
NET ASSETS		
Held in trust for pension benefits	<u>\$ 9,845,789</u>	<u>-</u>

CITY OF FLORISSANT, MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS -
PENSION TRUST FUND
FOR THE YEAR ENDED NOVEMBER 30, 2009

ADDITIONS

Employer contributions	<u>\$ 1,283,642</u>
Investment income:	
Net appreciation in fair value of investments and interest and dividends	1,858,740
Investment expense	<u>(51,906)</u>
Net Investment Income	<u>1,806,834</u>
Total Additions	<u>3,090,476</u>

DEDUCTIONS

Benefits	<u>1,024,537</u>
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NET INCREASE

2,065,939

NET ASSETS HELD IN TRUST FOR PENSION
BENEFITS, DECEMBER 1

7,779,850

NET ASSETS HELD IN TRUST FOR PENSION
BENEFITS, NOVEMBER 30

\$ 9,845,789

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Reporting Entity

The financial statements of the City include the financial activities of the City and any component units. The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Statement No. 14. The City is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's Board or because the component unit will provide a financial benefit or impose a financial burden on the City. Included within the reporting entity are all units of government including the Industrial Development Authority of the City of Florissant (IDA).

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

2. Government-wide and Fund Financial Statements

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Government-wide and Fund Financial Statements (Continued)

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

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

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

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

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

The City reports the following major governmental funds:

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

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

Additionally, the City reports the following fund types:

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

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

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

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

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

4. Cash, Cash Equivalents, and Investments

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Cash, Cash Equivalents, and Investments (Continued)

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

5. Inventories

Inventories are recorded at cost, which approximates market on the first-in, first-out basis. Governmental fund type inventory is recorded as an expenditure when it is used rather than when purchased.

6. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items. 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.

7. Interfund Transactions

Current portions of long-term interfund loans receivable (reported in "due from" asset accounts) are considered "available spendable resources" and are subject to elimination upon consolidation.

8. Capital Assets

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

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

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

Assets	Years
Buildings and improvements	15 - 50
Land improvements	10 - 40
Infrastructure	5 - 33½
Vehicles and equipment	3 - 15

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Encumbrances

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

10. Compensated Absences

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

11. Fund Equity

Reserves represent those portions of fund equity not available for appropriation or are legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

12. Long-term Obligations

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. Deferred Revenues

The City reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has a legal claim to them. In subsequent periods, when both the revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

14. Use of Estimates

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

NOTE B - CASH AND INVESTMENTS

1. Deposits

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

As of November 30, 2009, the City’s and IDA’s bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City’s name.

2. Investments

As of November 30, 2009, the City had the following investments:

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH AND INVESTMENTS (Continued)

2. Investments (Continued)

Investments	Fair Market Value	No Maturity	Maturities		Credit Risk
			Less Than One Year	More Than 10 Years	
Primary Government					
Certificates of deposit	\$ 2,641,390	-	2,641,390	-	N/A
Government securities:					
Federal agencies	1,286,000	-	1,286,000	-	AAA
Money market	379,389	379,389	-	-	Not rated
Total Primary Government Investments	<u>4,306,779</u>	<u>379,389</u>	<u>3,927,390</u>	<u>-</u>	
Fiduciary Funds					
Pension plan pooled investments:					
Common stock funds	8,403,044	8,403,044	-	-	N/A
Group annuity contract	1,442,745	1,442,745	-	-	N/A
Total Fiduciary Funds Invest- ments	<u>9,845,789</u>	<u>9,845,789</u>	<u>-</u>	<u>-</u>	
Component Unit					
Money market	282,768	282,768	-	-	Not rated
Repurchase agreement	991,000	-	-	991,000	N/A
Total Compo- nent Unit Investments	<u>1,273,768</u>	<u>282,768</u>	<u>-</u>	<u>991,000</u>	
Grand Total Investments	<u>\$15,426,336</u>	<u>10,507,946</u>	<u>3,927,390</u>	<u>991,000</u>	

Investments Policies

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

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing op-

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH AND INVESTMENTS (Continued)

2. Investments (Continued)

erations, thereby avoiding the need to sell securities on the open market prior to maturity and investing primarily in shorter term securities.

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

NOTE C - CAPITAL ASSETS

Capital asset activity was as follows:

For The Year Ended November 30, 2009				
	Balance November 30 2008	Additions	Deletions	Balance November 30 2009
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 4,578,194	-	1,926	4,576,268
Construction in progress	410,265	561,533	623,221	348,577
Total Capital Assets Not Being Depreciated	4,988,459	561,533	625,147	4,924,845
Capital assets being depreciated:				
Buildings	11,071,904	964,774	-	12,036,678
Improvements	9,937,934	428,419	-	10,366,353
Land improvements	346,935	20,806	-	367,741
Infrastructure	83,421,896	3,670,717	-	87,092,613
Vehicles and equipment	7,620,873	826,183	453,897	7,993,159
Total Capital Assets Being Depreciated	112,399,542	5,910,899	453,897	117,856,544
Less - Accumulated depreciation for:				
Buildings	6,339,713	279,046	-	6,618,759
Improvements	1,521,653	440,746	-	1,962,399
Land improvements	165,360	13,766	-	179,126
Infrastructure	39,881,145	2,640,039	-	42,521,184
Vehicles and equipment	4,700,972	626,192	396,201	4,930,963
Total Accumulated Depreciation	52,608,843	3,999,789	396,201	56,212,431
Total Capital Assets Being Depreciated, Net	59,790,699	1,911,110	57,696	61,644,113
 Governmental Activities Capital Assets, Net	 \$ 64,779,158	 2,472,643	 682,843	 66,568,958

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE C - CAPITAL ASSETS (Continued)

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

	For The Year Ended November 30 2009
Governmental Activities	
General government	\$ 58,101
Public safety	290,246
Public works and health, including depreciation of infrastructure assets	2,868,805
Culture and recreation	782,637
Total	<u><u>\$ 3,999,789</u></u>

NOTE D - LONG-TERM DEBT

Long-term debt consists of the following:

	November 30 2009
Series 2002 \$14,030,000 certificates of participation for various improvements, due in annual installments through August 1, 2022, interest payable at 2.75% to 5%.	<u><u>\$7,760,000</u></u>

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

For The Years Ended November 30	Principal	Interest	Total
2010	\$ 545,000	368,406	913,406
2011	575,000	348,650	923,650
2012	600,000	319,900	919,900
2013	625,000	289,900	914,900
2014	650,000	264,900	914,900
2015 - 2019	3,125,000	847,250	3,972,250
2020 - 2022	1,640,000	166,750	1,806,750
Total	<u><u>\$ 7,760,000</u></u>	<u><u>2,605,756</u></u>	<u><u>10,365,756</u></u>

CITY OF FLORISSANT, MISSOURI

NOTES TO FINANCIAL STATEMENTS

NOTE D - LONG-TERM DEBT (Continued)

The City has tax increment revenue bonds which are limited obligations of the City, payable solely from payments in lieu of taxes attributable to the increase in assessed value of real property, incremental increases in economic activity taxes in the project area, and monies on deposit in the Debt Service Reserve Fund. The bonds do not constitute a general obligation of the City. Bonds outstanding at November 30, 2009 consist of Series 2006 Tax Increment Improvement and Refunding Revenue Bonds for the Koch Plaza Redevelopment Project, issued September 1, 2006 and maturing on April 17, 2028.

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

	For The Year Ended November 30, 2009			Amounts	
	Balance			Due	
	November 30			Within	
	2008	Additions	Reductions	2009	One Year
Certificates of participation	\$ 8,740,000	-	980,000	7,760,000	545,000
Tax increment revenue bonds	2,200,000	-	250,000	1,950,000	250,000
Compensated absences	913,534	938,959	948,406	904,087	904,087
Capital lease payable	255,652	-	60,129	195,523	62,584
	<u>\$ 12,109,186</u>	<u>938,959</u>	<u>2,238,535</u>	<u>10,809,610</u>	<u>1,761,671</u>

The certificates of participation are to be liquidated by the Debt Service Fund with transfers from the Park Improvement and Capital Improvements Funds. Also, compensated absences and the capital lease payable are generally liquidated by the General Fund.

On December 8, 2003 the IDA issued \$19,040,000 in tax increment refunding revenue bonds for the City of Florissant-Cross Keys Redevelopment Project. Interest on the bonds will be payable semi-annually on each May 1 and November 1, with interest rates of 5% and 5.625% and final maturity of May 1, 2024. The bonds are being issued by the IDA pursuant to a trust indenture dated December 1, 2003 by and between the IDA and the trustee. The bonds are special limited obligations of the IDA, payable solely from bond proceeds and pledged revenues. The IDA and the City have entered into a financing agreement dated December 1, 2003 pursuant to which the City has agreed to transfer to the trustee for application to the payment of the bonds all payments in lieu of taxes; subject to annual appropriation of the City, all economic activity tax revenues; and subject to annual appropriation by The Shoppes at Cross Keys Transportation Development District, all TDD revenues. The balance at November 30, 2008 was \$17,185,000, principal payments made during the year were \$840,000, and the balance outstanding at November 30, 2009 was \$16,345,000.

Capital Lease

The City has entered into a lease agreement for financing the acquisition of golf carts. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date.

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - LONG-TERM DEBT (Continued)

The assets acquired through the capital lease are as follows:

Assets	
Golf carts	\$ 425,081
Less - Accumulated depreciation	<u>232,782</u>
	<u><u>\$ 192,299</u></u>

A schedule of future minimum lease payments under the capital lease and the present value of the net minimum lease payments as of November 30, 2009 is as follows:

For The Years <u>Ended November 30</u>	
2010	\$ 69,980
2011	69,980
2012	<u>69,979</u>
Total Minimum Lease Payments	209,939
Less - Amount representing interest	<u>14,416</u>
Present Value Of Future Minimum Lease Payments	<u><u>\$ 195,523</u></u>

NOTE E - EMPLOYEE RETIREMENT SYSTEM AND PLAN

Plan Description and Provisions

The Plan is a single-employer, defined benefit pension plan that covers all of the City's employees who work at least 1,000 hours per year and elected to remain in the plan as of January 1, 2001. The Plan was created and is governed by City ordinance. The payroll for employees covered by the Plan for the year ended November 30, 2008, which is the date of the latest actuarial valuation available, was \$1,053,624 and the City's total payroll was \$14,331,993.

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

Membership in the Plan is comprised of the following:

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE E - EMPLOYEE RETIREMENT SYSTEM AND PLAN (Continued)

<u>Group</u>	<u>November 30</u> <u>2008</u>
Retirees and beneficiaries currently receiving benefits	11
Vested terminated employees and active employees	85

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

All contributions to the Plan are made by the City.

Funding Status and Progress

<u>Pension Plan</u>			
<u>Valuation For</u> <u>The Actuarial</u> <u>Years Ended</u> <u>November 30</u>	<u>Actuarial</u> <u>Value Of</u> <u>Assets</u>	<u>Actuarial</u> <u>Accrued</u> <u>Liability</u> <u>(AAL)</u>	<u>Unfunded</u> <u>AAL</u> <u>(UAAL)</u>
2008	\$ 7,779,850	\$ 14,229,854	\$ 6,450,004
2007	12,140,887	14,511,122	2,370,235
2006	11,584,456	15,179,716	3,595,260
2005	10,848,239	14,747,343	3,899,104
2004	9,064,104	14,219,998	5,155,894
2003	9,291,937	14,045,236	4,753,299
<u>Valuation For</u> <u>The Actuarial</u> <u>Years Ended</u> <u>November 30</u>	<u>Funded</u> <u>Ratio</u>	<u>Covered</u> <u>Payroll</u>	<u>UAAL As A</u> <u>Percentage</u> <u>Of Covered</u> <u>Payroll</u>
2008	54.7 %	\$ 1,053,624	612.2 %
2007	83.7	1,134,536	208.9
2006	76.3	1,264,203	284.4
2005	73.6	1,809,894	215.4
2004	63.7	2,071,892	248.8
2003	66.2	2,227,318	213.4

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE E - EMPLOYEE RETIREMENT SYSTEM AND PLAN (Continued)

Schedule Of Employer Contributions			
For The Years Ended November 30	Annual Required Contribution	Actual Contribution	Percentage Contributed
2008	\$ 364,775	\$ 1,165,885	319.6 %
2007	525,967	1,128,974	214.6
2006	664,951	974,760	146.6
2005	753,115	657,014	87.2
2004	704,684	530,517	75.3
2003	676,682	578,412	85.5

Additional information as of the latest actuarial valuation follows:

Actuarial cost method	Frozen entry age
Amortization method	Using assumed rate of 7.5% over 22 years
Asset valuation method	At fair value or contract value
Actuarial assumptions:	
Investment rate of return	7.5%
Projected salary increases	5%

Annual Pension Cost

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

Trend Information

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

Pension Plan				
Valuation For The Actuarial Years Ended November 30	Annual Pension Cost	Percentage Contributed	Net Pension Obligation (Asset)	Increase (Decrease) Net Pension Obligation
2008	\$ 366,975	317.7 %	\$ (892,101)	\$ (798,910)
2007	515,116	219.2	(93,191)	(613,858)
2006	649,379	150.1	520,667	(325,381)
2005	740,728	88.7	846,048	83,714
2004	696,133	76.2	762,334	165,616
2003	670,313	86.3	596,718	91,901

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE E - EMPLOYEE RETIREMENT SYSTEM AND PLAN (Continued)

Annual Pension Cost				
Valuation For The Actuarial Years Ended November 30	Annual Required Contribution	Interest On The Net Pension Obligation	Adjustment To The Annual Required Contribution	Annual Pension Cost
2008	\$ 364,775	\$ (6,989)	\$ 9,189	\$ 366,975
2007	525,967	39,050	(49,901)	515,116
2006	664,951	63,454	(79,026)	649,379
2005	753,115	57,175	(69,562)	740,728
2004	704,684	44,754	(53,305)	696,133
2003	676,682	37,861	(44,230)	670,313

NOTE F - PROPERTY TAXES

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

Since 1998, the City has voluntarily reduced the property tax rate to zero.

NOTE G - INSURANCE

The City managed risks of loss related to employee life, health and disability, workers' compensation, property, and liability by purchasing commercial insurance for the year ended November 30, 2009.

There was no significant reduction in insurance coverage during the year ended November 30, 2009 and settlement amounts have not exceeded insurance coverage for the current or three prior years.

NOTE H - DEFICIT BALANCES

The Community Development Fund, a Special Revenue Fund, had a deficit fund balance at November 30, 2009 of \$13,468. This fund deficit resulted from expenditures to be funded with future revenues.

NOTE I - CONTINGENCIES AND COMMITMENTS

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

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE J - INTERFUND ASSETS/LIABILITIES

Individual interfund assets and liabilities are as follows:

Due from/to other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>November 30 2009</u>
Park Improvement Fund	General Fund	\$ 19,799
General Fund	Capital Improvements Fund	15,406
General Fund	Park Improvement Fund	10,755
General Fund	Sewer Lateral Fund	665
General Fund	Nonmajor Funds	7,624
General Fund	Agency Fund	<u>194,189</u>
Total		<u>\$248,438</u>

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

NOTE K - DEFINED CONTRIBUTION PLAN

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

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

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

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

Contributions are fully vested after seven years of continuous service. Contributions to the Plan for the year ended November 30, 2009, amounted to \$241,481 for employees and \$1,215,336 for the City.

NOTE L - CONDUIT DEBT OBLIGATIONS

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

Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The aggregate future principal maturities of outstanding bonds at November 30, 2009 was \$13,645,000.

NOTE M - RESTRICTED NET ASSETS

The government-wide statement of net assets reports \$4,232,218 of restricted net assets, of which \$2,495,089 is restricted by enabling legislation. The balance of \$1,737,129 is restricted by indentures of the long-term debt.

NOTE N - TAX INCREMENT REVENUES PLEDGED

The City has pledged a portion of future tax revenues to repay tax increment revenue bonds issued by the IDA and the City to finance certain improvements in the City. The bonds are payable solely from the incremental taxes generated by increased sales and assessed property values in the improved area. Incremental taxes were projected to produce 100% of the debt service requirements over the life of the bonds. Total principal and interest remaining on the bonds per Note D is payable through April 17, 2028. For the current year, the IDA's principal and interest paid and total incremental tax revenues were \$1,759,000 and \$1,631,316, respectively. For the current year, the City's principal and interest paid and total incremental tax revenues were \$394,788 and \$384,228, respectively.

NOTE O - OTHER POST-EMPLOYMENT BENEFITS (OPEB) OTHER THAN PENSIONS

Plan Description

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

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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

	For The Year Ended November 30 2009
Amortization of past service cost	\$ 60,767
Normal cost	31,788
Interest to end of fiscal year	<u>3,702</u>
ARC	96,257
Interest on net OPEB obligation	-
Adjustment to ARC	<u>-</u>
Annual OPEB cost	96,257
Contributions made	<u>(37,024)</u>
Increase In Net OPEB Obligation	59,233
Net OPEB Obligation, December 1, 2008	<u>-</u>
	<u><u>\$ 59,233</u></u>
Net OPEB Obligation, November 30, 2009	<u><u>\$ 59,233</u></u>

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

In future years, three-year trend information will be presented. 2009 was the year of implementation of GASB 45 and the City has elected to implement prospectively, therefore, prior year comparative funding progress is not available.

Required Supplemental Information

Schedule Of Funding Progress				
Valuation For The Actuarial Valuation December 1	Actuarial Value Of Assets (1)	Actuarial Accrued Liability (2)	Unfunded Accrued Liability (UAAL) (1)-(2)	Funded Ratio (1)/(2)
2008	\$ -	\$ 858,882	\$ 858,882	- %

CITY OF FLORISSANT, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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

Schedule Of Employer Contributions			
<u>For The</u> <u>Year Ended</u> <u>November 30</u>	<u>Annual</u> <u>Required</u> <u>Contribution</u>	<u>Expected</u> <u>Employer</u> <u>Contribution</u>	<u>Percent</u> <u>Contributed</u>
2009	\$ 96,257	\$ 37,024	38.46 %

Significant actuarial assumptions used in the valuation are as follows:

Valuation method	Projected unit credit method
Latest valuation date	November 30, 2009
Discount rate	4% per annum
Amortization period	20 years for initial UAAL
Payroll inflation	N/A
Mortality	RP-2000 Mortality Table
Medical premium rates	9.5% initial rate; 5.5% alternate rate

NOTE P - PRIOR PERIOD ADJUSTMENTS

The previously stated fund balance/net assets have been adjusted as follows:

	<u>Sewer</u> <u>Lateral</u> <u>Fund</u>	<u>Governmental</u> <u>Activities</u>
Fund balance/net assets, November 30, 2008, as previously reported	\$850,170	66,702,998
Restatement for revenue recognition	<u>(38,908)</u>	<u>(38,908)</u>
Fund Balance/Net Assets, November 30, 2008, As Restated	<u>\$811,262</u>	<u>66,664,090</u>

NOTE Q - FUTURE ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets* (GASB 51), establishes standards for the measurement and recording of the estimated historical cost for land associated with right-of-way and easements. GASB 51 will be effective for the City for the year ending November 30, 2010. GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), establishes standards for the policies and disclosures for fund balance among other things. GASB 54 will be effective for the City for the year ending November 30, 2011. The City, however, has not yet completed its assessment of the statement or the potential impact of the statement on its financial position.

REQUIRED SUPPLEMENTAL INFORMATION SECTION

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND
ACTUAL - GENERAL FUND - BUDGET BASIS
FOR THE YEAR ENDED NOVEMBER 30, 2009

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
Taxes				
Cigarette	\$ 155,000	155,000	158,040	3,040
Gasoline	1,750,000	1,750,000	1,652,298	(97,702)
Road and bridge	690,000	690,000	671,981	(18,019)
Sales	7,500,000	7,500,000	6,787,315	(712,685)
Utility	4,400,000	4,400,000	4,119,805	(280,195)
Total Taxes	14,495,000	14,495,000	13,389,439	(1,105,561)
Licenses and Permits				
Business licenses	700,000	700,000	689,623	(10,377)
Liquor license	50,000	50,000	53,624	3,624
Building permits	310,000	310,000	248,902	(61,098)
Minimum housing	200,000	200,000	193,047	(6,953)
Annual sign fee	20,000	20,000	20,237	237
Other permits	20,000	20,000	25,680	5,680
Total Licenses And Permits	1,300,000	1,300,000	1,231,113	(68,887)
Charges for Services				
Green fees	250,000	250,000	275,582	25,582
Cart fees	225,000	225,000	228,923	3,923
Pro shop sales	45,000	45,000	38,800	(6,200)
Concession sales and fees, golf course	175,000	175,000	142,420	(32,580)
Skateboard park	-	-	9	9
Nature lodge rental	-	-	1,500	1,500
Classes (except skate/swim)	62,000	62,000	68,956	6,956
Gym rental	20,000	20,000	17,880	(2,120)
Ice rink	80,000	80,000	73,980	(6,020)
Swimming pool - JJE	110,000	110,000	105,693	(4,307)
Swimming pool - Bangert	55,000	55,000	51,587	(3,413)
Swimming pool - Koch	130,000	130,000	109,362	(20,638)
Miscellaneous	305,000	305,000	300,756	(4,244)
Playground	45,000	45,000	50,129	5,129
Theatre	125,000	125,000	139,594	14,594
Concessions	100,000	100,000	90,321	(9,679)
Total Charges For Services	1,727,000	1,727,000	1,695,492	(31,508)
Other				
Other miscellaneous	905,000	1,115,000	654,384	(460,616)
Cable television	425,000	425,000	455,303	30,303
Senior citizen luncheons	20,000	20,000	33,356	13,356
Total Other	1,350,000	1,560,000	1,143,043	(416,957)

(Continued)

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND
ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED NOVEMBER 30, 2009

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES (Continued)				
Investment Income	326,000	326,000	126,657	(199,343)
Fines and Forfeitures	2,200,000	2,200,000	1,938,214	(261,786)
Intergovernmental	200,000	375,000	432,075	57,075
Total Revenues	21,598,000	21,983,000	19,956,033	(2,026,967)
EXPENDITURES				
General Government				
Legislative:				
Salaries	105,612	105,612	105,612	-
Employees' benefits	28,148	28,148	27,170	(978)
Postage	10,000	10,000	7,159	(2,841)
Dues, travel, and training	27,000	27,000	10,434	(16,566)
Total Legislative	170,760	170,760	150,375	(20,385)
Administrative:				
Salaries	911,437	911,437	894,345	(17,092)
Employees' benefits	367,932	367,932	344,568	(23,364)
Residency incentive program	138,000	138,000	114,525	(23,475)
Unemployment claims	10,000	18,300	18,271	(29)
City hall and litigation	7,500	7,500	3,851	(3,649)
Postage and printing	50,000	50,000	39,809	(10,191)
Office supplies/printing	42,500	42,500	37,192	(5,308)
Copy equipment rental/supplies	28,000	28,000	25,530	(2,470)
Mayor's expenditures	20,000	20,000	20,000	-
Dues, travel, and training	12,500	12,500	10,402	(2,098)
Professional services	300,500	415,500	383,974	(31,526)
Legal notices and advertising	47,500	44,200	23,376	(20,824)
Service awards	12,500	12,500	5,556	(6,944)
Insurance, fire, and liability	750,000	750,000	600,954	(149,046)
Organization dues	31,410	34,410	29,765	(4,645)
Boards and commissions	4,700	4,700	1,487	(3,213)
Election expenditure	50,000	70,000	64,482	(5,518)
Total Administrative	2,784,479	2,927,479	2,618,087	(309,392)
Senior services:				
Salaries	100,352	100,352	92,875	(7,477)
Employees' benefits	38,085	38,085	35,874	(2,211)
Utilities	5,700	5,700	4,561	(1,139)
Building maintenance and supplies	3,000	3,000	2,201	(799)
Office supplies/printing	6,700	6,700	2,187	(4,513)

(Continued)

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND
ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED NOVEMBER 30, 2009

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
EXPENDITURES (Continued)				
General Government (Continued)				
Senior services (continued):				
Dues, travel, and training	500	500	419	(81)
Professional services	11,000	11,000	9,635	(1,365)
Senior citizen luncheons	24,000	26,500	25,712	(788)
Total Senior Services	189,337	191,837	173,464	(18,373)
Media:				
Salaries	98,385	98,385	93,520	(4,865)
Employees' benefits	36,597	36,597	36,587	(10)
Equipment repairs	3,000	3,000	1,001	(1,999)
Office supplies/printing	2,000	2,000	511	(1,489)
Materials and supplies	2,500	2,500	171	(2,329)
Dues, travel, and training	3,000	3,000	1,234	(1,766)
Professional services	21,000	21,000	21,000	-
Organization dues	300	300	-	(300)
Total Media	166,782	166,782	154,024	(12,758)
Municipal court:				
Salaries	529,875	529,875	419,656	(110,219)
Employees' benefits	113,338	113,338	113,275	(63)
Office supplies/printing	5,000	6,000	4,261	(1,739)
Dues, travel, and training	6,750	6,750	2,754	(3,996)
Professional services	57,200	64,700	31,786	(32,914)
Total Municipal Court	712,163	720,663	571,732	(148,931)
Information technology:				
Salaries	78,539	78,539	75,995	(2,544)
Employees' benefits	35,610	35,610	33,780	(1,830)
Office supplies/printing	11,480	11,480	9,512	(1,968)
Materials and supplies	4,000	4,000	1,843	(2,157)
Dues, travel, and training	6,500	6,500	514	(5,986)
Professional services	6,800	6,800	5,506	(1,294)
Total Information Technology	142,929	142,929	127,150	(15,779)
Housing center:				
Salaries	40,012	40,012	37,179	(2,833)
Employees' benefits	18,740	18,740	17,026	(1,714)
Office supplies/printing	1,000	1,000	1,000	-
Dues, travel, and training	1,000	1,000	943	(57)
Total Housing Center	60,752	60,752	56,148	(4,604)
Total General Government	4,227,202	4,381,202	3,850,980	(530,222)

(Continued)

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND
ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED NOVEMBER 30, 2009

EXPENDITURES (Continued)	Budgeted Amounts		Actual	Over (Under) Budget
	Original	Final		
Culture and Recreation				
Community and civic center:				
Salaries	1,396,972	1,396,972	1,233,261	(163,711)
Employees' benefits	299,369	299,369	277,099	(22,270)
Total Community And Civic Center	1,696,341	1,696,341	1,510,360	(185,981)
Recreation - theatre:				
Salaries	156,495	156,495	150,454	(6,041)
Employees' benefits	61,637	61,637	52,121	(9,516)
Uniforms and allowances	250	250	250	-
Building maintenance and supplies	7,700	13,700	13,392	(308)
Office supplies/printing	8,600	8,600	7,968	(632)
Dues, travel, and training	3,500	3,500	3,295	(205)
Theatre workshop	69,350	83,010	81,073	(1,937)
Publicity	9,200	9,200	8,855	(345)
Total Recreation - Theatre	316,732	336,392	317,408	(18,984)
Recreation - playground:				
Salaries	131,534	131,534	113,215	(18,319)
Employees' benefits	10,062	10,062	8,661	(1,401)
Total Recreation - Playground	141,596	141,596	121,876	(19,720)
Recreation - Bangert:				
Salaries	183,017	183,017	120,878	(62,139)
Employees' benefits	14,001	14,001	8,712	(5,289)
Total Recreation - Bangert	197,018	197,018	129,590	(67,428)
Recreation - parks:				
Salaries	822,399	822,399	796,261	(26,138)
Employees' benefits	204,386	204,386	192,975	(11,411)
Debt service	10,000	10,000	1,745	(8,255)
Uniforms and allowances	2,030	-	(116)	(116)
Postage and printing	1,000	-	-	-
Utilities	65,000	13,808	13,738	(70)
Gasoline	15,000	401	400	(1)
Merchandise	85,000	205	(2,895)	(3,100)
Building, maintenance, and supplies	32,000	8,000	5,382	(2,618)
Equipment repair	15,000	62	(631)	(693)
Chemicals	25,000	-	-	-
Office supplies and maintenance	2,500	-	-	-
Dues, travel, and training	4,070	118	118	-

(Continued)

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND
ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED NOVEMBER 30, 2009

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
EXPENDITURES (Continued)				
Culture and Recreation (Continued)				
Recreation - parks (continued):				
Publicity	15,000	-	-	-
Professional services	190,800	464,806	444,780	(20,026)
Total Recreation - Parks	1,489,185	1,524,185	1,451,757	(72,428)
Recreation - Koch Aquatic Center:				
Salaries	237,783	237,783	212,482	(25,301)
Employees' benefits	18,190	18,190	16,255	(1,935)
Total Recreation - Koch Aquatic Center	255,973	255,973	228,737	(27,236)
Total Culture And Recreation	4,096,845	4,151,505	3,759,728	(391,777)
Public Safety				
Police:				
Salaries	6,807,864	6,815,864	6,675,121	(140,743)
Employees' benefits	2,626,226	2,632,226	2,569,686	(62,540)
Uniforms and allowances	61,000	61,000	58,688	(2,312)
Telephone	92,000	118,500	109,947	(8,553)
Utilities	57,000	57,000	49,803	(7,197)
Gasoline	183,500	183,500	143,143	(40,357)
Building maintenance and supplies	48,000	55,000	52,530	(2,470)
Equipment repairs - vehicles	21,500	21,500	20,167	(1,333)
Office supplies/printing	29,000	29,000	23,518	(5,482)
Copy equipment - rental/supply	12,000	12,000	9,980	(2,020)
Communication service	257,500	257,500	248,176	(9,324)
Ammunition - armory supplies	10,000	10,000	9,965	(35)
Police forfeiture expenditures	-	210,000	206,549	(3,451)
Dues, travel, and training	43,500	43,500	42,245	(1,255)
Gasoline control account	65,000	65,000	(3,261)	(68,261)
Total Public Safety - Police	10,314,090	10,571,590	10,216,257	(355,333)
Public Works and Health				
Public works:				
Salaries	2,094,239	2,130,039	2,067,421	(62,618)
Employees' benefits	825,155	835,625	808,144	(27,481)
Uniforms and allowances	9,950	9,950	9,691	(259)
Utilities	81,000	99,000	89,807	(9,193)
Gasoline	55,000	55,000	32,098	(22,902)
Building maintenance and supplies	30,000	35,000	30,241	(4,759)
Office supplies/printing	20,000	20,000	16,277	(3,723)
Ice/snow removal	140,000	168,000	164,476	(3,524)
Equipment repairs - vehicles	95,000	95,000	92,966	(2,034)
Materials and supplies	100,000	100,000	76,179	(23,821)

(Continued)

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND
ACTUAL - GENERAL FUND - BUDGET BASIS (Continued)
FOR THE YEAR ENDED NOVEMBER 30, 2009

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
EXPENDITURES (Continued)				
Public Works and Health (Continued)				
Public works (continued):				
Street markings	24,100	24,100	18,529	(5,571)
Dues, travel, and training	62,000	62,000	52,824	(9,176)
Professional services	90,000	72,000	68,094	(3,906)
Street lighting	490,000	490,000	448,519	(41,481)
Street contracts	-	242,000	242,000	-
Gasoline control account	25,000	25,000	(20,105)	(45,105)
Total Public Works	<u>4,141,444</u>	<u>4,462,714</u>	<u>4,197,161</u>	<u>(265,553)</u>
Health:				
Salaries	557,655	567,655	527,816	(39,839)
Employees' benefits	170,841	173,841	171,389	(2,452)
Uniforms and allowances	3,050	3,050	2,617	(433)
Utilities	8,000	8,000	6,900	(1,100)
Gasoline	35,000	35,000	25,304	(9,696)
Building maintenance and supplies	11,500	11,500	8,013	(3,487)
Office supplies/printing	4,000	4,000	3,998	(2)
Materials and supplies	45,000	45,000	28,647	(16,353)
Dues, travel, and training	500	500	500	-
Professional services	35,000	229,500	221,639	(7,861)
Total Health	<u>870,546</u>	<u>1,078,046</u>	<u>996,823</u>	<u>(81,223)</u>
Total Public Works And Health	<u>5,011,990</u>	<u>5,540,760</u>	<u>5,193,984</u>	<u>(346,776)</u>
Total Expenditures	<u>23,650,127</u>	<u>24,645,057</u>	<u>23,020,949</u>	<u>(1,624,108)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u><u>\$ (2,052,127)</u></u>	<u><u>(2,662,057)</u></u>	<u><u>(3,064,916)</u></u>	<u><u>402,859</u></u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments			559,736	
Expenditure accrual adjustments			(123,308)	
Encumbrance adjustments			125,509	
			<u>561,937</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS			(2,502,979)	
FUND BALANCE, DECEMBER 1			8,606,115	
FUND BALANCE, NOVEMBER 30			<u>\$ 6,103,136</u>	

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND
ACTUAL - CAPITAL IMPROVEMENTS FUND - BUDGET BASIS
FOR THE YEAR ENDED NOVEMBER 30, 2009

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 3,250,000	3,250,000	3,107,183	(142,817)
Investment income	50,000	50,000	10,578	(39,422)
Intergovernmental	1,520,000	1,520,000	193,508	(1,326,492)
Total Revenues	4,820,000	4,820,000	3,311,269	(1,508,731)
 EXPENDITURES				
Capital outlay	4,484,200	4,419,200	2,535,411	(1,883,789)
 REVENUES OVER EXPENDI- TURES	335,800	400,800	775,858	375,058
 OTHER FINANCING USES				
Transfers out	(780,000)	(763,000)	(745,957)	(17,043)
 REVENUES OVER (UNDER) EX- PENDITURES AND OTHER FINANCING USES	<u>\$ (444,200)</u>	<u>(362,200)</u>	29,901	<u>392,101</u>
 ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments			(32,660)	
Expenditure accrual adjustments			(58,532)	
Encumbrance adjustments			(109,171)	
			<u>(200,363)</u>	
 NET CHANGE IN FUND BALANCE - GAAP BASIS			(170,462)	
 FUND BALANCE, DECEMBER 1			<u>947,470</u>	
 FUND BALANCE, NOVEM- BER 30			<u>\$ 777,008</u>	

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND
ACTUAL - PARK IMPROVEMENT FUND - BUDGET BASIS
FOR THE YEAR ENDED NOVEMBER 30, 2009

	Budgeted Amounts			Over (Under) Budget
	Original	Final	Actual	
REVENUES				
Taxes	\$ 3,100,000	3,100,000	3,020,843	(79,157)
Investment income	30,000	30,000	7,214	(22,786)
Intergovernmental	-	6,000	612,545	606,545
Total Revenues	3,130,000	3,136,000	3,640,602	504,602
EXPENDITURES				
Current:				
Culture and recreation	2,910,792	3,386,705	3,054,447	(332,258)
REVENUES OVER (UNDER) EXPENDITURES	219,208	(250,705)	586,155	836,860
OTHER FINANCING USES				
Transfers out	(605,000)	(555,000)	(554,267)	(733)
REVENUES OVER (UNDER) EX- PENDITURES AND OTHER FINANCING USES	<u>\$ (385,792)</u>	<u>(805,705)</u>	31,888	<u>837,593</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments			(571,073)	
Expenditure accrual adjustments			78,943	
Encumbrance adjustments			(226,710)	
			<u>(718,840)</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS			(686,952)	
FUND BALANCE, DECEMBER 1			<u>1,332,003</u>	
FUND BALANCE, NOVEM- BER 30			<u>\$ 645,051</u>	

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND
ACTUAL - SEWER LATERAL FUND - BUDGET BASIS
FOR THE YEAR ENDED NOVEMBER 30, 2009

	Original And Final Budgeted Amounts	Actual	Over (Under) Budget
REVENUES			
Taxes	\$ 800,000	878,974	78,974
Investment income	25,000	21,214	(3,786)
Total Revenues	<u>825,000</u>	<u>900,188</u>	<u>75,188</u>
EXPENDITURES			
Current:			
Public works	<u>773,057</u>	<u>556,404</u>	<u>(216,653)</u>
REVENUES OVER EXPENDITURES	<u>\$ 51,943</u>	<u>343,784</u>	<u>291,841</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS			
Revenue accrual adjustments		(66,282)	
Expenditure accrual adjustments		83,016	
Encumbrance adjustments		<u>(98,750)</u>	
		<u>(82,016)</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS		261,768	
FUND BALANCE, DECEMBER 1		<u>811,262</u>	
FUND BALANCE, NOVEMBER 30		<u>\$ 1,073,030</u>	

CITY OF FLORISSANT, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - NOTES TO
SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGE IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED NOVEMBER 30, 2009

Budgets and Budgetary Accounting

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

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

Annual budgets are adopted for all funds except for the Debt Service, Koch TIF, Neighborhood Stabilization Program, and Community Development Funds. All budgets are adopted on a cash basis except that encumbrances are treated as budgeted expenditures in the year of incurrence of the commitment to purchase. Budgetary comparisons presented in this report compare budgeted amounts on the budgetary basis to actual amounts on the budgetary basis.

OTHER SUPPLEMENTAL INFORMATION SECTION

CITY OF FLORISSANT, MISSOURI
OTHER SUPPLEMENTAL INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

CITY OF FLORISSANT, MISSOURI
OTHER SUPPLEMENTAL INFORMATION -
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
NOVEMBER 30, 2009

	Special Revenue Funds				
	Community Development Fund	Home Equity Assurance Fund	Koch TIF Fund	Neighborhood Stabilization Program Fund	Total Nonmajor Governmental Funds
ASSETS					
Cash	\$ -	43,345	-	-	43,345
Investments	-	100,000	-	-	100,000
Receivables:					
Taxes	-	-	71,740	-	71,740
Interest	-	101	-	-	101
Intergovernmental	-	-	-	5,435	5,435
Restricted assets:					
Investments	-	-	351,082	-	351,082
Total Assets	<u>\$ -</u>	<u>143,446</u>	<u>422,822</u>	<u>5,435</u>	<u>571,703</u>
LIABILITIES AND FUND BALANCES (DEFICIT)					
Liabilities					
Accounts payable	\$ 7,191	-	-	-	7,191
Accrued payroll	4,088	-	-	-	4,088
Due to other funds	2,189	-	-	5,435	7,624
Total Liabilities	<u>13,468</u>	<u>-</u>	<u>-</u>	<u>5,435</u>	<u>18,903</u>
Fund Balances (Deficit)					
Reserved for:					
Encumbrances	528	-	-	-	528
Debt service	-	-	422,822	-	422,822
Unreserved, reported in:					
Special Revenue Funds	(13,996)	143,446	-	-	129,450
Total Fund Balances (Deficit)	<u>(13,468)</u>	<u>143,446</u>	<u>422,822</u>	<u>-</u>	<u>552,800</u>
Total Liabilities And Fund Balances (Deficit)	<u>\$ -</u>	<u>143,446</u>	<u>422,822</u>	<u>5,435</u>	<u>571,703</u>

CITY OF FLORISSANT, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING STATEMENT
OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES (DEFICIT) - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2009

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Community Development Fund	Home Equity Assurance Fund	Koch TIF Fund	Neighborhood Stabilization Program Fund	
REVENUES					
Taxes	\$ -	-	384,228	-	384,228
Other	-	20	-	-	20
Investment income	-	2,312	40	-	2,352
Intergovernmental	251,616	-	-	36,361	287,977
Total Revenues	<u>251,616</u>	<u>2,332</u>	<u>384,268</u>	<u>36,361</u>	<u>674,577</u>
EXPENDITURES					
Current:					
General government	257,425	6	1,650	36,361	295,442
Debt service:					
Principal	-	-	250,000	-	250,000
Interest	-	-	144,788	-	144,788
Total Expenditures	<u>257,425</u>	<u>6</u>	<u>396,438</u>	<u>36,361</u>	<u>690,230</u>
NET CHANGE IN FUND BALANCES (DEFICIT)	(5,809)	2,326	(12,170)	-	(15,653)
FUND BALANCES (DEFICIT), DECEMBER 1	<u>(7,659)</u>	<u>141,120</u>	<u>434,992</u>	<u>-</u>	<u>568,453</u>
FUND BALANCES (DEFICIT), NOVEMBER 30	<u><u>\$ (13,468)</u></u>	<u><u>143,446</u></u>	<u><u>422,822</u></u>	<u><u>-</u></u>	<u><u>552,800</u></u>

CITY OF FLORISSANT, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND
ACTUAL - HOME EQUITY ASSURANCE FUND - BUDGET BASIS
FOR THE YEAR ENDED NOVEMBER 30, 2009

	Original And Final Budgeted Amounts	Actual	Over (Under) Budget
REVENUES			
Other	\$ -	20	20
Investment income	1,000	2,312	1,312
Total Revenues	1,000	2,332	1,332
 EXPENDITURES			
Current:			
General government	1,000	6	(994)
 NET CHANGE IN FUND BALANCES	<u>\$ -</u>	2,326	<u>2,326</u>
 FUND BALANCE, DECEMBER 1		<u>141,120</u>	
 FUND BALANCE, NOVEMBER 30		<u>\$ 143,446</u>	

FIDUCIARY FUND TYPES - AGENCY FUNDS

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

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

CITY OF FLORISSANT MISSOURI
OTHER SUPPLEMENTAL INFORMATION - STATEMENT OF
CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED NOVEMBER 30, 2009

	Balance November 30 2008	Additions	Reductions	Balance November 30 2009
ASSETS				
Cash	\$ 1,435,671	275,245	19,455	1,691,461
LIABILITIES				
Due to others:				
Court bonds	\$ 784,145	68,945	-	853,090
Construction deposits	149,424	-	19,455	129,969
Other deposits	331,374	182,839	-	514,213
	1,264,943	251,784	19,455	1,497,272
Due to other funds	170,728	23,461	-	194,189
Total Liabilities	\$ 1,435,671	275,245	19,455	1,691,461

CITY OF FLORISSANT, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED NOVEMBER 30, 2009

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Number	Expenditures
U.S. Department of Housing and Urban Development:			
Community Development Block Grant	14.218	-	\$ 251,616
Missouri Department of Economic Development Neighborhood Stabilization Program	14.256	2008-DN-06	<u>36,361</u>
Total U.S. Department Of Housing And Urban Development			<u>287,977</u>
U.S. Department of Transportation:			
Missouri Department of Transportation:			
Highway Planning and Construction	20.205	STP-5408(602)	47,528
Highway Safety	20.600	09-PT-02-50	7,083
Highway Safety	20.600	09-K8-03-38	10,271
Highway Safety	20.600	10-PT-02-55	1,093
University of Central Missouri:			
Highway Safety	20.600	LKK058	984
Highway Safety	20.600	LKK047	411
Highway Safety	20.607	LKK040	494
Highway Safety	20.613	LKK063	<u>495</u>
Total U.S. Department Of Transportation			<u>68,359</u>
U.S. Department of Homeland Security:			
Missouri Emergency Management Agency:			
Emergency Management Performance Grant	97.042	-	<u>44,517</u>
U.S. Department of Justice:			
Bulletproof Vest Program	16.607	2003-BUBX-0301-5077	9,379
Edward Byrne Memorial Justice Assistance	16.804	2009-SB-B9-0827	<u>1,759</u>
Total U.S. Department Of Justice			<u>11,138</u>
Total Awards Expended			<u><u>\$ 411,991</u></u>

INTERNAL CONTROL AND COMPLIANCE SECTION



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

**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

March 22, 2010

Honorable Mayor and City Council
CITY OF FLORISSANT, MISSOURI

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **CITY OF FLORISSANT, MISSOURI** (the City) as of and for the year ended November 30, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 22, 2010. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with U.S. generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to management of the City in a separate letter dated March 22, 2010.

This report is intended solely for the information and use of the City Council, management, and applicable regulatory agencies, and is not intended to be and should not be used by anyone other than these specified parties.


CERTIFIED PUBLIC ACCOUNTANTS