
***CITY OF CLAYTON, MISSOURI
COMPREHENSIVE ANNUAL
FINANCIAL REPORT***
For The Fiscal Year Ended September 30, 2009

*Report prepared and submitted by the
Finance Department*

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INTRODUCTORY SECTION



The City of Clayton

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February 9, 2010

To the Honorable Mayor, Board of Aldermen and Citizens of Clayton:

The Comprehensive Annual Financial Report (CAFR) of the City of Clayton, Missouri, for the fiscal year (FY) ended September 30, 2009, is herewith submitted for your review. The information presented in the CAFR is the responsibility of the City's management. The City believes that the financial statements, supporting schedules, and statistical information fairly present the financial condition of the City. We further believe that all presented data is accurate in all aspects and that all necessary disclosures have been included to enable the reader to gain a reasonable understanding of the City's financial affairs.

REPORTING STANDARDS

The City is presenting its Comprehensive Annual Financial Report under the reporting model required by the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. The format and a description of these reports are addressed in the Management's Discussion and Analysis (MD&A) and in the notes to the financial statements.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The diversity of governmental operations and the necessity for legal compliance preclude recording and summation of all financial transactions in a single accounting entity. The City's accounting system is therefore organized and operated on a fund basis, wherein each fund is a distinct and separate self-balancing entity.

The City's financial records utilize two basis of accounting. The modified accrual basis is utilized by governmental funds. Under this basis, revenues are recognized when measurable and available, and expenditures are recorded when the fund liability is incurred, except for interest on long-term debt.

The accrual basis of accounting is utilized by the proprietary and pension trust funds. Consideration is given to the adequacy of internal accounting controls governing the financial transactions and records of the City.

Internal controls are designed and developed to provide reasonable assurance that assets are safeguarded and that transactions are properly executed and recorded in line with management's policy and generally accepted accounting principles.

Budgetary control is maintained at the departmental and fund levels partially through the use of an encumbrance system. Monies of respective accounts are encumbered as purchase orders so that budgeted appropriations may not be overspent without proper approval. Open encumbrances at year-end are reported as reservations of the fund balance.

THE REPORTING ENTITY AND ITS SERVICES

The City of Clayton was incorporated in 1913. Its borders encompass 2.54 square miles and combine a bustling downtown with quiet, secure residential neighborhoods. The City's downtown is the region's premier business district and home to Forbes and Fortune 500 headquarters and branches. The City has a residential population of 15,935 and an estimated daytime population of 60,000. The City serves as the governmental seat for St. Louis County, Missouri. The governing body for the City consists of an elected six-member Board of Aldermen and the Mayor who collectively appoint a City Manager to administer daily operations.

The City provides a full range of municipal services including public works, parks and recreation, public safety, community development and general administration that are encompassed in the following departments: Public Works, Parks and Recreation, Police, Fire, Finance, Planning and Development, Management Information Systems and Administrative Services.

All funds included in this CAFR reflect the above municipal services and subsequent services of the City.

FIDUCIARY DUTIES

One of the fiduciary duties carried out by the City is pension management. Eligible City employees participate in one of two single-employer pension plans. These plans are the City of Clayton Uniformed Employees Retirement Fund and the Non-Uniformed Employees Retirement Fund.

Effective January 1, 1994, the City revised the previously existing uniformed employee defined benefit and defined contribution plans, and combined these plans into a single defined benefit plan, Uniformed Employees Retirement Fund. Uniformed employees contribute 5% of their salary until they have completed thirty years of service. The City contributes an actuarially determined amount to meet current costs and the amortization of past service liability.

The Non-Uniformed Employees Retirement Fund is a defined benefit plan in which employees normally contribute 3% of their salary and the City contributes an actuarially determined amount to the plan. The plan has exceeded 100% funding for several years. Since 1991, the City has chosen to suspend the employee contribution and in December 2004, the City suspended voluntary employer contributions. However, the City has budgeted for employer contributions to begin in FY 2010.

Both the Uniformed and Non-Uniformed Employee Pension Funds experienced losses in FY 2008 due to the near market collapse at the end of the year. In FY 2008, the Uniformed Pension Fund was down 13% and the Non-Uniformed Pension Fund was down 12% compared to FY 2007. The Uniformed Pension was down 9% and the Non-Uniformed Pension down 12.6% in the first quarter of FY 2009. For the twelve months of FY 2009, the Uniform plan had recovered somewhat to a 2.2% gain and the Non Uniformed plan to a 1.4% loss.

The Uniformed plan assets increased approximately 2.7% and the Non Uniformed plan increased 3.1% in the first three months of FY 2010.

The actuary valuation date is January 1 for the Uniformed plan and with the decline in asset value in calendar year 2009 the City employer contribution for the FY 2010 (October 1, 2009) budget year increased to \$1,124,000 from \$677,400.

The Non Uniformed actuary does blend the changes in asset valuation over a five year period so that one significant change will not dramatically impact the funding level in any given year. The City reinstated an employer contribution in FY 2010 equal to \$220,000.

The funding level for the Non-Uniformed plan decreased from 107.6% to 99% as of 7-1-2009 and the Uniformed plan decreased from 91.7% to 69.1% as of 1-1-2009.

RISK MANAGEMENT

Internal Service Fund - All insurance expenses for the City are recorded in the Insurance Fund. These expenses include general liability, property, and employee related insurance such as life, health, workers' compensation, etc. After being insured for general liability through a statewide insurance pool for a number of years, the City switched to the St. Louis Area Insurance Trust (SLAIT) effective January 1, 2005. After being self-insured since 1991, and in an effort to limit its financial exposure, the City chose SLAIT to insure for workers' compensation coverage effective May 20, 2005. Additional information is provided in the notes to the basic financial statements. There are no residual liabilities from the previous self-insured workers' compensation program or the previous general liability insurance pool. On July 1, 2009, the City joined a health insurance consortium of fourteen cities already participating in SLAIT's liability and workers' compensation insurance pool. By joining the consortium, the intent is to help the City stabilize rates and allow for catastrophic coverage

Safety Committee - SLAIT requires that its members undertake loss prevention practices in an effort to reduce the amount of claims filed, to create a safe working environment for City employees and to reduce the amount of public liability opportunities. The City of Clayton operates a citywide safety committee directed by a Risk Manager and representatives from each City department. The committee's responsibilities include accident investigation, safety inspections for physical hazards, job hazard analysis, job safety talks and implementation of health and wellness initiatives.

DEBT ADMINISTRATION

At year-end, long term liabilities totaled \$24,082,005 (see footnote 6 on page 38) and includes: government-wide debt of \$24,041,341 consisting of general obligation bonds, special obligation bonds, capital leases and an intergovernmental loan agreement with St. Louis County for the Shaw Park Drive Parking Facility; unamortized premium on bonds of \$175,160; other postemployment benefits of \$46,821; compensated absences of \$309,673; and less the deferred amount on refunding of \$490,990.

CASH MANAGEMENT

Cash of the governmental, proprietary, and internal service funds, temporarily not used in operations, is invested in collateralized or insured overnight funds, or certificates of deposit backed by United States agencies or Treasury obligations. Unless matched to a specific cash flow, the City will not invest in securities maturing more than three years from the date of purchase, and has not done so unless circumstances warranted other consideration. Yields earned from these investments ranged from 1.01% to 4.20%. The Federal Reserve Bank has decreased the overnight Federal funds rate in FY 2009 from 2.03% to a range of 0% to .25%.

Longer-term investments of corporate bonds, stocks, and U.S. Government Agency and Treasury obligations and securities are utilized for cash and investments in the Non-Uniformed Employees and Uniformed Employees Retirement Funds. The pension benefit obligation funding ratio for the Non-Uniformed Employees Retirement plan decreased slightly from 107.6% to 99% according to the actuarial valuation report dated July 1, 2009. This decrease in funding level is due to an increase in the present value of accrued benefits and a slight decrease of the actuarial present value of assets. The Uniformed Employees Retirement plan funded ratio decreased from 91.7% to 69.1% due entirely to the unfavorable investment results according to the actuarial valuation report dated January 1, 2009.

ECONOMIC EVENTS AND THE FUTURE

Within two and a half square miles, Clayton blends a bustling business district with an outstanding housing mix. The central business district (CBD) combines approximately 7,000,000 square feet of prestigious office space with the vitality of more than 1,000,000 square feet of retail space. Clayton's charming residential neighborhoods provide a mix of housing, to include single-family homes, condominiums and multi-family apartment dwellings. Much of the residential area is within walking distance of the CBD or neighborhood retail districts that include specialty boutiques, flower shops, restaurants, dry cleaners, fitness facilities and cafes.

Clayton has maintained a thriving business district despite the economic challenges the nation faces today. Clayton has a diverse income mix and is not overly dependant on Property tax which is balanced between commercial and residential. Therefore, Clayton is able to maintain a strong financial footing. In December 2009, Interstate 64 from I-170 to Kingshighway (a major arterial road located in St. Louis City) reopened after being closed for approximately one year due to reconstruction and thereby limiting access to and from the City of Clayton. The reopening marks what the City hopes to be the revisiting of Clayton's retail and restaurants by those inconvenienced by the year long construction project. With the reopening of the Interstate, the sales tax projections for FY 2010 are anticipated to remain stable amidst the sluggish economy.

Clayton's location within the region further strengthens the City's attractiveness to residents, businesses and visitors. As the seat for St. Louis County, many St. Louis County residents come to Clayton on a daily basis to do business in the many County offices. MetroLink (the region's light-rail system) through Clayton provides easy and quick access to downtown St. Louis, the airport and parts of south St. Louis County. A regional bus transfer station that is connected to the Central Avenue MetroLink station provides public transportation access to most of the region. Finally, Clayton's proximity to numerous interstates and major County arterials, as well as its central location, means that trips to the airport, downtown St. Louis or other major attractions can be made within 15 minutes.

Clayton's thriving retail community includes approximately 80 restaurants (many of which are award-winning), 90 vibrant retail boutiques and 230 personal service businesses. Clayton's downtown is the region's premier business district and home to numerous Forbes and Fortune 500 headquarters and branch offices. To name just a few, Clayton's quality of life has attracted Enterprise Rent-A-Car, Brown Shoe Group, Commerce Bank, Centene Corporation, Rehab Care Group, Graybar, Barry-Wehmiller Companies, Olin Corporation, Apex Oil and a majority of the largest law firms in the St. Louis area. Clayton maintains one of the highest commercial occupancy rates in the region. The Clayton office and retail market continues to be one of the steadiest submarkets in the St. Louis area. Vacancy rates for the last several years have continued to stay in the 10% to 12% range, one of the lowest vacancy rates in the metropolitan area, and slightly lower than the regional average.

In addition to its thriving economy, Clayton has beautiful residential neighborhoods and the City has devoted more than 70 acres of green space to passive and active park areas and recreation adding to its quality of life. Included in these resources is The Center of Clayton, a multi-use recreational facility operated in conjunction with the Clayton School District.

In 2009, home values continued to decline across the country and in some areas of the country by double digits. Clayton was slightly more fortunate in the housing market this past year. According to Sperling's Best Places (a website that reports on city data found at bestplaces.net), as of 2009, Clayton's median home cost was \$534,540, a reduction of -5.30%. For the first time in over a decade, the City's total assessed value decreased by 2.4%. However, Clayton's assessed value still remains high. Overall, the City still experiences a number of significant residential upgrades, condominium conversions, home remodeling/additions and new condominium buildings. In the past 12 months from October 1, 2008 to September 30, 2009, the City has experienced more than \$15 million in residential construction of new homes and remodeling of existing residential structures.

This year the City hired the firm Sasaki and Associates to conduct a retail study in the Central Business District (CBD) and to assist with updating the City's CBD Master Plan. The study was begun in October 2009 and the City expects to complete the project by April 2010. The Sasaki Strategy team hopes to develop a stronger identity for the CBD, specifically the retail component. The revised plan will provide a comprehensive framework for future development and strategic retail marketing efforts.

DEVELOPMENT

Clayton continues to process and approve plans for major developments. The Centene Corporation, with a proposal to develop the half block area bounded by Forsyth Boulevard, Carondelet Avenue and Hanley Road has completed the shell of the first tower and has begun work on tenant finishes. The 17 story building will be home to the world headquarters of the company and also house the law firms of Stinson Morrison and Armstrong Teasdale. The project will also provide 17,000 square feet of new retail space on the ground floor of the parking garage now under construction. Centene will commence construction of the second tower once market conditions warrant the additional office space.

Future Development

In 2009, the City of Clayton approved two Transit Oriented Development (TOD) zoning overlays. The two locations are centered around the City's two lightrail stations, the Forsyth MetroLink Station and the Central MetroLink Station. The overlays will allow for medium to high density use that will allow development to take advantage of the public transportation infrastructure and, therefore, reduce parking requirements and expenses.

The following projects have been approved but delayed due to the current world-wide financial conditions:

Orchard Development Group received approval to build the Trianon at the Forsyth MetroLink Station, just east of the Ritz-Carlton. The Trianon is a \$150 million mixed-use development that is expected to include 175 apartment units and 175 condominiums with a variety of floor plans and price points. Approximately 33,500 square feet of street-level retail space is also proposed. The project is unique because of its proximity to the MetroLink passenger station at Forsyth Boulevard and Forest Park Parkway. The project is proposed to be a TOD. The project has yet to begin and its City's approvals expire in spring 2010. Given the current conditions of the credit markets, especially for real estate development, the project's future is certainly in question.

R.J. York Development has proposed a \$110 million mixed-use construction project to be located near Central Avenue and Maryland Avenue. The project is estimated to be a 23 story high rise tower that will include a 241 room boutique hotel, 5,800 square feet of retail, and approximately 18 luxury residential condominiums, as well as nearby parking infrastructure. The project is expected to generate significant additional economic activity for the City at the very core of the Central Business District. Further, existing retail adjacent to the project is expected to increase with the opening of the new development.

Mark S. Mehlman Realty has presented plans for the Carondelet Village. The proposal for the mixed-use development includes approximately 110,000 square feet of retail space, a multi-screen movie theater/performing arts center which will be connected to a boutique hotel with 150 rooms, and 110,000 square feet of boutique office space. With the addition of a critical mass in retail and a 663 parking facility, the developer feels that the \$128 million project will reestablish Clayton as a shopping destination. The proposed Village will offer Clayton residents the opportunity to stay in Clayton to shop, while drawing visitors from the entire region to shop and dine in Clayton. At its December 18, 2007 meeting the Board of Aldermen unanimously approved the City's first ever use of Tax Increment Financing (TIF) for the proposed development. Following the adoption of the ordinance authorizing the use of TIF, the project must go through the site plan review process. The Board must also negotiate a redevelopment agreement.

In the spring of 2008, Brown Shoe Co. proposed to build a \$568 million, multi-phased project on 12.5 acres on and around the company's headquarters on Maryland Avenue in Clayton. Plans for the proposed development include approximately 1.2 million square feet of office space, 50,000 to 80,000 square feet of retail space, 300 to 420 residential units, parking and possibly a hotel. The project was scheduled to open in 2012, but the company recently announced that it would "indefinitely" postpone the new development due to weak real estate and credit markets and a need for Brown Shoe to lower spending. The City and Brown Shoe Co. are optimistic that the project will go forward at a later date. While the project remains on hold, the high-profile company still has a positive impact in the community.

FINANCIAL PLANNING

In FY 2010 the City, expects to receive more than \$59 million in revenue and funding. This is an increase of \$23 million when compared to the FY 2008 adopted budget. \$20.7 million is related to the following: \$17 million from bond proceeds for the new police facility; \$1 million from loan proceeds for a replacement fire ladder truck purchase; \$1.7 million from increased grant revenue; and \$1 million from a one-time telephone utility tax settlement.

The overall breakdown of revenue and funding sources by category includes \$7.2 million of inter-fund transfers, property tax totaling \$6.5 million, sales tax totaling \$5.2 million, utility tax revenue of \$6.5 million, licenses and fees totaling \$3.7 million, \$18 million of new debt, \$4.7 million of intergovernmental and \$7.2 million of miscellaneous.

In FY 2010 the City, is estimated to spend \$51.6 million. This is an increase of \$14.3 million when compared to the FY 2009 adopted budget and is related to the following: \$9 million for a new police facility; 1 million for a new fire ladder truck; \$850,000 for employer pension contributions; \$800,000 in transfers from Parking Fund for capital projects and \$450,000 of new debt service.

MAJOR INITIATIVES

Expanding on *Vision 2013: Building a Bright Future*, designed to provide guidelines for engaging the public in discussion and planning for a vital future, the City conducted its first annual Citizen Survey in 2009. The City of Clayton set new high standards in nine categories tracked by The ETC Institute (the survey administrator). A citizen survey will be conducted each year to ensure we are meeting the needs and expectations of our customers.

Based on citizen feedback, the Mayor, Board of Aldermen and staff have developed a performance measurement and management system to align City services and programs with the strategic priorities adopted in *Vision 2013*. The system enables departments to systematically and quantifiably measure results, and make adjustments when results fall short of expected performance levels.

The goals outlined in *Vision 2013* that will guide the City in providing services are:

- I. Ensure the public's safety and respond effectively and efficiently to all emergencies throughout the community. (Public Safety)**
- II. Maintain and grow a strong, diversified economic base that enriches the City's quality of life, preserves the integrity of our residential neighborhoods, and is consistent with the Comprehensive Plan. (Economic Development)**
- III. Create and maintain a beautiful, clean and healthy community where resources are used responsibly. (Planning and Sustainability).**
- IV. Encourage widespread participation in a variety of recreational and cultural activities, which are accessible to all community members. (Recreation and Culture)**
- V. Foster all safe and accessible modes of travel including walking and biking. (Transportation)**

Below are just a few examples of how the City has attempted to meet its goals:

Following a decrease of 23% in 2008, the Clayton Police Department's preliminary crime statistics for 2009 show a 9% reduction in Part I crimes. Violent crimes were decreased by 25% and there were no murders or rapes in 2009. Additionally, property crimes decreased by 20% overall.

The City continues to lead the region as a "green" city, enhancing its position as a business center, a priority established in *Vision 2013*. The City shows its commitment to its "green" initiative by emphasizing sustainable practices such as: a reduction of fossil-fuel dependency, assessment of utility usage, adoption of LEED certification in the city's zoning code to incentives new developments, expansion of citywide recycling efforts, and creation of pedestrian-friendly environments.

The Clayton Century Foundation has grown as a public-private partnership that helps fund projects in the community that go beyond traditional city services, services that are currently supported by sales and property taxes. Through the work by the Foundation, the city reaches out to residential and corporate private partners for support in enriching quality of life initiatives.

Capital projects and equipment replacement are a key component of the City of Clayton long range expenditure plan. The planned capital projects and equipment purchases for the next three-year period beginning October 1, 2010 are approximately \$31 million. Included in this amount over the three-year period is \$17 million allocated for a new police facility; ongoing improvements to streetscape, streets, pedestrian safety, sidewalks, and alleys of \$6.5 million; fleet and equipment replacement totaling \$5.1 million and park improvements of \$2.2 million.

AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Clayton for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2008. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Clayton has received a Certificate of Achievement for the last twenty-two consecutive years (fiscal years ended 1987-2008). We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.

Additionally, the GFOA awarded the Distinguished Budget Award to the City of Clayton for Fiscal Year 2009. This was the City's second Distinguished Budget Award. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only and we have already submitted the FY 2010 budget for consideration.

INDEPENDENT AUDIT

The City's policy is to have the financial statements of the City audited annually by an independent Certified Public Accountant. The City has complied with this policy for FY 2009 and the independent auditor's report is included with this CAFR.

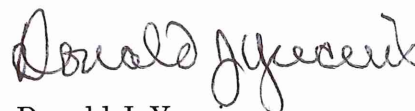
ACKNOWLEDGEMENTS

The quality and timely preparation of the comprehensive annual financial report was made possible by the dedicated service of the Mayor and Board of Aldermen, City staff, and RubinBrown LLP.

Respectfully submitted,



Craig S. Owens
City Manager



Donald J. Yucuis
Director of Finance

CITY OF CLAYTON, MISSOURI

PRINCIPAL OFFICIALS

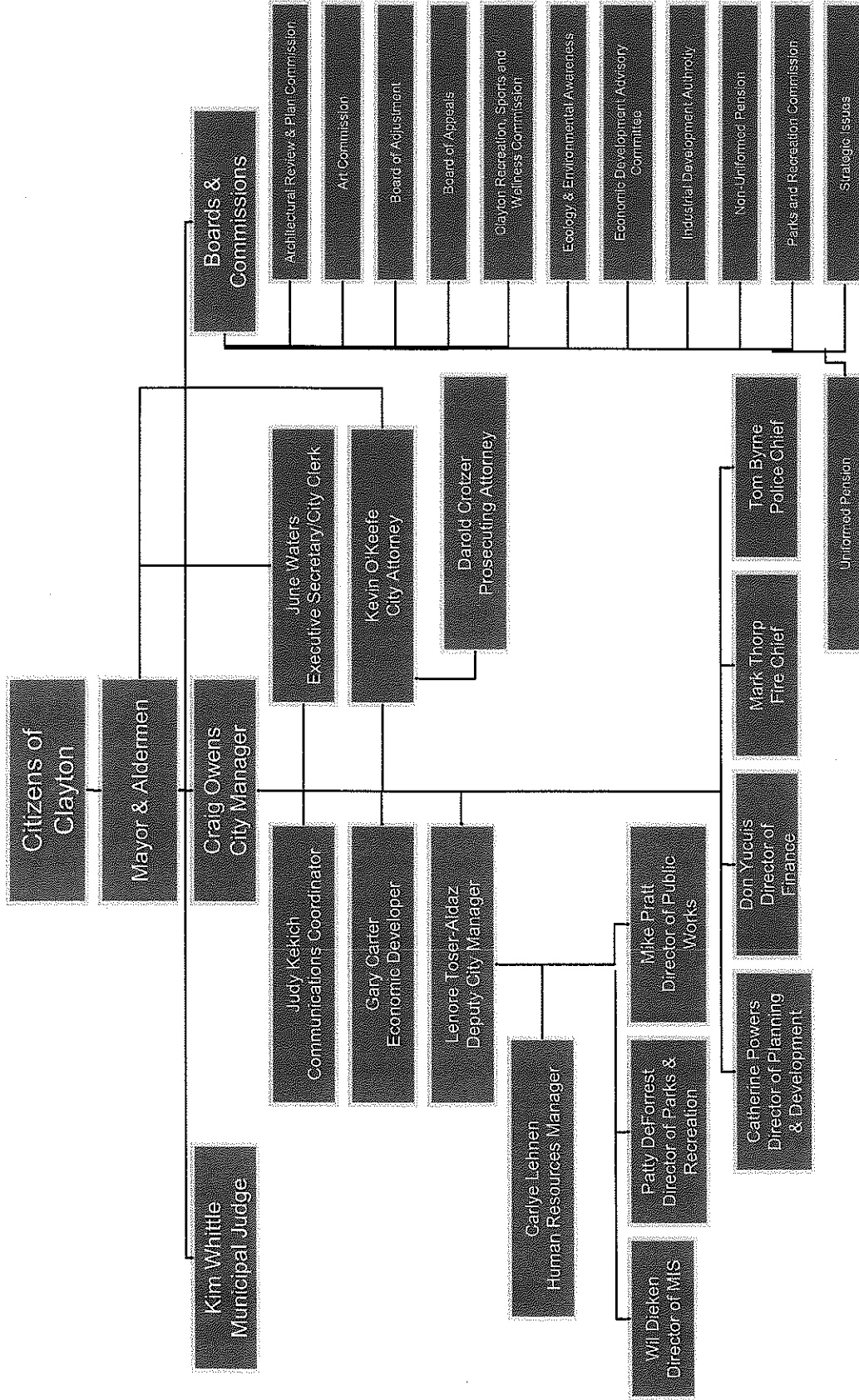
MayorLinda Goldstein

Aldermen:

.....Judy R. Goodman
.....Cynthia Garnholz
..... Alex Berger, III
.....Steven E. Lichtenfeld
..... Michelle Harris
..... Andrea Maddox-Dallas

City ManagerCraig S. Owens

City of Clayton Organization Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Clayton
Missouri

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink, appearing to read "JEFFREY R. EMMER".

President

A stylized, handwritten signature in black ink, appearing to read "JEFFREY R. EMMER".

Executive Director

FINANCIAL SECTION



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& Business Consultants

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Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of City of Clayton, Missouri (the City), as of and for the year ended September 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 auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 business-type activity, each major fund, and the aggregate remaining fund information of the City as of September 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 9, 2010 on our consideration of the City's internal control over financial reporting and 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 should be considered in 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 accounting principles generally accepted in the United States of America. 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 introductory section, combining and individual fund financial statements and schedules, and the statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and the statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

RubinBrown LLP

February 9, 2010

CITY OF CLAYTON, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the City of Clayton, Missouri presents this narrative overview and analysis to assist our readers in reviewing and understanding the accompanying annual financial statements for the fiscal year ended September 30, 2009. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the letter of transmittal which can be found on pages i-viii of this report.

Financial Highlights

- The net assets of the City of Clayton at the close of the most recent fiscal year were \$57,306,521; an increase of \$2,311,760 from the prior year. Governmental Activities increased \$2,336,211 and business activities decreased \$24,451. \$28,530,351 of the total net assets are unrestricted and may be used to meet the municipality's on-going obligations to citizens and creditors.
- The City of Clayton's governmental funds on page 16 as of the close of the current fiscal year reported a combined ending fund balance of \$21,979,859, a net decrease of \$597,370 in comparison to the prior year. Approximately 80.5% of the total amount, or \$17,704,492, is unreserved and available for spending at the City's discretion.

Overview of the Financial Statements

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

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with 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. Note that the government-wide financial statements exclude fiduciary fund (Pension Trust Funds) activities.

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*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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 CLAYTON, MISSOURI

Management's Discussion And Analysis (*Continued*)

Government-wide statements are separated into two major categories: 1) *governmental activities* that are principally supported by taxes and intergovernmental revenues. The governmental activities include general government, public safety, highways and streets, parks and recreation, and community development, and 2) *business-type activities* that are supported with user fees and charges. The business-type activity includes all City-owned and managed parking facilities.

The government-wide financial statements can be found on pages 12 and 13 of this report.

Fund Financial Statements

Funds are used in government accounting to separate resources that are designated for specific programs or activities. The City of Clayton, 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. The funds for the City of Clayton can be divided into three categories: 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 in the next few months, 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.

Clayton utilizes the following major governmental funds:

- General
- Revolving Public Improvement
- Equipment Replacement

The larger funds are presented as major funds while the other funds are presented in the combining statements for non-major funds. A description of the major funds can be found on page 24 in the notes to the financial statements. Both major and non-major fund statements include a balance sheet and statement of revenues, expenditures and changes in fund balances.

CITY OF CLAYTON, MISSOURI

Management's Discussion And Analysis (*Continued*)

Clayton adopts an annual budget for all funds except the Police Forfeiture and Police Officer Standards Training Fund, and the Redevelopment Forsyth/Hanley Road. Budgetary comparison statements have been provided for all budgeted funds to demonstrate legal compliance with the respective adopted budget. Budgetary comparisons for the general fund can be found on pages 53 to 54 in the required supplementary information. All other major and non-major funds budgetary comparisons can be found in the supplementary information section starting on page 58.

Proprietary Funds

Clayton's *proprietary fund* types consist of an enterprise fund, which is the Parking Facilities Revenue Fund and an internal service fund, which is the Insurance Fund. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Proprietary fund financial statements may be found on pages 18 through 20.

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 the Uniformed and Non-Uniformed Employee Retirement plans. 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. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary fund statements may be found on pages 21 and 22.

Notes to the Basic Financial Statements

Notes provide additional information that is essential to a full understanding of the information included in the government-wide and fund financial statements. Notes provide additional details about the balances and transactions in the City's financial statements and may be found on pages 23 through 52.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, certain required supplementary information can be found on pages 53 through 57 of this report.

Supplementary Information

The combining and individual fund statements, referred to earlier in connection with non-major governmental funds, are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 58 through 83 of this report.

CITY OF CLAYTON, MISSOURI

Management's Discussion And Analysis (*Continued*)

Government-wide Financial Analysis

This is the seventh year that the City of Clayton has presented its financial statements under the reporting model required by the Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. Therefore, a comparative analysis of government-wide data is included in this report.

As noted earlier, net assets over time may serve as a useful indicator of a government's financial position. In the case of the City of Clayton, assets exceeded liabilities by \$57,306,521 at the close of the most recent fiscal year, an increase of \$2,311,760.

A major portion of the City of Clayton's net assets are invested in capital assets (e.g. land, buildings, machinery and equipment, and infrastructure) less any related debt used to acquire those assets and total \$24,727,871 or 43.2% of net assets. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Unrestricted net assets of \$28,530,351 are another major portion of the City's net assets (49.8%) that may be used to meet on-going obligations to citizens and creditors.

City of Clayton's Net Assets

	Governmental Activities		Business Type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 25,808,370	\$ 26,224,172	\$ 10,570,884	\$ 10,693,624	\$ 36,379,254	\$ 36,917,796
Capital assets	35,783,886	34,889,964	12,669,496	12,985,132	48,453,382	47,875,096
Total Assets	61,592,256	61,114,136	23,240,380	23,678,756	84,832,636	84,792,892
Current liabilities	3,346,211	3,031,765	97,899	192,810	3,444,110	3,224,575
Noncurrent liabilities	20,806,738	22,979,275	3,275,267	3,594,281	24,082,005	26,573,556
Total Liabilities	24,152,949	26,011,040	3,373,166	3,787,091	27,526,115	29,798,131
Net assets						
Invested in capital assets, net of related debt	15,329,996	12,335,368	9,397,875	9,404,409	24,727,871	21,739,777
Restricted	3,782,799	3,636,576	265,500	265,500	4,048,299	3,902,076
Unrestricted	18,326,512	19,131,152	10,203,839	10,221,756	28,530,351	29,352,908
Total Net Assets	\$ 37,439,307	\$ 35,103,096	\$ 19,867,214	\$ 19,891,665	\$ 57,306,521	\$ 54,994,761

CITY OF CLAYTON, MISSOURI

Management's Discussion And Analysis (*Continued*)

The Statement of Activities is the second statement in the government-wide statements. The following table outlines the major components of this statement.

City of Clayton's Statement of Activities

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Program Revenues:						
Charges for services	\$ 4,396,485	\$ 4,564,653	\$ 1,521,683	\$ 1,420,803	\$ 5,918,168	\$ 5,985,456
Operating Grants	1,098,553	1,270,321	—	—	1,098,553	1,270,321
Capital Grants/Contributions	1,024,386	569,600	—	—	1,024,386	569,600
General Revenues:						
Property tax	6,886,241	6,643,277	—	—	6,886,241	6,643,277
Sales tax	5,541,603	6,043,834	—	—	5,541,603	6,043,834
Utility tax	4,894,278	5,701,276	—	—	4,894,278	5,701,276
Other taxes	538,881	556,272	—	—	538,881	556,272
Investment earnings	659,833	771,380	320,578	427,878	980,411	1,199,258
Gain on sale of capital assets	4,887	—	—	—	4,887	—
Other general revenues	1,092,730	1,022,818	—	—	1,092,730	1,022,818
Total Revenues	26,137,877	27,143,431	1,842,261	1,848,681	27,980,138	28,992,112
Program Expenses:						
General government	5,184,518	5,286,324	—	—	5,184,518	5,286,324
Public safety	9,153,714	8,495,262	—	—	9,153,714	8,495,262
Streets and Highways	7,133,404	5,411,338	—	—	7,133,404	5,411,338
Parks and recreation	2,135,837	2,079,965	—	—	2,135,837	2,079,965
Community development	199,035	173,316	—	—	199,035	173,316
Interest on long-term debt	779,891	963,747	—	—	779,891	963,747
Parking facility	—	—	1,081,979	1,210,118	1,081,979	1,210,118
Total Program Expenses	24,586,399	22,409,952	1,081,979	1,210,118	25,668,378	23,620,070
Excess (deficiency) before transfers	1,551,478	4,733,479	760,282	638,563	2,311,760	5,372,042
Transfers	784,733	754,000	(784,733)	(754,000)	—	—
Change in net assets	2,336,211	5,487,479	(24,451)	(115,437)	2,311,760	5,372,042
Net Assets - Beginning of Year	35,103,096	29,615,617	19,891,665	20,007,102	54,994,761	49,622,719
Net Assets - End of Year	\$ 37,439,307	\$ 35,103,096	\$ 19,867,214	\$ 19,891,665	\$ 57,306,521	\$ 54,994,761

The City of Clayton's overall net assets of \$57,306,521 increased \$2,311,760 during the current fiscal year. FY 2009 revenues totaling \$27,980,138 are \$1,011,974 less than FY 2008. Program revenue totaling \$8,041,107 is \$215,370 more than FY 2008 and mainly due to increased revenue from one time grants. Governmental activities general revenue from property, sales and utility taxes total \$17,322,122 or 88.3% of total general revenues of \$19,618,453 and decreased by \$1,120,404. Property tax revenue increased \$242,964 to \$6,886,241 mainly due to new construction growth. Sales tax decreased by \$502,231 to \$5,541,603 mainly due to the downturn of the economy. Utility tax decreased by \$806,998 to \$4,894,278, with \$869,000 associated with one time settlements with three vendors in FY 2008.

Program expenses totaling \$25,668,378 were \$2,048,308 more than FY 2008. The main increase is due to Public Safety, \$658,452, for increased operating expenses and purchase of equipment and Streets and Highways, \$1,722,066 for expenses related to street and pedestrian safety projects.

CITY OF CLAYTON, MISSOURI

Management's Discussion And Analysis (*Continued*)

Financial Analysis of the Government's Funds

The fund statements present the City's financial information in a more detailed format. 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 governmental 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.

Governmental Funds

The City's total governmental funds, as shown on page 14, at the end of the current fiscal year, reported an ending fund balance of \$21,979,859, a decrease of \$597,370 in comparison with the prior year. Approximately 80.5% of this total amount (\$17,704,492) constitutes *unreserved fund balance*, which is available for spending at the government's discretion. Although the Equipment Replacement Fund has an unreserved balance, if those funds were used, then alternative sources of revenue would need to be found to pay for equipment purchased in the future. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed 1) encumbrances to liquidate contracts and purchase orders, \$1,032,014 and 2) to pay debt service, \$3,243,353. The governmental funds may be viewed on pages 14 through 17.

The General Fund is the main operating fund of the City. At the end of the current fiscal year, unreserved fund balance was \$12,590,092 while total fund balance reached \$12,636,338. Fund balance represents 66% of total General Fund expenditures. The City's General Fund minimum reserve policy level is 25% of expenditures. The City's FY 2009 General Fund balance increased \$769,125. FY 2009 revenue decreased by \$1,046,685 to \$19,909,367 compared to FY 2008. Two areas accounted for the majority of the decrease, public utilities due to a \$829,600 one time settlement in FY 2008 from three cell phone companies and a decrease of \$260,612 in intergovernmental due to lower than expected sales tax.

The Revolving Public Improvement Fund Balance totaling \$2,290,633 includes \$1,689,633 unreserved and \$601,000 reserved for encumbrances. The net decrease in fund balance of \$1,142,255 was due to revenue remaining approximately the same as FY 2008 and an increase in planned capital outlay and transfers compared to the prior year. Transfers in of \$100,000 are from the Parking Fund and transfers out of \$868,950 are to pay for a portion of the debt service on the 2007 and 2009 bond issues and for capital projects in Other Governmental Funds, specifically for improvements to park and recreational facilities.

The Equipment Replacement Fund has a total fund balance of \$2,273,736. Almost the entire fund balance is unreserved but designated for the replacement of all the vehicles and large dollar equipment in the City based on a long range replacement plan. The funding source is from a charge-back to the Revolving Public Improvement Fund.

CITY OF CLAYTON, MISSOURI

Management's Discussion And Analysis (*Continued*)

Proprietary Funds

The fund statements for the proprietary funds look much like the business-type activities in the government-wide statements. Proprietary fund financial information is measured with the same principles used by commercial enterprises, so this information does not change from the fund statement to the government-wide statement. Proprietary fund information may be found on pages 18 through 20.

Total net assets of the Parking Fund (enterprise) decreased \$24,451 to \$19,867,214. Unrestricted net assets for the Parking Fund decreased \$17,917 to \$10,203,839.

The entire net assets of the Insurance Fund (internal service) are unrestricted and total \$576,432, a decrease of \$78,217.

General Fund Significant Variances - Budget and Actual

Pages 55 through 56 summarize the General Fund budget to actual. The General Fund had several amendments between the original and final budget to decrease revenues by \$245,349 and decrease expenditures by \$289,170. As stated earlier, the City policy on General Fund balance is a minimum of 25% of expenditures and transfers. The current General Fund balance is 66%.

Overall, the net change in fund balance on the budget basis was an increase of \$773,627. Actual General Fund revenue totaling \$19,909,367 was \$1,021,145 or 5% more than the final budget. This is mainly due to a conservative budgeting philosophy and for unbudgeted developer fees and pass through grant revenue.

The actual General Fund expenditures totaling \$19,135,740 were \$408,590 or 2% more than the final budget. Unbudgeted expenses related to developer agreements and pass through grant expenses account for the majority of the over budget amount.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2009 totaled \$48,453,382 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvement other than buildings, machinery/equipment, infrastructure, and construction in progress. The total change in the City's investment in capital assets was an increase of \$578,286 with capital assets increasing \$2,405,742, construction in progress increasing \$50,808 and offset by depreciation of \$1,878,264.

CITY OF CLAYTON, MISSOURI

Management's Discussion And Analysis (Continued)

City of Clayton Capital Assets (net of depreciation)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Land	\$ 1,320,981	\$ 1,320,981	\$ 1,642,361	\$ 1,642,361	\$ 2,963,342	\$ 2,963,342
Buildings	12,909,823	13,321,669	10,921,798	11,233,010	23,831,621	24,554,679
Improvements other than buildings	385,859	430,157	25,935	27,445	411,794	457,602
Machinery/Equipment	2,725,514	2,304,677	79,402	82,316	2,804,916	2,386,993
Infrastructure	17,423,022	16,544,601	—	—	17,423,022	16,544,601
Construction in progress	1,018,687	967,879	—	—	1,018,687	967,879
Total	\$ 35,783,886	\$ 4,889,964	\$ 12,669,496	\$ 12,985,132	\$ 48,453,382	\$ 47,875,096

Additional information on the City's capital assets can be found in Note 3 to the Financial Statements, page 36 of this report.

Long-term Debt

The City had government-wide debt outstanding of \$24,041,341 (excluding the deferred amount on refunding of \$490,990) at the end of the current fiscal year. \$4,885,000 is general obligation debt backed by the full faith and credit of the City, \$22,465,000 is special obligation debt and \$1,576,341 is a note payable paid for from annual appropriations and special assessment fees.

City of Clayton's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Series 1999	\$ —	\$ 4,885,000	\$ —	\$ —	\$ —	\$ 4,885,000
Series 2005	9,210,000	9,935,000	1,835,000	2,040,000	11,045,000	11,975,000
Series 2007	7,470,000	8,175,000	—	—	7,470,000	8,175,000
Series 2009	3,950,000	—	—	—	3,950,000	—
Note Payable	—	—	1,576,341	1,716,341	1,576,341	1,716,341
Total	\$ 22,995,000	\$ 22,995,000	\$ 3,411,341	\$ 3,756,341	\$ 4,041,341	\$ 26,751,341

The City's total debt decreased by \$2,710,000 during the current fiscal year. Additional information on the City's long-term debt can be found in Note 6 to the Financial Statements, page 38 through 42 of this report.

The Outlook for Next Year

The City's reliance on operating revenue is spread among three major revenue sources, property tax, sales tax and utility tax and is projected to have minimal growth.

CITY OF CLAYTON, MISSOURI

Management's Discussion And Analysis (*Continued*)

A slight property tax revenue increase is due to new construction being added. Sales tax is projected to decrease 3.5% before leveling and utility tax is expected to increase 3%. A one time \$1,000,000 telephone utility tax settlement will be received in December 2009. The City plans to spend down the General Fund balances to the minimum 25% policy level over the next several years.

The near future will see a continuing need to evaluate funding policies in order to maintain services at the current level. Overall, the economic outlook for the City of Clayton is optimistic. This optimism includes maintaining the current high level of service to residents by addressing the funding needs of the community as needed.

Requests for Information

This financial report is designed to provide a general overview of the City of Clayton, Missouri's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, City of Clayton, Missouri, 10 N. Bemiston Avenue, Clayton, MO 63105.

CITY OF CLAYTON, MISSOURI

STATEMENT OF NET ASSETS September 30, 2009

	Governmental Activities	Business-Type Activity	Total
Assets			
Cash and cash equivalents	\$ 3,007,010	\$ 95,010	\$ 3,102,020
Investments	17,106,444	10,002,244	27,108,688
Accounts receivable	521,780	84,962	606,742
Property taxes receivable	162,840	—	162,840
Intergovernmental receivable	1,643,774	—	1,643,774
Special assessments receivable	350,675	—	350,675
Interest receivable	175,015	114,423	289,438
Prepaid expenses	114,288	—	114,288
Bond issue costs, net	191,780	8,745	200,525
Net pension asset	278,499	—	278,499
Cash - restricted	8,765	20,972	29,737
Investments - restricted	2,247,500	244,528	2,492,028
Capital assets:			
Land and construction in progress	2,339,668	1,642,361	3,982,029
Other capital assets, net	33,444,218	11,027,135	44,471,353
Total Assets	61,592,256	23,240,380	84,832,636
Liabilities			
Accounts payable	1,223,545	24,777	1,248,322
Accrued interest payable	242,125	56,983	299,108
Accrued liabilities	584,901	12,939	597,840
Unearned revenues	128,752	—	128,752
Deposits	348,842	3,200	352,042
Net pension obligation	818,046	—	818,046
Noncurrent liabilities:			
Due within one year	2,806,027	368,646	3,174,673
Due in more than one year	18,000,711	2,906,621	20,907,332
Total Liabilities	24,152,949	3,373,166	27,526,115
Net Assets			
Invested in capital assets, net of related debt	15,329,996	9,397,875	24,727,871
Restricted for:			
Debt service	3,243,353	265,500	3,508,853
Special taxing district	288,376	—	288,376
Sewer lateral projects	251,070	—	251,070
Unrestricted	18,326,512	10,203,839	28,530,351
Total Net Assets	\$ 37,439,307	\$ 19,867,214	\$ 57,306,521

CITY OF CLAYTON, MISSOURI

STATEMENT OF ACTIVITIES For The Year Ended September 30, 2009

Functions	Expenses	Program Revenues			Net Revenues (Expenses) And Changes In Net Assets		
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities	Business- Type Activity	Total
Governmental Activities							
General government	\$ 5,184,518	\$ 662,163	\$ —	\$ —	\$ (4,522,355)	\$ —	\$ (4,522,355)
Public safety	9,153,714	1,295,680	198,311	—	(7,659,723)	—	(7,659,723)
Streets and highways	7,133,404	233,699	900,242	1,024,386	(4,975,077)	—	(4,975,077)
Parks and recreation	2,135,837	850,860	—	—	(1,284,977)	—	(1,284,977)
Community development	199,035	1,354,083	—	—	1,155,048	—	1,155,048
Interest on long-term debt	779,891	—	—	—	(779,891)	—	(779,891)
Total Governmental Activities	24,586,399	4,396,485	1,098,553	1,024,386	(18,066,975)	—	(18,066,975)
Business-Type Activity							
Parking facility	1,081,979	1,521,683	—	—	—	439,704	439,704
Total Primary Government	\$ 25,668,378	\$ 5,918,168	\$ 1,098,553	\$ 1,024,386	(18,066,975)	439,704	(17,627,271)
General Revenues							
Taxes:							
Property					6,886,241	—	6,886,241
Sales					5,541,603	—	5,541,603
Utility					4,894,278	—	4,894,278
Other					538,881	—	538,881
Investment income					659,833	320,578	980,411
Gain on sale of capital assets					4,887	—	4,887
Miscellaneous					1,092,730	—	1,092,730
Transfers					784,733	(784,733)	—
Total General Revenues And Transfers					20,403,186	(464,155)	19,939,031
Change In Net Assets					2,336,211	(24,451)	2,311,760
Net Assets - Beginning Of Year					35,103,096	19,891,665	54,994,761
Net Assets - End Of Year					\$ 37,439,307	\$ 19,867,214	\$ 57,306,521

CITY OF CLAYTON, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2009

	General Fund	Revolving Public Improvement Fund	Equipment Replacement Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 412,484	\$ 167,987	\$ 396,094	\$ 1,540,759	\$ 2,517,324
Investments	12,104,648	2,303,401	1,848,395	850,000	17,106,444
Accounts receivable	521,383	—	—	—	521,383
Property taxes receivable	138,173	—	—	24,667	162,840
Intergovernmental receivable	898,978	575,909	—	168,887	1,643,774
Special assessments receivable	—	210,003	—	140,672	350,675
Interest receivable	66,281	36,977	29,247	42,510	175,015
Due from other funds	—	—	—	16,717	16,717
Cash - restricted	—	—	—	8,765	8,765
Investments - restricted	—	—	—	2,247,500	2,247,500
Total Assets	\$ 14,141,947	\$ 3,294,277	\$ 2,273,736	\$ 5,040,477	\$ 24,750,437
Liabilities And Fund Balances					
Liabilities					
Accounts payable	\$ 348,086	\$ 773,641	\$ —	\$ 73,879	\$ 1,195,606
Accrued liabilities	578,058	—	—	6,843	584,901
Due to other funds	—	—	—	16,717	16,717
Unearned revenue	128,752	—	—	—	128,752
Deferred tax revenue	121,871	210,003	—	163,886	495,760
Deposits	328,842	20,000	—	—	348,842
Total Liabilities	1,505,609	1,003,644	—	261,325	2,770,578
Fund Balances					
Fund Balances:					
Reserved for:					
Encumbrances	46,246	601,000	1,433	383,335	1,032,014
Debt service	—	—	—	3,243,353	3,243,353
Unreserved:					
General fund	12,590,092	—	—	—	12,590,092
Special revenue funds	—	—	—	570,813	570,813
Capital projects funds	—	1,689,633	2,272,303	581,651	4,543,587
Total Fund Balances	12,636,338	2,290,633	2,273,736	4,779,152	21,979,859
Total Liabilities And Fund Balances	\$ 14,141,947	\$ 3,294,277	\$ 2,273,736	\$ 5,040,477	\$ 24,750,437

CITY OF CLAYTON, MISSOURI

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS September 30, 2009

Total Fund Balance - Governmental Funds \$ 21,979,859

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 funds. The cost of the assets is \$51,368,484 and the accumulated depreciation is \$15,584,598. 35,783,886

Net pension asset is not a financial resource and, therefore, is not reported in the funds. 278,499

Property taxes assessed by the City, but not collected within 60 days after fiscal year end, are deferred within the fund financial statements. However, revenue for this amount is recognized in the government-wide statements. Likewise, assessments on certain properties are deferred within the fund financial statements until collected, but are recognized as revenue in the year of assessment in the government-wide statements. 495,760

The Internal Service Fund is used by the City to charge for services provided for insurance to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the statement of net assets. 576,432

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	(242,125)
Net pension obligation	(818,046)
Compensated absences	(306,027)
Bonds payable	(20,453,890)
Unamortized issuance costs	191,780
Other post-employment benefits	(46,821)

Total Net Assets - Governmental Activities \$ 37,439,307

CITY OF CLAYTON, MISSOURI

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS For The Year Ended September 30, 2009

	General	Revolving Public Improvement Fund	Equipment Replacement Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
General property taxes	\$ 5,501,930	\$ —	\$ —	\$ 1,344,122	\$ 6,846,052
Assessment income	—	43,804	—	157,872	201,676
Licenses and permits	1,671,897	—	—	—	1,671,897
Public utility licenses	4,890,216	4,062	—	—	4,894,278
Intergovernmental	3,929,327	3,047,405	—	1,304,107	8,280,839
Community programs	1,193,102	—	—	—	1,193,102
Fines and forfeitures	1,074,326	—	—	23,546	1,097,872
Investment income	381,380	97,831	70,983	109,639	659,833
Miscellaneous	1,267,189	3,190	7,555	1,000	1,278,934
Total Revenues	19,909,367	3,196,292	78,538	2,940,286	26,124,483
Expenditures					
Current:					
General government	4,776,229	—	—	18,494	4,794,723
Public safety	8,596,610	—	—	61,983	8,658,593
Streets and highways	3,888,910	—	—	—	3,888,910
Parks and recreation	1,878,493	—	—	—	1,878,493
Community development	—	—	—	199,035	199,035
Capital outlay	—	3,569,597	817,582	617,028	5,004,207
Debt service:					
Principal	—	—	—	2,345,000	2,345,000
Interest and fiscal charges	—	—	—	786,175	786,175
Bond issuance costs	—	—	—	56,446	56,446
Total Expenditures	19,140,242	3,569,597	817,582	4,084,161	27,611,582
Revenues Over (Under) Expenditures	769,125	(373,305)	(739,044)	(1,143,875)	(1,487,099)
Other Financing Sources (Uses)					
Transfers in	—	100,000	364,387	2,609,309	3,073,696
Transfers out	—	(868,950)	(25,267)	(1,394,746)	(2,288,963)
Sale of capital assets	—	—	45,790	—	45,790
Issuance of refunding debt	—	—	—	3,950,000	3,950,000
Premium on issuance of debt	—	—	—	134,548	134,548
Payments to refunding escrow agent	—	—	—	(4,025,342)	(4,025,342)
Total Other Financing Sources (Uses)	—	(768,950)	384,910	1,273,769	889,729
Net Change In Fund Balances	769,125	(1,142,255)	(354,134)	129,894	(597,370)
Fund Balances - Beginning Of Year	11,867,213	3,432,888	2,627,870	4,649,258	22,577,229
Fund Balances - End Of Year	\$ 12,636,338	\$ 2,290,633	\$ 2,273,736	\$ 4,779,152	\$ 21,979,859

CITY OF CLAYTON, MISSOURI

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES For The Year Ended September 30, 2009

Net Change In Fund Balances - Total Governmental Funds \$ (597,370)

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the costs of those assets are allocated over estimated useful lives and reported as depreciation expense. Capital outlays of \$2,472,186 over the capitalization threshold exceeded depreciation of \$1,537,361 in the current period. 934,825

In the statement of activities, a gain/loss on disposal of capital assets is reported. Conversely, governmental funds do not report any gain or loss on disposal of capital assets; only the proceeds from sales of capital assets are reported. (40,903)

Property tax revenues received prior to the year for which they were levied are reported as deferred revenue in the governmental funds. They are, however, recorded as revenues in the statement of activities. Deferred property tax revenues increased this fiscal year by \$40,189. Assessment income is deferred in the fund financial statements until the assessments are collected. However, assessment income is recorded in the year of the assessment in the statement of activities. Deferred assessments decreased this fiscal year by \$31,682. 8,507

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

Repayment of bond principal	2,345,000
Proceeds from bond refunding	(3,950,000)
Payments to refunding escrow agent	4,025,342
Bond issue costs	56,446
Proceeds from premium on bonds	(134,548)
Amortization of premium, issuance costs, and deferred amount on refunding	(49,754)

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

Accrued interest on bonds	55,755
Retainage payable	104,356
Compensated absences	(43,956)
Net pension liabilities	(252,451)
Other post-employment benefits	(46,821)

The Internal Service Fund is used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the Internal Service Fund is reported with governmental activities in the statement of activities. (78,217)

Change In Net Assets Of Governmental Activities \$ 2,336,211

CITY OF CLAYTON, MISSOURI

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS

September 30, 2009

	Business-Type Activity - Parking Facilities Enterprise Fund	Governmental Activities - Internal Service Fund
Assets		
Current Assets		
Cash and cash equivalents	\$ 95,010	\$ 489,686
Investments	10,002,244	—
Accounts receivable	84,962	397
Interest receivable	114,423	—
Prepaid expenses	—	114,288
Total Current Assets	10,296,639	604,371
Noncurrent Assets		
Capital Assets:		
Land	1,642,361	—
Other capital assets, net	11,027,135	—
Total Capital Assets	12,669,496	—
Restricted Assets:		
Cash	20,972	—
Investments	244,528	—
Total Restricted Assets	265,500	—
Bond issue costs, net	8,745	—
Total Noncurrent Assets	12,943,741	—
Total Assets	23,240,380	604,371
Liabilities		
Current Liabilities		
Accounts payable	24,777	27,939
Accrued interest payable	56,983	—
Accrued liabilities	12,939	—
Deposits	3,200	—
Accrued compensated absences	3,646	—
Bonds payable - current	220,000	—
Notes payable - current	145,000	—
Total Current Liabilities	466,545	27,939
Noncurrent Liabilities		
Bonds payable	1,475,280	—
Notes payable	1,431,341	—
Total Noncurrent Liabilities	2,906,621	—
Total Liabilities	3,373,166	27,939
Net Assets		
Invested in capital assets, net of related debt	9,397,875	—
Restricted for debt service	265,500	—
Unrestricted	10,203,839	576,432
Total Net Assets	\$ 19,867,214	\$ 576,432

CITY OF CLAYTON, MISSOURI

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS PROPRIETARY FUNDS For The Year Ended September 30, 2009

	Business-Type Activity - Parking Facilities Enterprise Fund	Governmental Activities - Internal Service Fund
Operating Revenues		
St. Louis parking systems	\$ 397,995	\$ —
Parking lot revenue	108,172	—
Parking meter revenue	1,015,516	—
Participant contributions	—	248,998
Employer contributions	—	1,668,793
Total Operating Revenues	1,521,683	1,917,791
Operating Expenses		
Personnel services	270,918	—
Contractual services	262,503	2,009,005
Commodities	42,854	—
Depreciation	340,903	—
Insurance and fringe benefits	46,500	—
Total Operating Expenses	963,678	2,009,005
Operating Income (Loss)	558,005	(91,214)
Nonoperating Revenue (Expense)		
Investment income	320,578	11,523
Interest expense	(118,301)	—
Miscellaneous income	—	1,474
Total Nonoperating Revenue	202,277	12,997
Income (Loss) Before Transfers	760,282	(78,217)
Transfers		
Transfers in	25,267	—
Transfers out	(810,000)	—
Total Transfers	(784,733)	—
Change In Net Assets	(24,451)	(78,217)
Net Assets - Beginning Of Year	19,891,665	654,649
Net Assets - End Of Year	\$ 19,867,214	\$ 576,432

CITY OF CLAYTON, MISSOURI

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS For The Year Ended September 30, 2009

	Business-Type Activity - Parking Facilities Enterprise Fund	Governmental Activities - Internal Service Fund
Cash Flows From Operating Activities		
Receipts from customers and users	\$ 1,456,227	\$ —
Receipts from interfund services provided	—	1,918,868
Payments to suppliers	(440,115)	—
Payments to employees	(267,963)	—
Payments for interfund services used	—	(1,997,505)
Net Cash Provided By (Used In) Operating Activities	748,149	(78,637)
Cash Flows Used In Noncapital And Related Financing Activities		
Transfers to other funds	(810,000)	—
Cash Flows From Capital And Related Financing Activities		
Principal payments on note payable	(140,000)	—
Principal payments on special obligation capital improvement bonds	(205,000)	—
Interest payments on special obligation capital improvement bonds and note payable	(100,165)	—
Net Cash Used In Capital And Related Financing Activities	(445,165)	—
Cash Flows From Investing Activities		
Interest received on investments	244,194	11,655
Purchase of investments	(10,582,500)	—
Sales of investments	10,287,189	394,501
Net Cash Provided By (Used In) Investing Activities	(51,117)	406,156
Net Increase (Decrease) In Cash And Cash Equivalents	(558,133)	327,519
Cash And Cash Equivalents - Beginning Of Year	674,115	162,167
Cash And Cash Equivalents - End Of Year	\$ 115,982	\$ 489,686
Reconciliation Of Operating Income (Loss) To Net Cash Provided By (Used In) Operating Activities		
Operating income (loss)	\$ 558,005	\$ (91,214)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Miscellaneous nonoperating revenue	—	1,474
Depreciation	340,903	—
(Increase) decrease in:		
Accounts receivable	(65,456)	(397)
Prepaid expenses	—	(11,429)
Increase (decrease) in:		
Accounts payable	(88,394)	22,929
Accrued liabilities	2,955	—
Deposits	136	—
Net Cash Provided By (Used In) Operating Activities	\$ 748,149	\$ (78,637)
Supplemental Disclosure Of Cash Flow Information		
Noncash activities:		
Transfers in related to capital asset transfers	\$ 25,267	\$ —
Amortization of deferred amount on refunding	25,404	—

CITY OF CLAYTON, MISSOURI

STATEMENT OF FIDUCIARY NET ASSETS FIDUCIARY FUNDS September 30, 2009

	Pension Trust Funds
Assets	
Cash and cash equivalents	\$ 633,077
Investments:	
U.S. government and agency securities	2,936,600
Foreign bonds	156,826
Common stocks	3,397,584
Corporate bonds	3,559,843
Taxable municipal obligations	442,980
Mutual funds	18,612,795
Property funds	2,869,566
Interest receivable	85,996
Total Assets	<u>32,695,267</u>
Liabilities	
Accounts payable	<u>14,622</u>
Net Assets	
Held in trust for pension benefits	<u><u>\$ 32,680,645</u></u>

CITY OF CLAYTON, MISSOURI

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS FIDUCIARY FUNDS

For The Year Ended September 30, 2009

	<u>Pension Trust Funds</u>
Additions	
Contributions:	
Participant contributions	\$ 231,805
Employer contributions	<u>677,458</u>
Total Contributions	<u>909,263</u>
 Investment Income:	
Net appreciation in fair value of investments and interest and dividends	219,762
Less: Investment expenses	<u>(198,267)</u>
Total Investment Income	<u>21,495</u>
 Total Additions	 930,758
 Deductions	
Benefits paid	<u>1,357,952</u>
 Change In Net Assets	 (427,194)
 Net Assets Held In Trust For Pension Benefits - Beginning Of Year	 <u>33,107,839</u>
 Net Assets Held In Trust For Pension Benefits - End Of Year	 <u><u>\$ 32,680,645</u></u>

CITY OF CLAYTON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2009

1. Summary Of Significant Accounting Policies

The financial statements of the City of Clayton, Missouri (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governments. The more significant of the City's accounting and reporting policies and practices are described below.

Reporting Entity

The financial statements of the City include the financial activities of the City and its component units. The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Statement No. 14, *The Financial Reporting Entity* (GASB 14), as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units – an amendment of GASB 14*. The requirements for inclusion as a component unit are based primarily upon whether the City is considered financially accountable for the potential component unit. The City is financially accountable if it appoints a voting majority of a potential component unit's governing body and is able to impose its will on that potential component unit, or because the potential component unit will provide a financial benefit or impose a financial burden on the City. The City does not have any component units.

Basis Of Presentation

Government-Wide 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. As a general rule, the effect of interfund activity has been removed from these statements to minimize the duplication of internal activities, with the exception of interfund services provided and used. Governmental activities, which normally are supported by taxes and intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties.

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, unrestricted interest earnings and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

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

Fund Accounting

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

Governmental Fund

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

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

Revolving Public Improvement Fund - The Revolving Public Improvement Fund is a capital projects fund used to monitor the funding of special infrastructure improvements throughout the City. Revenues derived by this fund include a half-cent capital improvement sales tax, road and bridge taxes, and certain special assessment taxes.

Equipment Replacement Fund - The Equipment Replacement Fund is a capital projects fund used to account for funds set aside for capital asset replacement.

The other governmental funds of the City are considered nonmajor. They include special revenue funds, which account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, debt service funds that account for the accumulation of resources for the payment of long-term debt, and capital project funds that account for financial resources to be used for the acquisition or construction of capital facilities.

Proprietary Fund Type

Proprietary funds are used to account for activities that are similar to those found in the private sector. The measurement focus is on the determination of net income and capital maintenance. The City has the following proprietary fund types:

Enterprise Fund - The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis is to be financed or recovered primarily through user charges. The City's enterprise fund is the Parking Facilities Fund, which is used to account for the operations of the City-owned parking facilities. City ordinances provide for the transfer of funds from the Parking Facilities Fund to other funds.

Internal Service Fund - Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City. The City's internal service fund is used to account for health, dental, life, liability, property, long-term disability and workers' compensation insurance services provided to other departments of the City. Charges for services are allocated to various City departments on a cost recovery basis.

The City applies all applicable pronouncements of the Financial Accounting Standards Board (FASB), issued on or before November 30, 1989, in accounting and reporting for its proprietary operations, unless these pronouncements conflict with or contradict applicable Governmental Accounting Standards Board (GASB) guidance as prescribed by GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*. The City has elected not to follow subsequent private-sector guidance.

Fiduciary Fund Type - Pension Trust Funds - Pension Trust Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The Pension Trust Funds are accounted for in essentially the same manner as proprietary funds.

Measurement Focus And Basis Of Accounting

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

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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 fund 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 compensated absences, claims and judgments, are recorded only when payment is due (i.e. matured).

Property taxes, franchise taxes, licenses, court fines, 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.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation.

The principal operating revenues of the Parking Facilities Fund and of the City's Internal Service Fund are charges to customers for sales and services. Operating expenses for the Parking Facilities Fund and Internal Service Fund include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

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.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Cash, Cash Equivalents And Investments

The City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. State statutes and City policy authorize the City to invest in obligations of the United States or any agency thereof, time deposit certificates, and repurchase agreements. The Pension Trust Funds are also authorized to invest in corporate common or preferred stocks, bonds and mortgages, real or personal property, and other evidence of indebtedness or ownership (excluding any debt of the City itself), and individual insurance policies.

Investments that have a maturity date of less than one year at the time of purchase are carried at cost or amortized cost because of their short-term maturities. Investments that have a maturity date of greater than one year at the time of purchase are carried at fair value. Fair value is based on quoted market prices.

Restricted Assets

Certain resources set aside for the repayment of special obligation bonds and general obligation bonds are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

Special Assessments Receivable

Special assessments receivable represents the residents' portion of curb and sidewalk improvements which have been completed and billed. The City's portion of such improvements is expended as incurred. At the time of the levy, special assessments receivable in the amount of the levy and deferred revenue equal to the amount that is not currently available are recognized in the fund that provides the resources.

Capital Assets

Capital assets, which include property, equipment and infrastructure (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type 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 for general capital assets and \$100,000 for infrastructure and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that does not add to the value of the asset or materially extend the asset's life is not capitalized.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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

<u>Asset</u>	<u>Years</u>
Building	15 - 50
Improvements other than buildings	5 - 20
Machinery and equipment	3 - 15
Infrastructure	30 - 50

Compensated Absences

Under terms of the City's personnel policy, employees are granted vacation time based on length of service. Vacation is granted at the beginning of the calendar year. A maximum of 80 hours may be carried over to a subsequent calendar year. Upon termination, the employee is paid for unused vacation. Sick leave is accumulated based upon length of service and is available only to provide compensation during periods of illness. Upon termination, and only if the employee is vested, the employee is paid \$1 for each hour of sick leave balance. A liability for these amounts is reported in governmental funds only if the amounts due at year end have matured.

Long-Term Liabilities

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net assets. 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.

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 costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Amount On Refunding

In the government-wide and proprietary fund financial statements, the deferred amount on refunding is recorded as an adjustment to the debt obligation. The deferred amount on refunding is computed as the difference between the reacquisition price and the net carrying amount of the old debt, which would include any unamortized bond issuance costs. This deferred amount on refunding is amortized as a component of interest expense over the remaining life of the bonds using the straight-line method, since results of the straight-line method are not materially different from the effective interest method.

The deferred amount on refunding is not recorded in the governmental fund financial statements.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Net Assets

In the government-wide and proprietary fund financial statements, net assets are displayed in three components as follows:

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

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

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

Reserved Fund Balance

Reserved fund balance represents the portion of fund balance that is not available for subsequent year appropriations or is legally segregated for a specific future use.

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 in the governmental fund types. Encumbrances outstanding at year end are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

Interfund Transactions

Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as transfers. Such transfers are reported as other financing sources (uses) in the governmental funds and transfers in (out) in the proprietary funds.

Transactions between the City’s various funds are accounted for as revenues and expenditures or expenses in the funds involved if they are similar to transactions with organizations external to City government.

Activity between funds that is representative of borrowing/lending arrangements outstanding at the end of the fiscal year is referred to as either “due to/due from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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

Property Taxes

Property taxes are levied in September of each year based on the assessed value as of the prior January 1 for all real and personal property located in the City. The City tax rate was levied at \$0.690 for residential property, \$0.758 for commercial property and \$0.829 for personal property per \$100 of assessed valuation. Included in each rate is the debt service rate of \$0.122. Property taxes attach as an enforceable lien on property as of January 1 and are due upon receipt of billing and become delinquent after December 31.

All property tax assessment, billing, and collection functions are handled by St. Louis County government. Taxes collected are remitted to the City by the St. Louis County Collector (the County Collector) in the month subsequent to the actual collection date. Taxes held by the County Collector, if any, are included in property taxes receivable in the accompanying fund financial statements.

Use Of Estimates

The preparation of basic financial statements in conformity with U.S. generally accepted accounting principals 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.

2. Deposits And Investments

The City, in accordance with its investment policy, takes a conservative, “prudent person” approach to its investment purchases and management. The focus of the City’s policy is to invest public funds in safe and secure investments with sufficient liquidity to enable the City to meet the cash flow demands of operations, while obtaining the best rate of return. The City also has two pension trust funds, the City of Clayton Uniformed Employees’ Retirement Fund and the Non-Uniformed Employees’ Retirement Fund. Each fund has a separate investment policy with similar objectives.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

A summary of deposits and investments as of September 30, 2009 is as follows:

	<u>Cost</u>	<u>Fair Value</u>
Governmental Activities		
Cash and temporary investment	\$ 2,505,296	\$ 2,505,296
Money market funds (checking)	510,479	510,479
Certificates of deposit	19,260,457	19,353,944
	<u>\$ 22,276,232</u>	<u>\$ 22,369,719</u>
Business-Type Activity – Enterprise Fund		
Cash and temporary investment	\$ 115,982	\$ 115,982
Certificates of deposit	10,237,199	10,246,772
	<u>\$ 10,353,181</u>	<u>\$ 10,362,754</u>
Pension Trust Funds		
Cash and temporary investments	\$ 633,077	\$ 633,077
Mutual funds	17,398,110	18,612,795
Property funds	3,838,262	2,869,566
U.S. Treasuries	199,477	222,870
U.S. Agencies	2,558,695	2,713,730
Common stocks	2,828,317	3,397,584
Corporate bonds	3,650,948	3,559,843
Taxable municipal obligations	426,832	442,980
Foreign bonds	147,774	156,826
	<u>\$ 31,681,492</u>	<u>\$ 32,609,271</u>

Investment Policy

Governmental And Business-Type Activities

The objectives of the City's investment policy as adopted by the Board of Aldermen are the following:

Legality: Every investment shall be made in accordance with applicable federal, state, and local statutory provisions.

Safety: Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital.

Liquidity: The City's investment portfolio must remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

Return on Investment: The City's investment portfolio shall be managed with the objective of obtaining a market rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and the cash flow characteristics of the portfolio.

These objectives support the City's conservative and prudent approach to investment management. The policy also addresses qualified institutions, appropriate investments, collateralization, safekeeping, institutional diversification of the portfolio, maximum maturities, performance standards and reporting requirements.

Pension Trust Funds

Uniformed Employee Retirement Fund (UERF) And Non-Uniformed Employee Retirement Fund (NUERF)

The investment policy for both of the City's pension trust funds as adopted by each separate entity states that the primary fiduciary responsibility of the pension boards is to:

- 1) Ensure that the assets of the plans are responsibly and prudently managed in accordance with the actuarial needs of the plans while adhering to the sound and accepted financial investment procedures.
- 2) Diversify the portfolio to help ensure that adverse or unexpected activity will not have an excessively detrimental impact on the entire portfolio. Investment management will be delegated to external professional organizations for the sole benefit of the membership and their beneficiaries for the purpose of providing a retirement benefit.

Performance objectives, asset allocation guidelines and permissible investments are outlined in each policy. The Plans' total returns are expected to provide results, using a three-year moving average, of an absolute return equal or superior to each Plan's actuarial assumed rate of return.

The plans invest in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that material changes in the values of investment securities could occur.

Investment Types And Maturities

Governmental And Business-Type Activities

The City's investment policy governs all investment activity, except investments in the pension trust funds. The City's policy limits investments to bonds, bills or notes of the United States or an agency thereof; negotiable or non-negotiable certificates of deposit, savings accounts and other interest-earning deposit accounts of authorized financial institutions; or, repurchase agreements (with acceptable collateral in an amount greater than the amount of the repurchase agreement including accrued interest) through approved financial institutions with a previously signed Master Repurchase Agreement. In accordance with its policy, the City tries to maintain a high level of liquidity to allow the City to meet its operating requirements. The City will not invest in securities maturing more than three years from the date of purchase unless matched to a specific cash flow.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

At September 30, 2009, the general government and business-type activities portfolios only had investments in depository agreements.

Pension Trust Funds

The Uniformed Employee Retirement Fund and Non-Uniformed Employee Retirement Fund investment portfolios had the following investments and maturities at September 30, 2009:

Investment Type	Fair Value	Investment Maturities (In Years)			
		Less Than 1	1 - 5	6 - 10	More Than 10
U.S. Treasuries	\$ 222,870	\$ —	\$ —	\$ —	\$ 222,870
U.S. Agencies	2,713,730	—	595,249	381,662	1,736,819
Corporate bonds	3,559,843	141,012	1,032,009	1,008,641	1,378,181
Taxable municipal obligations	442,980	—	409,191	—	33,789
Fixed income - mutual funds	2,472,904	—	2,472,904	—	—
Foreign bonds	156,826	—	156,826	—	—
	<u>\$ 9,569,153</u>	<u>\$ 141,012</u>	<u>\$ 4,666,179</u>	<u>\$ 1,390,303</u>	<u>\$ 3,371,659</u>

Credit Risk

Governmental And Business-Type Activities

The City's investment policy does not address credit quality standards. The City has an unrated money market account that is covered by excess deposit insurance for amounts above the Federal Deposit Insurance Corporation (FDIC).

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Pension Trust Funds

The investment policies of the pension funds do not address credit quality standards. The following table reflects the credit ratings for the two retirement plans associated with the securities invested in the pension trust funds as of September 30, 2009, excluding obligations of the United States government or obligations explicitly guaranteed by the United States government.

	<u>S&P</u>	<u>Fair Value</u>
U.S. Agencies	AAA	\$ 2,713,730
Corporate Bonds	AAA	888,735
Corporate Bonds	AA	337,006
Corporate Bonds	A	1,178,202
Corporate Bonds	BBB	607,911
Corporate Bonds	BB	114,757
Corporate Bonds	CCC	297,788
Corporate Bonds	Unrated	135,444
Fixed Income - Mutual Funds	Unrated	2,472,904
Taxable Municipal Obligations	AAA	138,690
Taxable Municipal Obligations	AA	215,202
Taxable Municipal Obligations	A	89,088
Foreign Bonds	AA	98,589
Foreign Bonds	A	16,242
Foreign Bonds	BBB	41,995
		<u>\$ 9,346,283</u>

Concentration Of Risk

Governmental And Business-Type Activities

The City will diversify its investments by institution. With the exception of bonds, bills or notes of the United States government or any agency thereof, including authorized pools, it shall be the goal of the City that no more than 80% of the City's government-wide investment portfolio will be invested in a single institution. The City had no investments other than certificates of deposit at September 30, 2009.

Pension Trust Funds

The pension investment policies specify that the investment mix shall be in a range of 55-65% equity securities, 25-35% fixed income securities, and 5-15% real estate. Target allocation for the equity securities is 30% large cap, 15% small cap and 15% international; fixed income 30%; and real estate 10%. The trustees follow these guidelines for all investments while adhering to the list of permissible investments outlined in the policies. The funds in the plans are invested over the long term in keeping with the objective of providing retirement benefits for its members.

At September 30, 2009, the pension plans did not have concentrations with any one issuer greater than 5%.

Custodial Credit Risk

Governmental And Business-Type Activities

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

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation; by specific eligible securities pledged by the financial institution; by a single collateral pool established by the financial institution; or by separate insurance.

Pension Trusts

Custodial credit risk in the pension trust funds is the risk that in the event of the failure of the counterparty to a transaction, the pension funds will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. At September 30, 2009, the City of Clayton Uniformed Employees' Retirement Fund has \$7,179,119 in treasuries, agencies, municipal obligations, and corporate and foreign bonds that are held by the counterparty's trust department, but, not in the name of the Uniformed Employee's Retirement Fund.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

3. Capital Assets

Capital asset activity was as follows:

	Balance - October 1, 2008	Increases	Decreases	Balance - September 30, 2009
Government Activities:				
Capital assets, not being depreciated:				
Land	\$ 1,320,981	\$ —	\$ —	\$ 1,320,981
Construction in process	967,879	1,454,608	1,403,800	1,018,687
Total capital assets not being depreciated	2,288,860	1,454,608	1,403,800	2,339,668
Capital assets, being depreciated:				
Buildings	16,367,036	—	—	16,367,036
Improvements other than buildings	699,418	—	—	699,418
Machinery and equipment	5,871,514	1,017,578	599,311	6,289,781
Infrastructure	24,268,781	1,403,800	—	25,672,581
Total capital assets being depreciated	47,206,749	2,421,378	599,311	49,028,816
Less accumulated depreciation for:				
Buildings	3,045,367	411,846	—	3,457,213
Improvements other than buildings	269,261	44,298	—	313,559
Machinery and equipment	3,566,837	555,838	558,408	3,564,267
Infrastructure	7,724,180	525,379	—	8,249,559
Total accumulated depreciation	14,605,645	1,537,361	558,408	15,584,598
Total capital assets being depreciated, net	32,601,104	884,017	40,903	33,444,218
Governmental activities capital assets, net	\$ 34,889,964	\$ 2,338,625	\$ 1,444,703	\$ 35,783,886
Business-Type Activities:				
Capital assets, not being depreciated:				
Land	\$ 1,642,361	\$ —	\$ —	\$ 1,642,361
Capital assets, being depreciated:				
Buildings	13,294,550	—	—	13,294,550
Improvements other than buildings	78,601	—	—	78,601
Machinery and equipment	226,299	25,267	17,500	234,066
Total capital assets being depreciated	13,599,450	25,267	17,500	13,607,217
Less accumulated depreciation for:				
Buildings	2,061,540	311,212	—	2,372,752
Improvements other than buildings	51,156	1,510	—	52,666
Machinery and equipment	143,983	28,181	17,500	154,664
Total accumulated depreciation	2,256,679	340,903	17,500	2,580,082
Total capital assets being depreciated, net	11,342,771	(315,636)	—	11,027,135
Business-type activities capital assets, net	\$ 12,985,132	\$ (315,636)	\$ —	\$ 12,669,496

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

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

	For The Year Ended September 30, 2009
Governmental activities:	
General government	\$ 221,517
Public safety	241,671
Streets and highways	816,829
Parks and recreation	257,344
	<u>\$ 1,537,361</u>
Business-type activity:	
Parking operations	<u>\$ 340,903</u>

4. Restricted Assets

The account balances shown below are restricted in accordance with the 2005A, 2005B and 2007 bond indentures:

	September 30, 2009	
	Actual	Required
Series 2005A Bond Reserve Account	\$ 1,438,765	\$ 1,216,500
Series 2005B Bond Reserve Account	265,500	265,500
Series 2007 Bond Reserve Account	817,500	817,500
	<u>\$ 2,521,765</u>	<u>\$ 2,299,500</u>

5. Interfund Transactions

Individual interfund transactions are as follows:

Transfer In	Transfer Out	September 30, 2009
Equipment Replacement Fund	Revolving Public Improvements Fund	\$ 364,387
2005 Bond Debt Service Fund	Capital Improvement Project Fund	920,000
2005 Bond Debt Service Fund	Parking Fund	110,000
Revolving Public Improvements Fund	Parking Fund	100,000
Capital Improvement Project Fund	Parking Fund	600,000
2002 Capital Project Bond Fund	Capital Improvement Project Fund	474,746
2002 Capital Project Bond Fund	Revolving Public Improvements Fund	504,563
Parking Fund	Equipment Replacement Fund	25,267
		<u>\$ 3,098,963</u>

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

Interfund transfers were used to 1) move revenues from the fund that ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them, 2) provide unrestricted revenues collected in the General Fund to finance capital improvements and other activities in accordance with budgetary authorization, or 3) move revenues in excess of current year expenditures to other funds.

6. Long-Term Liabilities

A summary of changes in long-term liabilities was as follows:

	Balance - October 1, 2008	Additions	Reductions	Balance - September 30, 2009	Amounts Due Within One Year
Governmental Activities					
Special obligation capital improvement bonds	\$ 18,110,000	\$ —	\$ 1,430,000	\$ 16,680,000	\$ 1,505,000
General obligation bonds	4,885,000	3,950,000	4,885,000	3,950,000	995,000
	<u>22,995,000</u>	<u>3,950,000</u>	<u>6,315,000</u>	<u>20,630,000</u>	<u>2,500,000</u>
Compensated absences*	262,071	687,357	643,401	306,027	306,027
Other postemployment benefits	—	46,821	—	46,821	—
	<u>\$ 23,257,071</u>	<u>\$ 4,684,178</u>	<u>\$ 6,958,401</u>	20,982,848	<u>\$ 2,806,027</u>
Less: Deferred Amount On Refunding				351,270	
Add: Unamortized Premium On Bonds				<u>175,160</u>	
Governmental Activities Long-Term Liabilities				<u>\$ 20,806,738</u>	

* The liability for compensated absences is generally liquidated by the general fund.

	Balance - October 1, 2008	Additions	Reductions	Balance - September 30, 2009	Amounts Due Within One Year
Business-Type Activity					
Special obligation capital improvement bonds	\$ 2,040,000	\$ —	\$ 205,000	\$ 1,835,000	\$ 220,000
Note payable	1,716,341	—	140,000	1,576,341	145,000
	<u>3,756,341</u>	<u>—</u>	<u>345,000</u>	<u>3,411,341</u>	<u>365,000</u>
Compensated absences**	3,064	17,209	16,627	3,646	3,646
	<u>\$ 3,759,405</u>	<u>\$ 17,209</u>	<u>\$ 361,627</u>	3,414,987	<u>\$ 368,646</u>
Less: Deferred Amount On Refunding				<u>139,720</u>	
Business-Type Activity Long-Term Liabilities				<u>\$ 3,275,267</u>	

** The liability for compensated absences is generally liquidated by the Parking Facilities Enterprise Fund.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

During the fiscal year ended September 30, 2009, the City issued General Obligation Refunding Bonds, Series 2009 in the amount \$3,950,000 with interest rates ranging from 2.0% to 3.0%. The bond proceeds are being used to currently refund \$3,970,000 of the Series 1999 bond issuance with an interest rate of 4.25%. The net proceeds of \$4,025,342, after payment of \$56,446 of issuance costs, were deposited in an irrevocable trust with an escrow agent to provide for the payment of principal and interest of the aforementioned Series 1999 bonds. As a result of the refunding, the City decreased its total debt service requirements by \$223,190 which resulted in an economic gain of \$219,652. Premiums of \$134,548 were capitalized and will be amortized over 3.5 years. A deferred amount on refunding of \$55,342 was calculated related to the refunding as the difference between the book value and the reacquisition price of the Series 1999 bonds, which were capitalized and will be amortized over 3.5 years. The 1999 bonds (\$8,410,000 issue) were originally issued to refund bonds issued for the following purposes: to improve two City parks; to resurface residential streets and sidewalks; improvements to infrastructure in three City subdivisions; building improvements to comply with the American Disabilities Act; perform improvements to curb, sidewalk and traffic signals in the Clayton Central Business District; perform improvements to the City recreational facilities including Shaw Park Pool, Ice Rink and Hanley House; and replacement of the underground tank at the Municipal Garage. Principal is due December 1 and interest is due December 1 and June 1 of each year. Annual debt payments of principal and interest total approximately \$1,070,000 each year through fiscal year 2012 with a final payoff totaling \$959,175 on December 1, 2012.

Special Obligation Refunding Bonds, Series 2007 totaling \$8,175,000, were issued on October 23, 2007 with an interest rate of 3.75%. The 2007 bonds were issued to currently refund \$7,375,000 of the Series 2002 bond issuance with an interest rate of 2.65%. The 2002 bonds (\$9,950,000 issue) were originally used to construct a new outdoor pool in Shaw Park, a new Fire Station, to renovate City Hall and pay for issuance costs. Principal is due December 1 and interest is due December 1 and June 1 of each year. Annual debt payments of principal and interest total approximately \$1,060,000 each year through fiscal year 2013 and decrease to \$630,000 each year through fiscal year 2018 with a final payoff totaling \$1,334,000 on December 1, 2018. An \$817,500 reserve was established at the time of the bond sale and will be used to pay the final payment on December 1, 2018.

Special Obligation Refunding Bonds, Series 2005A totaling \$12,165,000, were issued on April 26, 2005 with interest rates ranging from 3.0% to 4.1%. The 2005A bonds were issued to advance refund the 1997 and 1998A bonds (initial issue of \$9,175,000 and \$5,875,000, respectively) that were originally used for the following purposes: to construct a multi purpose recreation center in cooperation with Clayton School District; reconstruct the Shaw Park Ice Rink and Tennis Center; purchase fifty parking spaces in a new St. Louis County parking garage; and private street infrastructure improvements in two subdivisions. Principal is due December 1 and interest is due December 1 and June 1 of each year. Annual debt payments of principal and interest total approximately \$1,090,000 each year through fiscal year 2016. Final payoff is on December 1, 2017. A \$1,216,500 reserve was established at the time of the bond sale and will be used to pay the final payment on December 1, 2017.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

Special Obligation Refunding Taxable Bonds, Series 2005B totaling \$2,655,000, were issued on April 26, 2005 with an interest rate of 4.85%. The 2005B bond was issued to advance refund the 1998B bonds (initial issue of \$3,315,000) that were originally used to acquire real estate and construct a parking garage. Principal is due December 1 and interest is due December 1 and June 1 of each year. Annual debt payments of principal and interest total approximately \$305,000 each year through fiscal year 2016. A \$265,500 reserve was established at the time of the bond sale and will be used to pay the final payment on December 1, 2015.

The net issuances for the 2005A and 2005B series of \$14,765,174, after payment of \$152,526 of issuance costs, were deposited in an irrevocable trust with an escrow agent to provide for the payment of principal and interest through maturity of the aforementioned coupons on the Series 1997, 1998A, and 1998B bonds. This advance refunding met the requirements of an in-substance defeasance and the obligations related to the aforementioned maturities of the Series 1997, 1998A, and 1998B bonds were removed from the City's government-wide financial statements.

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds were used to purchase U.S. government securities that were placed in trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt has matured and, therefore, the defeased debt was removed as a liability from the City's financial statements. As of September 30, 2009, the amount of prior years' defeased debt outstanding, but removed from the financial statements amounted to \$0.

The City has an agreement with St. Louis County, Missouri (the County) to pay for a portion of the Shaw Park Parking Garage. The garage was completed in fiscal year 2005 and the City's portion of the garage to be repaid to the County is \$2,764,176. The note bears interest at rates similar to those found in the bonds the County issued, which range from 4.0% to 4.75%. The City commenced payments to the County in fiscal year 2005 of \$19,234 per month continuing through May 2018.

Maturities

Aggregate maturities required on long-term debt for governmental activities are as follows:

For The Year Ending September 30,	Special Obligation Capital Improvement Bonds		
	Principal	Interest	Total
2010	\$ 1,505,000	\$ 606,491	\$ 2,111,491
2011	1,585,000	550,447	2,135,447
2012	1,670,000	491,384	2,161,384
2013	1,950,000	425,035	2,375,035
2014	1,340,000	363,866	1,703,866
2015-2019	8,630,000	886,420	9,516,420
	\$ 16,680,000	\$ 3,323,643	\$ 20,003,643

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

For The Year Ending September 30,	General Obligation Bonds		
	Principal	Interest	Total
2010	\$ 995,000	\$ 88,650	\$ 1,083,650
2011	995,000	68,750	1,063,750
2012	1,015,000	43,575	1,058,575
2013	945,000	14,175	959,175
	<u>\$ 3,950,000</u>	<u>\$ 215,150</u>	<u>\$ 4,165,150</u>

CONDUIT DEBT

The City of Clayton issued debt to provide financial assistance to private sector entities for the purpose of acquiring, constructing, and equipping industrial development projects deemed to be in the public interest. These bonds are secured 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 private-sector entity served by the bond issuance. The City of Clayton is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements.

As of September 30, 2009, there were three series of industrial revenue bonds outstanding.

On May 12, 2009 the City approved the issuance of up to \$202,000,000 in Taxable Industrial Revenue Bonds to finance the acquisition of real property located at 7700-7736 Forsyth Boulevard related to the Centene Center project. At September 30, 2009, \$20,232,242 was issued and remains outstanding.

On May 12, 2009 the City approved the issuance of up to \$17,000,000 in Taxable Industrial Revenue Bonds to finance the purchase and installation of equipment related to the Centene Center project. At September 30, 2009, \$11,136 was issued and remains outstanding.

On May 12, 2009 the City approved the issuance of up to \$10,000,000 in Taxable Industrial Revenue Bonds to finance the acquisition of real property located at 21 South Hanley Road related to the Centene Center project. At September 30, 2009, \$2,860,717 was issued and remains outstanding.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Aggregate maturities required on long-term debt for business-type activity are as follows:

For The Year Ending September 30,	Special Obligation Capital Improvement Bonds		
	Principal	Interest	Total
2010	\$ 220,000	\$ 83,663	\$ 303,663
2011	235,000	72,629	307,629
2012	245,000	60,989	305,989
2013	255,000	48,864	303,864
2014	275,000	36,011	311,011
2015-2016	605,000	29,949	634,949
	<u>\$ 1,835,000</u>	<u>\$ 332,105</u>	<u>\$ 2,167,105</u>

For The Year Ending September 30,	St. Louis County Parking Garage Repayment		
	Principal	Interest	Total
2010	\$ 145,000	\$ 72,845	\$ 217,845
2011	150,000	66,610	216,610
2012	155,000	60,010	215,010
2013	165,000	53,035	218,035
2014	175,000	45,445	220,445
2015-2018	786,341	96,204	882,545
	<u>\$ 1,576,341</u>	<u>\$ 394,149</u>	<u>\$ 1,970,490</u>

7. Employee Retirement Benefit Plans

The City maintains two single-employer, defined benefit pension plans. The City's total payroll for the year ended September 30, 2009 was \$10,748,955.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

City of Clayton Non-Uniformed Employees' Retirement Fund Financial Statements

Statement Of Fiduciary Net Assets

Assets	
Cash and cash equivalents	\$ —
Investments: Mutual funds and property funds	8,416,028
Interest receivable	18,460
Total Assets	<u>8,434,488</u>
Liabilities	
Accounts Payable	<u>13,579</u>
Net Assets Held For Pension Benefits	<u>\$ 8,420,909</u>

Statement Of Changes In Fiduciary Net Assets

Additions	<u>\$ —</u>
Deductions	
Investment loss:	
Net depreciation in fair value of investments and interest and dividends	472,033
Plus: Investment expense	46,384
Total Investment Loss	<u>518,417</u>
Benefits	<u>270,775</u>
Total Deductions	<u>789,192</u>
Change In Net Assets	(789,192)
Net Assets Held In Trust For Pension Benefits, Beginning Of Year	<u>9,210,101</u>
Net Assets Held In Trust For Pension Benefits, End Of Year	<u>\$ 8,420,909</u>

Plan Description And Provisions

The City sponsors and administers a single-employer defined benefit pension plan, the City of Clayton Non-Uniformed Employees' Retirement Fund (NUERF), which covers substantially all full-time employees not covered under the City of Clayton Uniformed Employees' Retirement Fund. The NUERF does not issue a stand-alone financial report. Current membership in the NUERF is as follows:

Group	July 1, 2009
Retirees and beneficiaries currently receiving benefits	26
Vested terminated employees	35
Active employees:	
Fully vested	59
Nonvested	33

Employees become eligible to participate in the NUERF on the start date of their full-time employment. Employees attaining the age of 60 are entitled to annual benefits of 1.5% for each year of credited service times the average monthly compensation which is equal to the highest five consecutive years out of the last ten. All benefits are vested after 5 years of credited service. The NUERF permits early retirement at the completion of 10 years of credited service and attainment of age 55. The employee receives a retirement benefit, based on age, credited service, and average monthly compensation at early retirement, reduced by .25% for each month that early retirement precedes normal retirement.

If an employee terminates his/her employment and is not eligible for any other benefits under the NUERF, the employee is entitled to the following:

- With less than five years of credited service, a refund of member contributions plus 4% interest.
- With five or more years of credited service, the pension accrued to date of termination, payable commencing at his/her normal retirement date.

Funding Policy

Employees are required to contribute 3% of annual salary to the NUERF. However, contribution requirements have been temporarily suspended since 1991. Investment income currently covers the costs of the NUERF. The City should appropriate annually such funds as are necessary to cover current costs and accrued liability of the plan. The actuarially recommended City contribution is 5.7% of covered compensation. For the plan year ended June 30, 2009, based on an actuarial valuation dated July 1, 2008, there was an actuarial required employer contribution of \$219,657.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

Annual Pension Cost And Net Pension Obligation

The City's annual pension cost and net pension obligation for the NUERF for the current year is as follows:

For The Plan Year Ended June 30,	Net Pension Obligation (Asset) Beginning Of Year	Annual Required Contribution	Interest On Net Pension Obligation (Asset)	Adjustment To Annual Required Contribution	Annual Pension Cost	Actual Contri- butions	Net Pension Obligation (Asset) End Of Year
2009	\$ 561,723	\$ 219,657	\$ 39,321	\$ 61,660	\$ 256,323	\$ —	\$ 818,046

Three-Year Trend Information

Pension Plan			
For The Plan Years Ended June 30,	Annual Pension Cost	Percentage Contributed	Net Pension Obligation (Asset)
2009	\$ 256,323	— %	\$ 818,046
2008	168,475	— %	561,723
2007	254,523	— %	393,248

Funding Status And Funding Progress

As of July 1, 2009, the most recent actuarial valuation date, the Plan was 92.32% funded. The actuarial accrued liability (AAL) for benefits was \$10,869,394 and the actuarial value of assets was \$10,035,142, resulting in an unfunded actuarial accrued liability (UAAL) of \$834,252. The covered payroll was \$4,690,330, and the ratio of the AAL to the covered payroll was 17.79%.

The scheduled funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

City of Clayton Uniformed Employees' Retirement Fund Financial Statements

Statement Of Fiduciary Net Assets

Assets	
Cash and cash equivalents	\$ 633,077
Investments:	
U.S. government and agency securities	2,936,600
Foreign bonds	156,826
Common stocks	3,397,584
Corporate bonds	3,559,843
Taxable municipal obligations	442,980
Mutual funds and property funds	13,066,333
Interest receivable	67,536
Total Assets	<u>24,260,779</u>
Liabilities	
Accounts payable	<u>1,043</u>
Total Net Assets Held For Pension Benefits	<u><u>\$ 24,259,736</u></u>

Statement Of Changes In Fiduciary Net Assets

Additions	
Contributions:	
Participant contributions	\$ 231,805
Employer contributions	677,458
	<u>909,263</u>
Investment Income:	
Net appreciation in fair value of investments and interest and dividends	691,795
Less: Investment expense	(151,883)
Net Investment Income	<u>539,912</u>
Total Additions	1,449,175
Deductions	
Benefits	<u>1,087,177</u>
Change In Net Assets	361,998
Net Assets Held In Trust For Pension Benefits, Beginning Of Year	<u>23,897,738</u>
Net Assets Held In Trust For Pension Benefits, End Of Year	<u><u>\$ 24,259,736</u></u>

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Plan Description And Provisions

Under Ordinance No. 5028 as amended by Ordinance No. 5043, the City established a single-employer defined benefit plan, City of Clayton Uniformed Employees' Retirement Fund (the UERF) that provides retirement, disability and death benefits. The UERF does not issue a stand-alone financial report. Current membership in the UERF is as follows:

Group	January 1, 2009
Retirees and beneficiaries currently receiving benefits	50
Vested terminated employees	7
Active employees:	
Fully vested	44
Nonvested	43

Each employee who is employed by the City as a police officer or firefighter shall be eligible to participate in the UERF on the date the employee becomes a police officer or firefighter. Employees are vested after ten years. If an employee terminates before ten years of service, they are entitled to a refund of the employee contribution plus interest earned at 5%.

Employees are eligible for normal retirement benefits at age 55 and completion of ten years of credited service or age 50 and completion of 25 years of credited service or age 65 with completion of five years of credited service. The monthly retirement benefit is based on the final average salary, which is calculated as the greater of the top pay range of a police officer/firefighter or of the actual highest five year average annual salary out of the last ten years. The actual benefit is based on two percent for each year of credited service to a maximum of 60% of the final average monthly salary. Disabled employees or their surviving spouse will receive benefits based upon the years of service and basic pay of the employee as of such date. Early retirement is available to vested employees, but benefits are not paid until age 55.

Funding Policy

City ordinance requires each member to contribute 5% of basic pay during the first 25 years of credited service. The ordinance requires the City to contribute the actuarially computed amounts, which, together with employee contributions and investment income, will cover the costs of the Plan.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

Annual Pension Cost And Net Pension Obligation

The City's annual pension cost and net pension obligation (asset) for the UERF for the current year is as follows:

For The Plan Year Ended December 31,	Net Pension Obligation (Asset) Beginning Of Year	Annual Required Contribution	Interest On Net Pension Obligation (Asset)	Adjustment To Annual Required Contribution	Annual Pension Cost	Actual Contri- bution	Net Pension Obligation (Asset) End Of Year
2008	\$ (274,627)	\$ 677,396	\$ (19,224)	\$ 15,352	\$ 673,524	\$ 677,396	\$ (278,499)

Three-Year Trend Information:

For The Plan Years Ended December 31,	Pension Plan		Net Pension Obligation (Asset)
	Annual Pension Cost	Percentage Contributed	
2008	\$ 673,524	100.5%	\$ (278,499)
2007	729,190	100.5%	(274,627)
2006	752,517	100.5%	(270,808)

Funding Status And Funding Progress

As of January 1, 2009, the most recent actuarial valuation date, the Plan was 69.1% funded. The actuarial accrued liability for benefits was \$31,449,000 and the actuarial value of assets was \$21,745,000, resulting in an unfunded actuarial accrued liability (UAAL) of \$9,704,000. The covered payroll was \$5,688,000, and the ratio of the UAAL to the covered payroll was 170.6%.

Plan Description

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the al accrued liability for benefits.

8. Other Post Employment Benefits

In fiscal year 2009, the City implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions*. This pronouncement required the City to calculate and record a net other post employment benefit obligation (OPEB) at September 30, 2009. The net OPEB is, in general, the cumulative difference between the actuarial required contribution and the actual contributions since October 1, 2008.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

The City provides OPEB, other than pensions, to retirees that meet certain requirements. The City provides medical and prescription drug benefits to eligible retirees. All employees who retire from the City and meet the eligibility criteria may participate. Non-uniformed employees are eligible to retire once they have attained age 55 and have 10 years of service. Uniformed employees are eligible to retire once they have attained the age of 50 and have 10 years of service. All employees are eligible to retire once they have attained the age of 65. Retirees who elect to participate must pay the premium in effect for the current plan year or any subsequent year at the premium rates in effect at that time, less contributions made by the City. Since retirees pay only the portion of the premium not paid directly by the City each year, the remaining share of any premium cost to the City is determined on the basis of a blended rate or implicit rate subsidy calculation. A stand-alone financial report is not available regarding the OPEB benefits provided.

Funding Policy

The City finances its OPEB contributions using a pay-as-you-go method. As of September 30, 2009, the City has not set aside assets in trust to pay future benefits and has not established a plan or equivalent arrangement that contains an irrevocable transfer of assets dedicated to providing benefits to retirees. Since no trust fund has been established for funding the OPEB obligation related to the implicit rate subsidy, the entire OPEB obligation that is not funded on a pay-as-you-go basis is classified as unfunded. Additional information is presented as required supplementary information, schedule of funding progress.

Annual OPEB Costs And Net OPEB Obligation

The City's annual OPEB cost and net OPEB obligation for the current fiscal year is as follows:

For The Plan Year Ended September 30,	Net OPEB Obligation Beginning Of Year	Annual Required Contribution	Interest On OPEB Obligation	Adjustment To Annual Required Contribution	Annual OPEB Cost	Actual Contribution*	Net OPEB Obligation End Of Year
2009	\$ —	\$ 67,060	\$ —	\$ —	\$ 67,060	\$ 20,239	\$ 46,821

* Contribution related to pay-as-you-go basis.

Fiscal Year	Annual OPEB Cost	Percentage Of Annual OPEB Cost Contributed	Net OPEB Obligation
2009	\$ 67,060	22.9%	\$ 46,821

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

As of September 30, 2009, the funded status of the plan is as follows:

Actuarial Accrued Liability	\$ 512,770
Actuarial Value Of Plan Assets	<u>—</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u><u>\$ 512,770</u></u>
Funded Ratio	0%
Covered Payroll	10,378,293
UAAL As Percentage Of Covered Payroll	4.94%

Actuarial Methods And Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern to that point.

In the October 1, 2008 actuarial valuation, the liabilities were computed using the Projected Unit Credit Method. The initial unfunded actuarial accrued liability is being amortized over 20 years. The actuarial assumptions utilized a 4% discount rate. The valuation assumes a 9.5% premium cost rate for fiscal year 2009, reduced by decrements to an ultimate 5.5% increase for 2030 and later years.

9. Deferred Compensation Plan

The City participates in a deferred compensation plan under Internal Revenue Code Section 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

10. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City uses the Insurance Fund (an Internal Service Fund) to account for its risks of loss.

The City joined the St. Louis Area Insurance Trust (SLAIT) in January 2005, a public entity risk pool, for general liability, law enforcement liability, workers' compensation, and automobile liability. The change reduced the City's financial exposure for claims. The City's insurance coverage with each category of risk is in the amount of \$2.5 million per occurrence, except coverage for workers' compensation is in the amount of \$1 million per occurrence. The City pays an annual contribution to SLAIT for its insurance coverage. If the contributions produce insufficient funds to meet obligations, SLAIT is empowered to make special assessments. Members of SLAIT are jointly and severally liable for all claims against SLAIT.

On July 1, 2009, the City joined a health insurance consortium of fourteen cities already participating in SLAIT's liability and worker's compensation insurance pool. By pooling with other municipalities for health insurance, the City has improved its buying power, eased its administrative burden and attempted to insulate itself from potentially high rate increases and large insurance claims. The City entered the health insurance pool for a minimum term of three years with the option to renew at the end of the three years depending on the performance of the insurance pool and benefits to the City. The City pays monthly premiums (set at a pre-determined rate based on the pool's history of claims paid) to SLAIT for its health insurance coverage. SLAIT has stop-loss insurance for claims in excess of \$100,000 per claimant and an aggregate of 125% of expected annual losses. If contributions to the insurance pool produce a surplus, SLAIT has the authority to determine how the surplus funds will be appropriated. If there is a deficit, members of the program are subject to an assessment.

The Insurance Fund charges other funds for insurance coverage based on estimates of the amounts needed from each fund to cover their proportionate share of insurance premiums. The City purchases commercial insurance for all risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years. There were no significant reductions in insurance coverage from the prior year.

11. Joint Venture

Pursuant to an agreement authorized by City ordinance, the City joined with the Clayton School District to construct and operate a recreational facility. The construction was funded by the City and the Clayton School District. Administration, accounting, repair, and maintenance of the facility will be shared in accordance with the agreement. The City has contributed approximately two-thirds of the construction in the amount of \$11,789,000. The joint venture's financial statements are available at the Clayton City Hall. The City is liable for one-half of any operational cash shortages incurred by the joint venture. The City paid \$125,000 for its share of the operational cash shortage incurred by the joint venture for the year ended September 30, 2009.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

A condensed summary of financial information for the joint venture as of and for its fiscal year ended September 30, 2009 is as follows:

Assets	<u>\$ 15,060,996</u>
Liabilities	<u>1,157,973</u>
Net Assets	
Invested in capital assets, net of related debt	14,052,223
Unrestricted	<u>(149,200)</u>
Total Net Assets	<u><u>\$ 13,903,023</u></u>
Operating revenue	\$ 2,712,068
Operating expenses	3,539,854
Nonoperating expenses	(18,483)
Capital contributions	<u>250,000</u>
Change in net assets	<u><u>\$ (596,269)</u></u>

12. Commitments And Contingencies

Litigation

The City is a defendant in a number of lawsuits pertaining to matters which are incidental to performing routine governmental and other functions. Based on the current status of all these legal proceedings, it is the opinion of management that they will not have a material effect on the City's financial position.

Federal Grants

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

13. Subsequent Events

On October 27, 2009, the City issued \$6,420,000 of Taxable Build America (Direct-pay) Special Obligation Bonds, Series 2009A and \$8,580,000 of Taxable Build America (Direct-pay) special Obligation bonds, Series 2009B. The bonds will be used to acquire real property for the construction or reconstruction, improvement and equipping of facilities for the City's police department.

On November 24, 2009, the City entered into a lease agreement with a bank to purchase a fire department ladder truck for \$1,020,000. Payments of \$9,286, including interest at 4.71%, are due monthly until the lease expires in November 2021.

Required Supplementary Information

CITY OF CLAYTON, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS - GENERAL FUND

For The Year Ended September 30, 2009

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues				
General property taxes	\$ 5,417,046	\$ 5,583,046	\$ 5,501,930	\$ (81,116)
Licenses and permits	1,722,503	1,722,503	1,671,897	(50,606)
Public utility licenses	4,817,625	4,817,625	4,890,216	72,591
Intergovernmental	4,133,030	3,892,030	3,929,327	37,297
Community programs	1,291,592	1,187,909	1,193,102	5,193
Fines and forfeitures	1,047,740	981,074	1,074,326	93,252
Investment income	285,915	285,915	381,380	95,465
Miscellaneous	418,120	418,120	1,267,189	849,069
Total Revenues	19,133,571	18,888,222	19,909,367	1,021,146
Expenditures				
Current:				
General government				
City planning and development	805,386	773,750	893,104	119,354
Nondepartmental	725,975	695,569	639,791	(55,778)
Information systems	686,226	666,458	558,987	(107,471)
Communications	378,425	244,306	217,894	(26,412)
Finance	534,997	534,997	534,081	(916)
City manager's office	458,611	478,704	871,643	392,939
Municipal court	197,257	197,257	193,317	(3,940)
Board of aldermen and city clerk	74,308	74,308	68,637	(5,671)
City attorney's office	100,000	117,238	129,510	12,272
Personnel administration	150,760	150,760	271,945	121,185
Boards and commissions	12,450	12,450	682	(11,768)
Building maintenance	372,094	391,294	393,971	2,677
Public safety	8,477,060	8,498,380	8,600,751	102,371
Streets and highways	4,069,748	3,949,857	3,883,437	(66,420)
Parks and recreation	1,973,023	1,941,822	1,877,990	(63,832)
Total Expenditures	19,016,320	18,727,150	19,135,740	408,590
Net Change In Fund Balances	\$ 121,251	\$ 165,072	773,627	\$ 608,556
Adjustments To Reconcile To GAAP Basis				
Encumbrances reserved at September 30, 2009			46,246	
Encumbrances reserved at September 30, 2008			(50,748)	
			<u>(4,502)</u>	
Net Change In Fund Balances - GAAP Basis			769,125	
Fund Balance - Beginning Of Year			<u>11,867,213</u>	
Fund Balance - End Of Year			<u><u>\$ 12,636,338</u></u>	

CITY OF CLAYTON, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION NOTES TO BUDGETARY COMPARISON INFORMATION September 30, 2009

Explanation Of Budgetary Process

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

- a. Prior to August 1, the City Manager submits to the Board of Aldermen a proposed operating budget for all funds, except the Police Forfeiture and P.O.S.T. Fund and the Redevelopment Forsyth/Hanley Road Fund for the fiscal year. The operating budget includes proposed expenditures and the means of financing them. Expenditures may not exceed appropriations at the department level for the General Fund and at the fund level for all other funds.
- b. Public hearings and open council meetings are held to obtain taxpayer comments.
- c. Prior to September 1, the budget is adopted by the Board of Aldermen.
- d. Budgets are adopted on a basis generally consistent with accounting principles generally accepted in the United States of America except that budgetary basis expenditures include encumbrances and loan payments in connection with short-term financing. Budgetary comparisons in the required supplementary information and other supplemental information are presented on this budgetary basis. Unencumbered appropriations lapse at fiscal year end.
- e. Current year budget includes amendments. Budget amendments between funds or departments, in the General Fund, must be approved by the Board of Aldermen.

Violations Of Budgetary Laws And Regulations

Expenditures exceeded appropriations in the following funds and departments at September 30, 2009:

<u>Fund</u>	<u>Amount</u>
General:	
City planning and development	\$ 119,354
City manager's office	392,939
City attorney's office	12,272
Personnel administration	121,185
Building maintenance	2,677
Public safety	102,371
Parking Facilities Fund	9,407

CITY OF CLAYTON, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF FUNDING PROGRESS AND EMPLOYER'S CONTRIBUTIONS September 30, 2009

City of Clayton Non-Uniformed Employees' Retirement Fund

Schedule Of Funding Progress						
Actuarial Valuation Dated July 1,	Actuarial Value Of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL	Funded Ratio	Annual Covered Payroll	UAAL As A Percentage Of Covered Payroll
2009	\$ 10,035,142	\$ 10,869,394	\$ 834,252	92.32%	\$ 4,690,330	17.79%
2008	10,160,207	10,124,715	(35,492)	100.35%	4,477,087	-0.79%
2007	9,661,919	9,533,677	(128,242)	101.35%	4,201,226	-3.05%
2006	9,049,924	9,035,521	(14,403)	100.16%	3,966,774	-0.36%
2005	8,655,695	8,512,416	(143,279)	101.68%	3,971,048	-3.61%
2004	8,309,122	8,277,529	(31,593)	100.38%	3,806,509	-0.83%

Schedule Of Employer's Contributions			
For The Plan Years Ended June 30,	Annual Required Contribution	Actual Contribution	Percentage Contributed
2009	\$ 219,657	\$ —	—
2008	140,537	—	—
2007	243,153	—	—
2006	111,731	—	—
2005	209,866	—	—
2004	—	62,558	—

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

NUERF:

Valuation date	July 1, 2009
Actuarial cost method	Entry Age (Normal)
Amortization method	Level dollar
Amortization period	Closed
Actuarial assumptions:	
Investment rate of return	7%
Projected salary increases	4.5%
Post-retirement benefit increases	Lower of annual consumer price index or 2%

CITY OF CLAYTON, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS AND EMPLOYER'S
CONTRIBUTIONS (Continued)
September 30, 2009**

City of Clayton Uniformed Employees' Retirement Fund

Schedule Of Funding Progress

Actuarial Valuation Dated January 1,	Actuarial Value Of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL	Funded Ratio	Covered Payroll	Unfunded AAL As A Percentage Of Covered Payroll
2009	\$ 21,745,000	\$ 31,449,000	\$ 9,704,000	69.1%	\$ 5,688,000	170.6%
2008	27,668,000	30,173,000	2,505,000	91.7%	5,274,000	47.5%
2007	25,274,000	28,928,000	3,654,000	87.4%	5,102,000	71.6%
2006	22,515,000	27,183,000	4,668,000	82.8%	5,171,000	90.3%
2005	21,317,000	26,264,000	4,947,000	81.2%	4,905,000	100.8%
2004	19,197,000	24,962,000	5,766,000	76.9%	4,314,000	133.7%

Schedule Of Employer's Contributions

For The Plan Years Ended December 31,	Annual Required Contribution	Actual Contribution	Percentage Contributed
2008	\$ 677,396	\$ 677,396	100.0%
2007	733,009	733,009	100.0%
2006	756,282	756,282	100.0%
2005	798,089	798,089	100.0%
2004	819,885	819,885	100.0%
2003	846,500	846,500	100.0%

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2009
Actuarial cost method	Entry age (normal)
Amortization method	Closed
Amortization period	25 years
Actuarial assumptions:	
Investment rate of return	7%
Projected salary increases	3.5%
Post-retirement benefit increases	Lower of annual consumer price index or 2%

CITY OF CLAYTON, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS AND EMPLOYER'S
CONTRIBUTIONS (Continued)
September 30, 2009**

City of Clayton OPEB Plan

Schedule Of Funding Progress

Actuarial Valuation Date	Actuarial Value Of Assets (a)	Actuarial Accrued Liability AAL (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll	Underfunded AAL As A Percentage Of Covered Payroll
10/1/2008	\$ —	\$ 512,770	\$ 512,770	0.00%	\$ 10,378,293	4.94%

The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated.

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

CITY OF CLAYTON, MISSOURI

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Special Taxing District Fund - This fund is used to account for the ad valorem real estate tax assessed on the Special Business District, which funds are to be utilized for promotion, maintenance, and improvements of the district.

Sewer Lateral Fund - This fund is used to account for sewer lateral fees assessed on all residential property, which funds are to be utilized for the repair of sewer lateral service lines up to a maximum of \$3,000 per residence.

Police Forfeiture And P.O.S.T. Fund - This fund is used to account for the fines and forfeitures received, which funds are to be utilized for police assistance, police training and police equipment purchases.

CAPITAL PROJECT FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

2002 Capital Project Bond Fund - This fund is used to account for specific improvements to city hall/fire station renovation and renovation of the pool, diving tank and pool house at Shaw Park, which are funded by special obligation bond proceeds.

Capital Improvement Project Fund - This fund is used to account for improvements to park and recreational facilities and stormwater systems, which are funded by a 0.5% sales tax.

DEBT SERVICE FUNDS

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

1999 Bond Issue Fund - This fund is used to account for the accumulation of resources for, and the payment of, general obligation bond principal and interest.

2005 Bond Debt Service Fund - This fund is used to account for the accumulation of resources for, and the payment of, special obligation refunding bond principal and interest.

CITY OF CLAYTON, MISSOURI

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS September 30, 2009

	Special Revenue	Capital Projects	Debt Service	Total
Assets				
Cash and cash equivalents	\$ 396,570	\$ 830,338	\$ 313,851	\$ 1,540,759
Investments	200,000	—	650,000	850,000
Property taxes receivable	—	—	24,667	24,667
Intergovernmental receivable	—	168,887	—	168,887
Special assessments receivables	—	—	140,672	140,672
Interest receivable	4,009	19,269	19,232	42,510
Due from other funds	—	16,717	—	16,717
Cash - restricted	—	—	8,765	8,765
Investments - restricted	—	817,500	1,430,000	2,247,500
Total Assets	\$ 600,579	\$ 1,852,711	\$ 2,587,187	\$ 5,040,477
Liabilities And Fund Balances				
Liabilities				
Accounts payable	\$ 18,330	\$ 55,549	\$ —	\$ 73,879
Accrued liabilities	6,843	—	—	6,843
Due to other funds	—	16,717	—	16,717
Deferred revenue	—	—	163,886	163,886
Total Liabilities	25,173	72,266	163,886	261,325
Fund Balances				
Reserved for:				
Encumbrances	4,593	378,742	—	383,335
Debt service	—	820,052	2,423,301	3,243,353
Unreserved:				
Special revenue funds	570,813	—	—	570,813
Capital projects funds	—	581,651	—	581,651
Total Fund Balances	575,406	1,780,445	2,423,301	4,779,152
Total Liabilities And Fund Balances	\$ 600,579	\$ 1,852,711	\$ 2,587,187	\$ 5,040,477

CITY OF CLAYTON, MISSOURI

COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS September 30, 2009

	Special Taxing District	Sewer Lateral	Police Forfeiture And P.O.S.T.	Total
Assets				
Cash and cash equivalents	\$ 300,888	\$ 51,061	\$ 44,621	\$ 396,570
Investments	—	200,000	—	200,000
Interest receivable	—	4,009	—	4,009
Total Assets	\$ 300,888	\$ 255,070	\$ 44,621	\$ 600,579
Liabilities And Fund Balances				
Liabilities				
Accounts payable	\$ 5,669	\$ 4,000	\$ 8,661	\$ 18,330
Accrued liabilities	6,843	—	—	6,843
Total Liabilities	12,512	4,000	8,661	25,173
Fund Balances				
Reserved for:				
Encumbrances	4,593	—	—	4,593
Unreserved:				
Special Revenue Funds	283,783	251,070	35,960	570,813
Total Fund Balances	288,376	251,070	35,960	575,406
Total Liabilities And Fund Balances	\$ 300,888	\$ 255,070	\$ 44,621	\$ 600,579

CITY OF CLAYTON, MISSOURI

**COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
September 30, 2009**

	Capital Improvement Project Fund	2002 Capital Project Bond Fund	Total
Assets			
Cash and cash equivalents	\$ 830,338	\$ —	\$ 830,338
Intergovernmental receivable	168,887	—	168,887
Interest receivable	—	19,269	19,269
Due from other funds	16,717	—	16,717
Investments - restricted	—	817,500	817,500
Total Assets	\$ 1,015,942	\$ 836,769	\$ 1,852,711
Liabilities And Fund Balances			
Liabilities			
Accounts payable	\$ 55,549	\$ —	\$ 55,549
Due to other funds	—	16,717	16,717
Total Liabilities	55,549	16,717	72,266
Fund Balances			
Reserved for:			
Encumbrances	378,742	—	378,742
Debt service	—	820,052	820,052
Unreserved:			
Capital Projects Funds	581,651	—	581,651
Total Fund Balances	960,393	820,052	1,780,445
Total Liabilities And Fund Balances	\$ 1,015,942	\$ 836,769	\$ 1,852,711

CITY OF CLAYTON, MISSOURI

COMBINING BALANCE SHEET NONMAJOR DEBT SERVICE FUNDS September 30, 2009

	1999 Bond Issue	2005 Bond Debt Service	Total
Assets			
Cash and cash equivalents	\$ 196,601	\$ 117,250	\$ 313,851
Investments	650,000	—	650,000
Property taxes receivable	24,667	—	24,667
Special assessment receivable	—	140,672	140,672
Interest receivable	10,383	8,849	19,232
Cash - restricted	—	8,765	8,765
Investments - restricted	—	1,430,000	1,430,000
Total Assets	\$ 881,651	\$ 1,705,536	\$ 2,587,187
Liabilities And Fund Balances			
Liabilities			
Deferred revenue	\$ 23,214	\$ 140,672	\$ 163,886
Fund Balances			
Reserved for:			
Debt service	858,437	1,564,864	2,423,301
Total Liabilities And Fund Balances	\$ 881,651	\$ 1,705,536	\$ 2,587,187

CITY OF CLAYTON, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS For The Year Ended September 30, 2009

	Special Revenue	Capital Projects	Debt Service Fund	Total
Revenues				
General property taxes	\$ 247,841	\$ —	\$ 1,096,281	\$ 1,344,122
Assessment income	97,099	—	60,773	157,872
Intergovernmental	—	1,304,107	—	1,304,107
Fines and forfeitures	23,546	—	—	23,546
Investment income	16,832	41,484	51,323	109,639
Miscellaneous	—	1,000	—	1,000
Total Revenues	385,318	1,346,591	1,208,377	2,940,286
Expenditures				
Current:				
General government	—	—	18,494	18,494
Public safety	61,983	—	—	61,983
Community development	199,035	—	—	199,035
Capital outlay	108,525	508,503	—	617,028
Debt service:				
Principal	—	705,000	1,640,000	2,345,000
Interest and fiscal charges	—	293,627	492,548	786,175
Bond issuance costs	—	—	56,446	56,446
Total Expenditures	369,543	1,507,130	2,207,488	4,084,161
Revenues Over (Under) Expenditures	15,775	(160,539)	(999,111)	(1,143,875)
Other Financing Sources (Uses)				
Transfers in	—	1,579,309	1,030,000	2,609,309
Transfers out	—	(1,394,746)	—	(1,394,746)
Issuance of refunding debt	—	—	3,950,000	3,950,000
Premium on issuance of debt	—	—	134,548	134,548
Payments to refunding escrow agent	—	—	(4,025,342)	(4,025,342)
Total Other Financing Sources (Uses)	—	184,563	1,089,206	1,273,769
Net Change In Fund Balances	15,775	24,024	90,095	129,894
Fund Balances				
Beginning of year	559,631	1,756,421	2,333,206	4,649,258
End of year	\$ 575,406	\$ 1,780,445	\$ 2,423,301	\$ 4,779,152

CITY OF CLAYTON, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS For The Year Ended September 30, 2009

	Special Taxing District	Sewer Lateral	Police Forfeiture And P.O.S.T.	Total
Revenues				
General property taxes	\$ 247,841	\$ —	\$ —	\$ 247,841
Assessment income	—	97,099	—	97,099
Fines and forfeitures	—	—	23,546	23,546
Investment income	8,587	7,310	935	16,832
Total Revenues	256,428	104,409	24,481	385,318
Expenditures				
Current:				
Public safety	—	—	61,983	61,983
Community development	199,035	—	—	199,035
Capital outlay	—	108,525	—	108,525
Total Expenditures	199,035	108,525	61,983	369,543
Net Change In Fund Balances	57,393	(4,116)	(37,502)	15,775
Fund Balances				
Beginning of year	230,983	255,186	73,462	559,631
End of year	\$ 288,376	\$ 251,070	\$ 35,960	\$ 575,406

CITY OF CLAYTON, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR CAPITAL PROJECTS FUNDS For The Year Ended September 30, 2009

	Capital Improvement Project Fund	2002 Capital Project Bond Fund	Total
Revenues			
Intergovernmental	\$ 1,304,107	\$ —	\$ 1,304,107
Investment income	19,315	22,169	41,484
Miscellaneous	1,000	—	1,000
Total Revenues	1,324,422	22,169	1,346,591
Expenditures			
Capital outlay	508,503	—	508,503
Debt service:			
Principal	—	705,000	705,000
Interest and fiscal charges	—	293,627	293,627
Total Expenditures	508,503	998,627	1,507,130
Revenues Over (Under) Expenditures	815,919	(976,458)	(160,539)
Other Financing Sources (Uses)			
Transfers in	600,000	979,309	1,579,309
Transfers out	(1,394,746)	—	(1,394,746)
Total Other Financing Sources (Uses)	(794,746)	979,309	184,563
Net Change In Fund Balances	21,173	2,851	24,024
Fund Balances			
Beginning of year	939,220	817,201	1,756,421
End of year	\$ 960,393	\$ 820,052	\$ 1,780,445

CITY OF CLAYTON, MISSOURI

COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR DEBT SERVICE FUNDS For The Year Ended September 30, 2009

	1999 Bond Issue	2005 Bond Debt Service	Total
Revenues			
General property taxes	\$ 1,096,281	\$ —	\$ 1,096,281
Assessment income	—	60,773	60,773
Investment income	14,799	36,524	51,323
Total Revenues	1,111,080	97,297	1,208,377
Expenditures			
Current:			
General government	—	18,494	18,494
Debt service:			
Principal	915,000	725,000	1,640,000
Interest and fiscal charges	128,023	364,525	492,548
Bond issuance costs	56,446	—	56,446
Total Expenditures	1,099,469	1,108,019	2,207,488
Revenues Over (Under) Expenditures	11,611	(1,010,722)	(999,111)
Other Financing Sources			
Transfers in	—	1,030,000	1,030,000
Issuance of refunding debt	3,950,000	—	3,950,000
Premium on issuance of debt	134,548	—	134,548
Payments to refunding escrow agent	(4,025,342)	—	(4,025,342)
Total Other Financing Sources (Uses)	59,206	1,030,000	1,089,206
Net Change In Fund Balances	70,817	19,278	90,095
Fund Balances			
Beginning of year	787,620	1,545,586	2,333,206
End of year	\$ 858,437	\$ 1,564,864	\$ 2,423,301

CITY OF CLAYTON, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – SPECIAL TAXING DISTRICT SPECIAL REVENUE FUND – BUDGET BASIS For The Year Ended September 30, 2009

	Final Budget	Actual	Over (Under) Budget
Revenues			
General property taxes	\$ 236,500	\$ 247,841	\$ 11,341
Investment income	4,455	8,587	4,132
Total Revenues	240,955	256,428	15,473
Expenditures			
Community development	280,339	203,628	(76,711)
Net Change In Fund Balances	<u>\$ (39,384)</u>	52,800	<u>\$ 92,184</u>
Adjustments To Reconcile To GAAP Basis			
Encumbrances reserved at September 30, 2009		<u>4,593</u>	
Net Change In Fund Balance - GAAP Basis		57,393	
Fund Balances			
Beginning of year		<u>230,983</u>	
End of year		<u>\$ 288,376</u>	

CITY OF CLAYTON, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL -
SEWER LATERAL SPECIAL REVENUE FUND - BUDGET BASIS
For The Year Ended September 30, 2009**

	Final Budget	Actual	Over (Under) Budget
Revenues			
Assessment income	\$ 97,000	\$ 97,099	\$ 99
Investment income	5,850	7,310	1,460
Total Revenues	102,850	104,409	1,559
Expenditures			
Capital outlay	112,747	108,525	(4,222)
Net Change In Fund Balance	\$ (9,897)	(4,116)	\$ 5,781
Fund Balances			
Beginning of year		<u>255,186</u>	
End of year		<u>\$ 251,070</u>	

CITY OF CLAYTON, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL –
CAPITAL IMPROVEMENT PROJECT CAPITAL PROJECTS FUND –
BUDGET BASIS**

For The Year Ended September 30, 2009

	Final Budget	Actual	Over (Under) Budget
Revenues			
Intergovernmental	\$ 1,255,200	\$ 1,304,107	\$ 48,907
Investment income	1,500	19,315	17,815
Miscellaneous	1,000	1,000	—
Total Revenues	1,257,700	1,324,422	66,722
Expenditures			
Capital outlay	890,203	886,799	(3,404)
Revenues Over Expenditures	367,497	437,623	70,126
Other Financing Sources (Uses)			
Transfers in	600,000	600,000	—
Transfers out	(1,394,746)	(1,394,746)	—
Total Other Financing Sources (Uses)	(794,746)	(794,746)	—
Net Change In Fund Balances	\$ (427,249)	(357,123)	\$ 70,126
Adjustments To Reconcile To GAAP Basis			
Encumbrances reserved at September 30, 2009		378,742	
Encumbrances reserved at September 30, 2008		(446)	
		378,296	
Net Change In Fund Balance - GAAP Basis		21,173	
Fund Balances			
Beginning of year		939,220	
End of year		\$ 960,393	

CITY OF CLAYTON, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – 2002 CAPITAL PROJECT BOND CAPITAL PROJECTS FUND – BUDGET BASIS

For The Year Ended September 30, 2009

	Final Budget	Actual	Over (Under) Budget
Revenues			
Investment income	\$ 19,035	\$ 22,169	\$ 3,134
Expenditures			
Debt service:			
Principal	705,000	705,000	—
Interest and fiscal charges	293,627	293,627	—
Total Expenditures	998,627	998,627	—
Revenues Under Expenditures	(979,592)	(976,458)	(3,134)
Other Financing Sources			
Transfers in	979,309	979,309	—
Net Change In Fund Balances	\$ (283)	2,851	\$ 3,134
Fund Balances			
Beginning of year		817,201	
End of year		\$ 820,052	

CITY OF CLAYTON, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – 1999 BOND ISSUE DEBT SERVICE FUND – BUDGET BASIS For The Year Ended September 30, 2009

	Final Budget	Actual	Over (Under) Budget
Revenues			
General property taxes	\$ 1,090,000	\$ 1,096,281	\$ 6,281
Investment income	15,750	14,799	(951)
Total Revenues	1,105,750	1,111,080	5,330
Expenditures			
Debt service:			
Principal	915,000	915,000	—
Interest and fiscal charges	128,273	128,023	(250)
Bond issuance costs	59,205	56,446	(2,759)
Total Expenditures	1,102,478	1,099,469	(3,009)
Revenues Over Expenditures	3,272	11,611	8,339
Other Financing Sources			
Issuance of refunding debt	4,084,550	3,950,000	(134,550)
Premium on issuance of debt	—	134,548	134,548
Payments to refunding escrow agent	(4,025,345)	(4,025,342)	3
Total Other Financing Sources (Uses)	59,205	59,206	1
Net Change In Fund Balances	\$ (4,022,073)	70,817	\$ 8,342
Fund Balances			
Beginning of year		<u>787,620</u>	
End of year		<u>\$ 858,437</u>	

CITY OF CLAYTON, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – 2005 BOND DEBT SERVICE FUND – BUDGET BASIS For The Year Ended September 30, 2009

	Final Budget	Actual	Over (Under) Budget
Revenues			
Assessment income	\$ 24,997	\$ 60,773	\$ 35,776
Investment income	35,280	36,524	1,244
Total Revenues	60,277	97,297	37,020
Expenditures			
Current:			
General government	18,500	18,494	(6)
Debt service:			
Principal	725,000	725,000	—
Interest and fiscal charges	364,527	364,525	(2)
Total Expenditures	1,108,027	1,108,019	(8)
Revenues Under Expenditures	(1,047,750)	(1,010,722)	(37,028)
Other Financing Sources			
Transfers in	1,030,000	1,030,000	—
Net Change In Fund Balances	\$ (17,750)	19,278	\$ (37,028)
Fund Balances			
Beginning of year		1,545,586	
End of year		\$ 1,564,864	

CITY OF CLAYTON, MISSOURI

MAJOR GOVERNMENTAL FUNDS – BUDGETARY INFORMATION

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

Revolving Public Improvement Fund - This fund is used to monitor the funding of special infrastructure improvements throughout the City. Revenues derived by this fund are special assessments that are levied and 1% gross receipts tax on utilities.

Equipment Replacements Fund - This fund is used to account for the accumulation of funds, which are to be utilized for equipment replacement needs.

CITY OF CLAYTON, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - REVOLVING PUBLIC IMPROVEMENT CAPITAL PROJECTS FUND - BUDGET BASIS For The Year Ended September 30, 2009

	Final Budget	Actual	Over (Under) Budget
Revenues			
Assessment income	\$ 37,800	\$ 43,804	\$ 6,004
Public utility licenses	5,000	4,062	(938)
Intergovernmental	4,681,986	3,047,405	(1,634,581)
Investment income	78,750	97,831	19,081
Miscellaneous	—	3,190	3,190
Total Revenues	4,803,536	3,196,292	(1,607,244)
Expenditures			
Capital outlay	6,155,315	3,095,882	(3,059,433)
Revenues Over (Under) Expenditures	(1,351,779)	100,410	1,452,189
Other Financing Sources (Uses)			
Transfers in	100,000	100,000	—
Transfers out	(868,950)	(868,950)	—
Total Other Financing Sources (Uses)	(768,950)	(768,950)	—
Net Change In Fund Balances	\$ (2,120,729)	(668,540)	\$ 1,452,189
Adjustments To Reconcile To GAAP Basis			
Encumbrances reserved at September 30, 2009		601,000	
Encumbrances reserved at September 30, 2008		(1,074,715)	
		(473,715)	
Net Changes In Fund Balance - GAAP Basis		(1,142,255)	
Fund Balances			
Beginning of year		3,432,888	
End of year		\$ 2,290,633	

CITY OF CLAYTON, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL -
EQUIPMENT REPLACEMENT CAPITAL PROJECTS FUND -
BUDGET BASIS**

For The Year Ended September 30, 2009

	Final		Actual	Over
	Budget			(Under)
				Budget
Revenues				
Investment income	\$ 48,375	\$	70,983	\$ 22,608
Miscellaneous	—		7,555	7,555
Total Revenues	48,375		78,538	30,163
Expenditures				
Capital outlay	894,110		742,560	(151,550)
Revenues Under Expenditures	(845,735)		(664,022)	(181,713)
Other Financing Sources (Uses)				
Transfers in	364,387		364,387	—
Transfers out	—		(25,267)	(25,267)
Sale of capital assets	63,359		45,790	(17,569)
Total Other Financing Sources (Uses)	427,746		384,910	(42,836)
Net Change In Fund Balances	\$ (417,989)		(279,112)	\$ (138,877)
Adjustments To Reconcile To GAAP Basis				
Encumbrances reserved at September 30, 2009			1,433	
Encumbrances reserved at September 30, 2008			<u>(76,455)</u>	
			<u>(75,022)</u>	
Net Change In Fund Balances - GAAP Basis			(354,134)	
Fund Balances				
Beginning of year			<u>2,627,870</u>	
End of year			<u>\$ 2,273,736</u>	

CITY OF CLAYTON, MISSOURI

PROPRIETARY FUNDS

Proprietary Funds are used to account for those operations that are financed and operated in a manner similar to private business, or where the governing body has decided that determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

ENTERPRISE FUND

Parking Facilities Fund - This fund is used to account for the City's parking operations.

INTERNAL SERVICE FUND

Insurance Fund - This fund is used to account for all the City's insurance operations.

CITY OF CLAYTON, MISSOURI

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS – BUDGET AND ACTUAL – PARKING FACILITIES ENTERPRISE FUND – BUDGET BASIS For The Year Ended September 30, 2009

	Final Budget	Actual	Over (Under) Budget
Operating Revenues			
St. Louis parking systems	\$ 365,600	\$ 397,995	\$ 32,395
Parking lot revenue	91,996	108,172	16,176
Parking meter revenue	1,110,000	1,015,516	(94,484)
Total Operating Revenues	1,567,596	1,521,683	(45,913)
Operating Expenses			
Personnel services	273,497	270,918	(2,579)
Contractual services	578,369	261,153	(317,216)
Commodities	54,555	42,854	(11,701)
Depreciation	—	340,903	340,903
Insurance and fringe benefits	46,500	46,500	—
Total Operating Expenses	952,921	962,328	9,407
Operating Income (Loss)	614,675	559,355	(55,320)
Nonoperating Revenue (Expense)			
Investment income	218,250	320,578	102,328
Interest expense	(94,469)	(118,301)	23,832
Total Nonoperating Revenue (Expense)	123,781	202,277	78,496
Income Before Transfers	738,456	761,632	23,176
Transfers			
Transfers in	—	25,267	25,267
Transfers out	(810,000)	(810,000)	—
Change In Net Assets	\$ (71,544)	(23,101)	\$ 48,443
Adjustment To Reconcile To GAAP Basis			
Encumbrances reserved at September 30, 2009		270	
Encumbrances reserved at September 30, 2008		(1,620)	
		<u>(1,350)</u>	
Change In Net Assets - GAAP Basis		(24,451)	
Net Assets			
Beginning of year		<u>19,891,665</u>	
End of year		<u>\$ 19,867,214</u>	

CITY OF CLAYTON, MISSOURI

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS – BUDGET AND ACTUAL – INTERNAL SERVICE FUND – BUDGET BASIS For The Year Ended September 30, 2009

	Final Budget	Actual	Over (Under) Budget
Operating Revenues			
Participant contributions	\$ 263,012	\$ 248,998	\$ (14,014)
Employer contributions	1,727,445	1,668,793	(58,652)
Total Operating Revenues	1,990,457	1,917,791	(72,666)
Operating Expenses			
Contractual services	2,112,959	2,015,480	(97,479)
Operating Income (Loss)	(122,502)	(97,689)	24,813
Nonoperating Revenue			
Investment income	9,017	11,523	2,506
Miscellaneous income	8,500	1,474	(7,026)
Total Nonoperating Revenue	17,517	12,997	(4,520)
Change In Net Assets	\$ (104,985)	(84,692)	\$ 20,293
Adjustment To Reconcile To GAAP Basis			
Encumbrances reserved at September 30, 2009		6,475	
Change In Net Assets - GAAP Basis		(78,217)	
Net Assets			
Beginning of year		654,649	
End of year		\$ 576,432	

CITY OF CLAYTON, MISSOURI

FIDUCIARY FUNDS

Trust Funds are used to account for assets held by the City in a trustee capacity.

PENSION TRUST FUNDS

Non-Uniformed Employees' Retirement Fund - This fund is used to account for assets held in a trustee capacity for the City's non-uniformed employees.

City Of Clayton Uniformed Employees' Pension Fund - This fund is used to account for assets held in a trustee capacity for the City's police officers and firefighters.

CITY OF CLAYTON, MISSOURI

COMBINING STATEMENT OF FIDUCIARY NET ASSETS – PENSION TRUST FUNDS September 30, 2009

	City Of Clayton Non- Uniformed Employees' Retirement Fund	City Of Clayton Uniformed Employees' Pension Fund	Total
Assets			
Cash and cash equivalents	\$ —	\$ 633,077	\$ 633,077
Investments:			
U.S. government and agency securities	—	2,936,600	2,936,600
Foreign bonds	—	156,826	156,826
Common stocks	—	3,397,584	3,397,584
Corporate bonds	—	3,559,843	3,559,843
Taxable municipal obligations	—	442,980	442,980
Mutual funds	7,651,342	10,961,453	18,612,795
Property funds	764,686	2,104,880	2,869,566
Interest receivable	18,460	67,536	85,996
Total Assets	8,434,488	24,260,779	32,695,267
Liabilities			
Accounts payable	13,579	1,043	14,622
Net Assets			
Held in trust for pension benefits	\$ 8,420,909	\$ 24,259,736	\$ 32,680,645

CITY OF CLAYTON, MISSOURI

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS – PENSION TRUST FUNDS

For The Year Ended September 30, 2009

	City Of Clayton Non- Uniformed Employees' Retirement Fund	City Of Clayton Uniformed Employees' Pension Fund	Total
Additions			
Contributions:			
Participant contributions	\$ —	\$ 231,805	\$ 231,805
Employer contributions	—	677,458	677,458
Total Contributions	—	909,263	909,263
Investment Income (Loss):			
Net appreciation (depreciation) in fair value of investments and interest and dividends	(472,033)	691,795	219,762
Investment expense	(46,384)	(151,883)	(198,267)
Total Investment Income (Loss)	(518,417)	539,912	21,495
Total Additions	(518,417)	1,449,175	930,758
Deductions			
Benefits	270,775	1,087,177	1,357,952
Change In Net Assets	(789,192)	361,998	(427,194)
Net Assets Held In Trust For Pension Benefits, Beginning Of Year	9,210,101	23,897,738	33,107,839
Net Assets Held In Trust For Pension Benefits, End Of Year	\$ 8,420,909	\$ 24,259,736	\$ 32,680,645

CITY OF CLAYTON, MISSOURI

SCHEDULE OF CHANGES IN FIDUCIARY NET ASSETS - BUDGET AND ACTUAL – CITY OF CLAYTON NON-UNIFORMED EMPLOYEES' RETIREMENT PENSION TRUST FUND

For The Year Ended September 30, 2009

	Final Budget	Actual	Over (Under) Budget
Additions			
Investment Income (Loss):			
Net appreciation (depreciation) in fair value of investments and interest and dividends	\$ —	\$ (472,033)	\$ (472,033)
Investment expense	(58,112)	(46,384)	(11,728)
Total Additions	(58,112)	(518,417)	(460,305)
Deductions			
Benefits	271,129	270,775	(354)
Change In Net Assets	<u>\$ (329,241)</u>	<u>(789,192)</u>	<u>\$ (459,951)</u>
Net Assets Held In Trust For Pension Benefits - Beginning Of Year		<u>9,210,101</u>	
Net Assets Held In Trust For Pension Benefits - End Of Year		<u>\$ 8,420,909</u>	

CITY OF CLAYTON, MISSOURI

SCHEDULE OF CHANGES IN FIDUCIARY NET ASSETS - BUDGET AND ACTUAL - CITY OF CLAYTON UNIFORMED EMPLOYEES' PENSION TRUST FUND For The Year Ended September 30, 2009

	Final Budget	Actual	Over (Under) Budget
Additions			
Contributions:			
Participant contributions	\$ 225,000	\$ 231,805	\$ 6,805
Employer contributions	677,396	677,458	62
Total Contributions	902,396	909,263	6,867
Investment Income (Loss):			
Net appreciation (depreciation) in fair value of investments and interest and dividends	7,000	691,795	684,795
Investment expense	(159,272)	(151,883)	7,389
Net Investment Income (Loss)	(152,272)	539,912	692,184
Total Additions	750,124	1,449,175	699,051
Deductions			
Benefits	1,078,746	1,087,177	8,431
Change In Net Assets	\$ (328,622)	361,998	\$ 690,620
Net Assets Held In Trust For Pension			
Benefits - Beginning Of Year		23,897,738	
Net Assets Held In Trust For Pension			
Benefits - End Of Year		\$ 24,259,736	

STATISTICAL SECTION

CITY OF CLAYTON, MISSOURI

STATISTICAL SECTION (Unaudited)

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

Financial Trends - These five (5) schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity - These four (4) schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

Debt Capacity - These five (5) schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic And Economic Information - These two (2) schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information - These three (3) schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF CLAYTON, MISSOURI

NET ASSETS BY COMPONENT LAST SEVEN FISCAL YEARS

Functions/Programs	September 30,						
	2003	2004	2005	2006	2007	2008	2009
Governmental activities:							
Invested in capital assets, net of related debt	\$ 3,385,887	\$ 5,755,970	\$ 6,595,418	\$ 8,732,202	\$11,295,023	\$ 12,335,368	\$ 15,329,996
Restricted	7,061,365	7,167,871	2,512,962	2,613,411	2,729,192	2,819,375	3,782,799
Unrestricted	10,606,559	10,849,389	14,478,948	14,090,912	15,591,402	19,948,353	18,326,512
Total governmental activities net assets	\$ 21,053,811	\$ 23,773,230	\$ 23,587,328	\$ 25,436,525	\$29,615,617	\$ 35,103,096	\$ 37,439,307
Business-type activities:							
Invested in capital assets, net of related debt	\$ 9,825,160	\$ 10,256,621	\$ 11,540,026	\$ 9,545,577	\$ 9,415,507	\$ 9,404,409	\$ 9,397,875
Restricted	363,211	364,327	283,450	280,174	285,195	204,000	265,500
Unrestricted	7,055,289	7,316,261	6,211,445	10,127,036	10,306,400	10,283,256	10,203,839
Total business-type activities net assets	\$ 17,243,660	\$ 17,937,209	\$ 18,034,921	\$ 19,952,787	\$20,007,102	\$ 19,891,665	\$ 19,867,214
Primary government:							
Invested in capital assets, net of related debt	\$ 13,211,047	\$ 16,012,591	\$ 18,135,444	\$ 18,277,779	\$20,710,530	\$ 21,739,777	\$ 24,727,871
Restricted	7,424,576	7,532,198	2,796,412	2,893,585	3,014,387	3,023,375	4,048,299
Unrestricted	17,661,848	18,165,650	20,690,393	24,217,948	25,897,802	30,231,609	28,530,351
Total primary government net assets	\$ 38,297,471	\$ 41,710,439	\$ 41,622,249	\$ 45,389,312	\$49,622,719	\$ 54,994,761	\$ 57,306,521

Notes:

GASB Statement 34 was implemented in 2003.

Source: Basic financial statements

CITY OF CLAYTON, MISSOURI

CHANGES IN NET ASSETS LAST SEVEN FISCAL YEARS Page 1 Of 2

	For The Years Ended September 30,						
	2003	2004	2005	2006	2007	2008	2009
Primary Government Expenses							
Governmental activities:							
General government	\$ 3,185,066	\$ 2,875,742	\$ 4,706,827	\$ 4,253,478	\$ 4,585,667	\$ 5,286,324	\$ 5,184,518
Public safety	7,655,085	8,243,416	8,198,773	8,660,970	8,246,154	8,495,262	9,153,714
Streets and highways	4,158,084	4,856,137	4,530,110	4,530,039	5,919,304	5,411,338	7,133,404
Parks and recreation	2,014,876	2,279,115	2,211,655	2,865,602	1,975,986	2,079,965	2,135,837
Community development	130,408	100,657	528,627	975,774	220,788	173,316	199,035
Interest on long-term debt	1,211,293	1,218,464	861,255	989,693	910,350	963,747	779,891
Total governmental expenses	18,354,812	19,573,531	21,037,247	22,275,556	21,858,249	22,409,952	24,586,399
Business-type activities:							
Parking facility	1,042,756	1,092,781	1,247,961	1,274,489	1,155,318	1,210,118	1,081,979
Total Primary Government Expenses							
Expenses	19,397,568	20,666,312	22,285,208	23,550,045	23,013,567	23,620,070	25,668,378
Primary Government Program Revenues							
Governmental activities:							
Charges for services:							
General government	777,873	621,820	595,618	666,138	735,781	867,722	662,163
Public safety	1,230,252	1,334,618	1,381,324	931,486	1,141,418	1,286,279	1,295,680
Streets and highways	154,909	622,814	238,677	246,210	277,604	187,215	233,699
Parks and recreation	491,455	548,968	611,660	672,161	739,568	824,989	850,860
Community development	301,011	802,980	824,766	1,309,048	1,331,109	1,398,448	1,354,083
Operating grants and contributions	1,340,611	2,078,952	1,680,413	924,132	1,232,687	1,270,321	1,098,553
Capital grants and contributions	120,433	—	—	—	287,100	569,600	1,024,386
Total governmental activities program revenues	4,416,544	6,010,152	5,332,458	4,749,175	5,745,267	6,404,574	6,519,424
Business-type activities:							
Charges for services:							
Parking facility	1,721,204	1,711,194	1,595,313	1,486,560	1,416,686	1,420,803	1,521,683
Total Primary Government Program Revenues							
Program Revenues	6,137,748	7,721,346	6,927,771	6,235,735	7,161,953	7,825,377	8,041,107
Net Revenue (Expense)							
Governmental activities	(13,938,268)	(13,563,379)	(15,704,789)	(17,526,381)	(16,112,982)	(16,005,378)	(18,066,975)
Business-type activities	678,448	618,413	347,352	212,071	261,368	210,685	439,704
Total Primary Government Net Expense							
Net Expense	\$(13,259,820)	\$(12,944,966)	\$(15,357,437)	\$(17,314,310)	\$(15,851,614)	\$(15,794,693)	\$(17,627,271)

CITY OF CLAYTON, MISSOURI

CHANGES IN NET ASSETS LAST SEVEN FISCAL YEARS Page 2 Of 2

		For The Years Ended September 30,						
		2004	2005	2006	2007	2008	2009	2009
General Revenues And Other								
Changes In Net Assets								
Governmental Activities:								
Taxes:								
Property	\$	4,496,193	\$ 4,648,009	\$ 4,707,073	\$ 6,135,030	\$ 6,332,125	\$ 6,643,277	\$ 6,886,241
Sales		5,640,949	5,563,404	5,706,839	5,934,900	6,226,794	6,043,834	5,541,603
Utility		3,803,453	4,361,026	4,553,878	4,890,845	4,758,606	5,701,276	4,894,278
Other		104,854	100,534	100,613	554,595	565,780	556,272	538,881
Licenses (taxes)		493,240	492,858	—	—	—	—	—
Investment income		442,863	349,778	329,421	665,054	884,333	771,380	659,833
Contribution*		800,000	—	—	—	—	—	—
Gain (loss) on sale of capital assets		(98,720)	—	—	70,222	—	—	4,887
Miscellaneous		297,353	205,002	284,031	220,455	400,027	1,022,818	1,092,730
Transfers		145,374	139,849	390,576	904,477	1,124,409	754,000	784,733
Total governmental activities revenues and transfers		16,125,559	15,860,460	16,072,431	19,375,578	20,292,074	21,492,857	20,403,186
Business-type activities:								
Investment income		242,034	214,985	140,936	367,140	586,580	427,878	320,578
Gain on sale of capital assets		—	—	—	2,243,132	330,776	—	—
Miscellaneous		658	—	—	—	—	—	—
Transfers		(145,374)	(139,849)	(390,576)	(904,477)	(1,124,409)	(754,000)	(784,733)
Total business-type activities revenues and transfers		97,318	75,136	(249,640)	1,705,795	(207,053)	(326,122)	(464,155)
Total General Revenues And Other Changes In Net Assets		\$ 16,222,877	\$ 15,935,596	\$ 15,822,791	\$ 21,081,373	\$ 20,085,021	\$ 21,166,735	\$ 19,939,031
Changes In Net Assets								
Governmental activities	\$	2,187,291	\$ 2,297,081	\$ 367,642	\$ 1,849,197	\$ 4,179,092	\$ 5,487,479	\$ 2,336,211
Business-type activities		775,766	693,549	97,712	1,917,866	54,315	(115,437)	(24,451)
Total Changes In Net Assets		\$ 2,963,057	\$ 2,990,630	\$ 465,354	\$ 3,767,063	\$ 4,233,407	\$ 5,372,042	\$ 2,311,760

Notes:

* One time donation from Enterprise Leasing Corp.

GASB Statement 34 was implemented in 2003.

Source: Basic financial statements

CITY OF CLAYTON, MISSOURI

FUND BALANCES – GOVERNMENTAL FUNDS LAST SEVEN FISCAL YEARS

	September 30,						
	2003	2004	2005	2006	2007	2008	2009
General Fund							
Reserved	\$ 78,453	\$ 18,654	\$ 4,000	\$ 4,095	\$ 124,339	\$ 50,748	\$ 46,246
Unreserved	7,489,726	7,390,863	7,084,601	8,324,588	9,552,077	11,816,465	12,590,092
Total General Fund	\$ 7,568,179	\$ 7,409,517	\$ 7,088,601	\$ 8,328,683	\$ 9,676,416	\$ 11,867,213	\$ 12,636,338
All Other Governmental Funds							
Reserved:							
Revolving Public Improvement Fund	\$ 865,807	\$ 1,294,260	\$ —	\$ —	\$ —	\$ 1,074,715	\$ 601,000
Capital Improvement Project Fund	22,121	—	52	—	—	—	—
Equipment Replacements Fund	—	2,904	5,940	243,051	250	76,455	1,433
1997-98 Bond Debt Service Fund	207,345	—	—	—	—	—	—
Other Governmental Funds	2,172,239	2,332,455	2,260,337	2,282,433	2,317,646	2,333,652	3,626,688
Unreserved, reported in:							
Revolving Public Improvement Fund	3,530,868	2,167,752	2,469,123	1,801,767	2,249,824	2,358,173	1,689,633
Capital Improvement Project Fund	(5,202)	—	—	—	—	—	—
Equipment Replacements Fund	2,770,853	3,051,034	2,994,069	2,406,124	2,662,744	2,551,415	2,272,303
Other Governmental Funds:							
Special Revenue Fund	332,104	345,430	400,612	318,166	357,866	559,631	570,813
Capital Projects Funds	2,119,083	281,879	775,873	329,158	440,311	1,755,975	581,651
Total All Other Governmental Funds	\$ 12,015,218	\$ 9,475,714	\$ 8,906,006	\$ 7,380,699	\$ 8,028,641	\$ 10,710,016	\$ 9,343,521

Notes:

GASB Statement 34 was implemented in 2003.

Source: Basic financial statements

CITY OF CLAYTON, MISSOURI

CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS LAST SEVEN FISCAL YEARS

	For The Years Ended September 30,						
	2003	2004	2005	2006	2007	2008	2009
Revenues							
General property taxes	\$ 4,531,961	\$ 4,664,838	\$ 4,716,717	\$ 6,086,868	\$ 6,310,263	\$ 6,693,072	\$ 6,846,052
Assessment income	150,325	652,862	414,771	186,253	185,843	177,136	201,676
Licenses and permits	1,339,456	1,135,051	1,207,727	1,362,041	1,415,552	1,644,961	1,671,897
Public utility licenses	3,803,453	4,361,026	4,553,878	4,890,845	4,758,606	5,701,276	4,894,278
Intergovernmental	7,283,761	7,909,370	7,519,596	7,520,816	8,387,313	8,490,868	8,280,839
Community programs	972,018	960,036	1,000,188	1,112,109	1,249,216	1,281,421	1,193,102
Fines and forfeitures	684,168	764,265	756,907	777,766	929,316	1,189,598	1,097,872
Investment income	429,380	348,425	329,421	665,054	884,333	771,380	659,833
Miscellaneous	659,422	457,995	583,531	596,398	825,518	1,349,506	1,278,934
Total Revenues	19,853,944	21,253,868	21,082,736	23,198,150	24,945,960	27,299,218	26,124,483
Expenditures							
General government	3,009,861	3,110,409	3,986,435	3,914,379	4,070,285	4,752,688	4,794,723
Public safety	7,137,008	7,838,638	7,930,225	7,921,971	8,119,616	8,362,366	8,658,593
Streets and highways	2,907,164	2,999,624	3,256,194	3,405,316	3,754,718	3,822,033	3,888,910
Parks and recreation	1,698,757	1,799,563	1,600,093	1,657,278	1,759,570	1,839,134	1,878,493
Community development	111,793	108,161	191,357	254,375	220,788	173,316	199,035
Capital outlay	10,224,954	5,745,639	3,106,040	3,930,973	2,918,374	2,585,407	5,004,207
Debt service:							
Principal	1,220,000	1,450,000	2,040,000	2,465,000	2,395,000	8,960,000	2,345,000
Interest and fiscal charges	1,133,151	1,231,434	892,930	962,248	882,260	894,912	786,175
Bond issuance costs	11,166	—	139,036	—	—	76,239	56,446
Total Expenditures	27,453,854	24,283,468	23,142,310	24,511,540	24,120,611	31,466,095	27,611,582
Excess Of Expenditures Over Revenues	(7,599,910)	(3,029,600)	(2,059,574)	(1,313,390)	825,349	(4,166,877)	(1,487,099)
Other Financing Sources (Uses)							
Bond proceeds	9,950,000	—	—	—	—	—	—
Proceeds from capital lease	—	15,804	—	—	—	—	—
Special item	800,000	—	—	—	—	—	—
Sale of capital assets	117,699	15,461	24,510	123,688	45,917	36,783	45,790
Issuance of refunding debt	—	—	12,165,000	—	—	8,175,000	3,950,000
Premium on issuance of debt	—	—	—	—	—	73,266	134,548
Payments to refunding escrow agent	—	—	(11,411,136)	—	—	—	(4,025,342)
Transfers in	10,149,648	4,570,241	3,852,528	3,488,397	4,796,573	2,303,079	3,073,696
Transfers out	(10,004,274)	(4,430,392)	(3,461,952)	(2,583,920)	(3,672,164)	(1,549,079)	(2,288,963)
Total Other Financing Sources (Uses)	11,013,073	171,114	1,168,950	1,028,165	1,170,326	9,039,049	889,729
Net Change In Fund Balances	\$ 3,413,163	\$ (2,858,486)	\$ (890,624)	\$ (285,225)	\$ 1,995,675	\$ 4,872,172	\$ (597,370)
Debt service as a percentage of noncapital expenditures	13.72%	14.46%	15.33%	16.65%	15.46%	33.42%	12.68%

Notes:

GASB Statement 34 was implemented in 2003.

Source: Revenues and expenditures from governmental funds from basic financial statements

CITY OF CLAYTON, MISSOURI

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS (Dollars In Thousands)

Fiscal Year	Real Property		Personal Property	Railroads And Utilities	Total Taxable Assessed Value	Estimated Actual Value	Total Direct Tax Rate
	Residential Property	Commercial Property					
2000	\$ 468,061	\$ —	\$ 87,862	\$ 2,606	\$ 558,529	\$ 2,215,676	0.755
2001	472,516	—	90,470	3,066	566,052	2,244,900	0.755
2002 *	284,752	292,087	89,103	3,624	669,566	2,690,159	0.644
2003	286,748	297,052	84,026	2,634	670,460	2,697,949	0.656
2004	325,478	298,990	83,640	2,290	710,398	2,905,407	0.652
2005	325,974	300,037	83,904	2,290	712,205	2,912,085	0.652
2006	361,777	307,555	86,774	2,367	758,473	3,132,865	0.796
2007	367,607	307,107	86,612	2,820	764,147	3,163,050	0.779
2008	459,370	346,326	84,556	2,881	893,133	3,762,594	0.691
2009	480,595	347,077	83,620	2,795	914,087	3,873,569	0.689

Notes:

* First year that real property was distributed between residential and commercial property.

Source - St. Louis County Assessor determines assessments as of January 1.

CITY OF CLAYTON, MISSOURI

DIRECT AND OVERLAPPING PROPERTY TAX RATES (RESIDENTIAL ONLY) PER \$100 OF ASSESSED VALUE LAST TEN FISCAL YEARS

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Taxes levied on all property in the City of Clayton										
City of Clayton	\$ 0.755	\$ 0.755	\$ 0.644	\$ 0.656	\$ 0.652	\$ 0.652	\$ 0.796	\$ 0.779	\$ 0.691	\$ 0.689
State of Missouri	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030
St. Louis County	0.720	0.720	0.720	0.720	0.720	0.730	0.708	0.708	0.698	0.698
Special School District	0.620	0.623	0.835	0.849	0.833	0.905	0.840	0.824	0.908	0.918
St. Louis Community College	0.240	0.240	0.230	0.232	0.231	0.237	0.223	0.223	0.200	0.201
Metropolitan St. Louis Sewer District (Extension)	0.070	0.070	0.069	0.069	0.069	0.069	0.069	0.069	0.067	0.000
Metropolitan Zoological Park and Museum District	0.233	0.234	0.222	0.222	0.226	0.276	0.265	0.261	0.233	0.234
Sheltered Workshop	0.085	0.085	0.085	0.085	0.085	0.085	0.082	0.082	0.070	0.069
Deer Creek Sewer District	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.000
Black Jack Sewer District	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.060	0.000
	2.873	2.877	2.955	2.983	2.966	3.104	3.133	3.096	3.017	2.839
School District (1):										
Clayton School District	3.410	3.300	2.938	2.945	3.622	3.769	3.925	3.716	3.254	3.230
Total	\$ 6.283	\$ 6.177	\$ 5.893	\$ 5.928	\$ 6.588	\$ 6.873	\$ 7.058	\$ 6.812	\$ 6.271	\$ 6.069

Notes:

(1) All property is located in the school district whose boundaries include part of the City.

Source - St. Louis County Assessor

CITY OF CLAYTON, MISSOURI

PRINCIPAL PROPERTY TAXPAYERS CURRENT FISCAL YEAR AND NINE FISCAL YEARS AGO

Taxpayer	2009			2000		
	Taxable Assessed Value	Rank	Percentage Of Total City Taxable Assessed Value (1)	Taxable Assessed Value	Rank	Percentage Of Total City Taxable Assessed Value (2)
Clayton Corporate Park Mgmt. Co.	\$ 28,504,000	1	3.12%	\$ 21,885,700	1	3.92%
KBS Clayton Plaza LLC	22,497,600	2	2.46%	—		
Pierre Laclede LLC	22,438,620	3	2.45%	20,962,590	2	3.75%
Duke Realty LTD Partnership	15,040,000	4	1.65%	—		
Riggs & Company Trustee	12,980,800	5	1.42%	—		
The Brown Group	11,520,000	6	1.26%	6,713,190	10	1.20%
HEF 1 - StL No. 1 LLC	10,944,000	7	1.20%	10,139,430	4	1.82%
Clayton Central Investors LLC	10,138,530	8	1.11%	—		
8182 Maryland Associates	9,600,000	9	1.05%	8,758,790	7	1.57%
COPSUN Clayton MO LLC	8,550,090	10	0.94%	—		
EOP Clayton LLC	—		—	13,260,960	3	2.37%
The Crawford Group	—		—	9,595,970	6	1.72%
TCEP II Properties	—		—	7,869,630	8	1.41%
CB Bemiston Tower, Inc.	—		—	7,481,340	9	1.34%
WHTCS Real Estate LTD Part.	—		—	9,920,000	5	1.78%
Total	<u>\$ 152,213,640</u>		<u>16.66%</u>	<u>\$ 116,587,600</u>		<u>20.88%</u>

Notes:

(1) Total assessed value of the City was \$914,086,837 as of January 1, 2008.

(2) Total assessed value of the City was \$558,529,660 as of January 1, 1999.

Source - St. Louis County Assessor, ten highest property tax valuations

CITY OF CLAYTON, MISSOURI

PROPERTY TAX LEVIES AND COLLECTIONS (1) LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Tax Levied For The Fiscal Year (2)	Collected Within The Fiscal Year Of The Levy		Collections In Subsequent Years	Total Collections To Date (3)	
		Amount	Percentage Of Levy		Amount	Percentage Of Levy
2000	\$ 4,214,517	\$ 3,618,341	85.9	\$ 382,842	\$ 4,001,183	94.9
2001	4,275,506	4,059,048	94.9	587,857	4,646,905	108.7
2002	4,320,414	3,902,880	90.3	171,868	4,074,748	94.3
2003	4,409,624	4,244,002	96.2	381,852	4,625,854	104.9
2004	4,587,714	4,382,118	95.5	148,628	4,530,746	98.8
2005	4,644,371	4,392,929	94.6	181,332	4,574,261	98.5
2006	6,251,869	4,764,534	76.2	(148,346)	4,616,188	95.5
2007	6,206,413	6,123,300	98.7	114,431	6,237,731	100.5
2008	6,566,784	6,458,568	98.4	—	6,458,568	99.4
2009	6,664,208	6,592,851	98.9	108,933	6,701,784	100.6

Notes:

- (1) Source - St. Louis County Collectors Office
- (2) Originally adjusted for strikeouts and additions by St. Louis Board of Equalization after 1978.
- (3) St. Louis County Collectors Office charges a collection fee of 1.5%.

CITY OF CLAYTON, MISSOURI

RATIOS OF OUTSTANDING DEBT BY TYPE (1) LAST TEN FISCAL YEARS (Dollars In Thousands, Except Per Capita)

Fiscal Year	Governmental Activities							Business-Type Activities					Total Primary Government	Percentage Of Personal Income (2)	Per Capita (2)
	Net			Net				Net							
	Capital Improvement Bonds	Reserve For Debt Service	Capital Improvement Bond Debt	Note Payable	General Obligation Bonds	Capital Leases	Capital Improvement Bonds	Reserve For Debt Service	Capital Improvement Bond Debt	Note Payable					
2000	\$ 13,641	\$ (1,279)	\$ 12,362	\$ —	\$ 10,980	\$ —	\$ 3,709	\$ (414)	\$ 3,295	\$ —	\$ 26,637	3.45	\$ 1,985		
2001	10,276	(1,368)	8,908	—	10,325	—	2,803	(441)	2,362	—	21,595	2.35	1,355		
2002	9,821	(1,343)	8,478	—	9,640	—	2,699	(435)	2,264	—	20,382	2.22	1,279		
2003 (3)	21,960	(1,285)	20,675	—	8,930	—	3,380	(425)	2,955	—	32,560	3.55	2,043		
2004	21,255	(1,285)	19,970	—	8,185	16	3,245	(423)	2,822	2,152	33,145	3.24	2,080		
2005 (4)	21,230	(1,173)	20,057	—	7,410	12	2,655	(426)	2,229	2,091	31,799	3.11	1,995		
2006	19,575	(1,304)	18,271	—	6,600	8	2,430	(280)	2,150	1,971	29,000	2.84	1,820		
2007	18,020	(1,331)	16,689	—	5,760	4	2,240	(285)	1,955	1,846	26,254	2.57	1,648		
2008 (5)	18,110	(2,194)	15,916	—	4,885	—	2,040	(266)	1,774	1,716	24,291	2.38	1,524		
2009 (6)	16,680	(2,256)	14,424	—	3,950	—	1,835	(266)	1,569	1,576	21,519	2.10	1,350		

Notes:

- (1) Details regarding the City's outstanding debt can be found in the notes to the financial statements
- (2) See "Demographic and Economic Statistics" table for personal income and population data.
- (3) In fiscal year 2003 the City issued an additional \$9,250,000 in capital improvement bonds for construction of City Hall, Shaw Park Pool and the Fire Station.
- (4) In fiscal year 2005, capital improvement bonds of \$14,820,000 were issued to refund the capital improvement bonds issued in fiscal year 1998.
- (5) In fiscal year 2008, capital improvement bonds of \$8,175,000 were issued to refund \$7,375,000 of the Series 2002 capital improvement bonds.
- (6) In fiscal year 2009, general obligation refunding bonds Series 2009 in the amount of \$3,950,000 were issued to refund \$,970,000 of the Series 1999 bond issuance.

Source: Basic financial statements

CITY OF CLAYTON, MISSOURI

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS (Dollars In Thousands, Except Per Capita)

Fiscal Year	General Obligation Bonds (1)	Percentage Of Actual Taxable Value Of Property (2)	Per Capita (3)
2000	\$ 10,980	1.97	\$ 818
2001	10,325	1.82	648
2002	9,640	1.44	605
2003	8,930	1.33	560
2004	8,185	1.16	514
2005	7,410	1.04	465
2006	6,600	0.87	414
2007	5,760	0.75	361
2008	4,885	0.55	307
2009	3,950	0.43	249

Notes:

- (1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.
- (2) See "Assessed Value and Actual Value of Taxable Property" table for property value data.
- (3) See "Demographic and Economic Statistics" table for population data.

Source: Basic financial statements and Assessor of St. Louis County

CITY OF CLAYTON, MISSOURI

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (Dollars In Thousands)

<u>Name Of Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable To City Of Clayton</u>	<u>Amount Applicable To City Of Clayton</u>
St. Louis County	\$ 54,635	3.65 %	\$ 1,994
Clayton School District	19,574	85.50 %	16,736
Subtotal	74,209		18,730
City of Clayton	3,950	100.0 %	3,950
Total	<u>\$ 78,159</u>		<u>\$ 22,680</u>

Note: Percentage applicable to City of Clayton is the total assessed value of the City of Clayton as a percentage of the total assessed value of the taxable property of the governmental unit.

Sources:

City of Clayton Financial Report

St. Louis County

Clayton School District

CITY OF CLAYTON, MISSOURI

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS (Dollars In Thousands)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt Limit (1)	\$ 55,853	\$ 56,605	\$ 66,957	\$ 67,046	\$ 71,040	\$ 71,221	\$ 75,847	\$ 76,415	\$ 89,313	\$ 91,409
Total net debt applicable to Debt Limit	9,979	9,054	8,830	8,137	7,431	6,680	5,859	4,993	4,097	3,092
Legal debt margin	\$ 45,874	\$ 47,551	\$ 58,127	\$ 58,909	\$ 63,609	\$ 64,541	\$ 69,988	\$ 71,422	\$ 85,216	\$ 88,317
Total net debt applicable to the limit as a percentage of debt limit	17.87%	16.00%	13.19%	12.14%	10.46%	9.38%	7.22%	6.53%	4.59%	3.38%

Note: Bonded indebtedness is limited by Sections 95.111 and 95.120 of the Missouri Revised Statutes (1986) to 10% of the assessed value of taxable tangible property.

(1) Debt limit is 10% of the assessed value, which can be found in the "Assessed Value and Actual Value of Taxable Property" table.

Source: Basic financial statements

CITY OF CLAYTON, MISSOURI

PLEDGED REVENUE COVERAGE (1)(2) LAST TEN FISCAL YEARS

Fiscal Year	Gross Revenue	Direct Operating Expense (3)	Net Revenue Available For Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2000	\$ 1,868,869	\$ 599,423	\$ 1,269,446	\$ —	\$ —	\$ —	—
2001	2,028,928	863,203	1,165,725	—	—	—	—
2002	1,866,391	879,418	986,973	—	—	—	—
2003	1,963,896	854,050	1,109,846	—	—	—	—
2004	1,711,194	638,087	1,073,107	—	—	—	—
2005	1,595,313	616,907	978,406	—	—	—	—
2006	1,486,560	793,063	693,497	—	—	—	—
2007	1,416,686	679,069	737,617	—	—	—	—
2008	1,420,803	644,673	776,130	—	—	—	—
2009	1,521,683	622,775	898,908	—	—	—	—

Notes:

- (1) Per bond ordinance, all revenues derived from parking facilities were pledged to meet debt service requirements related to new parking facilities. The revenue bonds were paid off in fiscal year 1997.
- (2) Capital Improvement Bonds issued in fiscal years 2003, 2005 and 2008 did not constitute a general obligation or indebtedness of the City for which the City is obligated to levy or pledge any form of taxation and therefore are not shown.
- (3) Direct operating expenses do not include interest and depreciation.

Source: Basic financial statements

CITY OF CLAYTON, MISSOURI

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN CALENDAR YEARS

Year	Population (1)	Personal Income (Thousands Of Dollars)	Median Household Income (2)	Clayton School District Enrollment (3)	Unemployment Rate (4)
2000	13,417	\$ 772,309	\$ 57,562	2,460	1.5 %
2001	15,935	917,250	57,562	2,440	2.2 %
2002	15,935	917,250	57,562	2,442	2.6 %
2003	15,935	917,250	57,562	2,478	2.8 %
2004	15,935	1,022,772	64,184	2,548	2.6 %
2005	15,935	1,022,772	64,184	2,558	2.5 %
2006	15,935	1,022,772	64,184	2,460	2.6 %
2007	15,935	1,022,772	64,184	2,479	2.8 %
2008	15,935	1,022,772	64,184	2,490	3.5 %
2009	15,935	1,022,772	64,184	2,478	5.4 %

- (1) Source - 1990 U.S. Bureau of Census for population estimates for 2000; source of data for 2001-2009, current population estimate revised census 2000 from U.S. Census Bureau dated December 7, 2001.
- (2) Source - sources of data from 2000 - 2003 from 1990 U.S. Bureau of Census. Sources of data from 2004-2009 from 2000 U.S. Bureau of Census.
- (3) Source - Director of Communications for the School District of Clayton.
- (4) Source - 2001 and previous, Missouri Division of Employment Security from U.S. Census Bureau Records; 2002 through 2009 - Missouri Department of Economic Development (based on 2000 census).

CITY OF CLAYTON, MISSOURI

PRINCIPAL EMPLOYERS CURRENT FISCAL YEAR AND NINE FISCAL YEARS AGO

Employer	2009			2000		
	Employees	Rank	Percentage Of Total City Employment	Employees	Rank	Percentage Of Total City Employment
St. Louis County	2,300	1	4.00	1,800	1	5.44
Enterprise Rent-A Car	1,365	2	2.40	1,022	2	3.09
Commerce Bank	523	3	0.90	436	5	1.32
Centene Corporation	501	4	0.90	—		
Clayton School District	495	5	0.90	470	3	1.42
Brown Group	488	6	0.90	454	4	1.37
Ritz Carlton	298	7	0.50	400	6	1.21
Rehab Care Group Inc.	251	8	0.40	—		—
Bemiston Carondelet Corp.	250	9	0.40	—		—
Ernst & Young US LLP	244	10	0.40	—		—
The Earthgrains Company	—		—	375	7	1.13
Clark Refining & Marketing	—		—	374	8	1.13
Bank of America	—		—	207	9	0.63
Graybar Electric	—		—	177	10	0.53
Total	6,715		11.70	5,715		17.27

Notes:
 Percentage for 2009 based on 57,000 total daytime employees in the Central Business District. For 2000, daytime employees of 33,100 in the Central Business District was estimated based on square footage of commercial buildings that existed in Clayton nine years ago.
 Source - Business License Database from Finance Division, St. Louis County HR Division and Clayton School District.

CITY OF CLAYTON, MISSOURI

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Function/Program	Full-Time Equivalent Employees As Of September 30,									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government:										
Elected officials	7	7	7	7	7	7	7	7	7	7
City Clerk (1)	1	1	1	1	1	1	1	—	—	—
City Manager	4	4	3	3	3	4	4	5	5	5
Economic Development (2)	1	1	1	1	1	—	—	—	—	—
Human resources	2	2	2	2	2	2	2	2	2	2
Finance	6	6	6	6	6	7	7	7	7	7
Municipal court	3	3	3	3	3	3	3	3	3	3
Information systems	2	3	3	3	3	3	3	3	3	3
Planning and development	11	11	10	10	10	10	10	10	10	10
Police:										
Officers	51	53	53	53	52	52	52	52	52	52
Civilians (3)	13	15	15	14	8	8	8	8	7	7
Fire:										
Firefighters and officers	32	32	33	32	35	35	35	35	35	35
Civilians	1	1	1	1	1	1	1	1	1	1
Public Works:										
Engineering (5)	6	6	6	5	5	5	5	5	5	6
Street maintenance	13	16	16	17	16	16	16	16	16	16
Vehicle maintenance	5	5	5	5	5	5	5	5	4	4
Building maintenance	3	3	3	2	3	3	3	3	2	2
Parking maintenance	1	1	1	1	1	1	1	1	1	1
Parks and recreation:										
Administration/recreation (4) (6)	7	7	13	13	14	14	14	15	16	17
Parks maintenance	10	10	10	9	9	9	9	9	9	9
Total	179	187	192	188	185	186	186	187	185	187

Notes:

- (1) Transfer of City Clerk position to City Manager's Office from Legislative in 2007.
- (2) Economic development employee moved to communications in administrative services in 2005.
- (3) Dispatcher positions eliminated in 2004 when City joined East Central Dispatch Center (ECDC) in 2004. Dispatchers transferred to ECDC.
- (4) Community Resource Coordinator position added in 2008.
- (5) Civil Engineer 1 position added in 2009.
- (6) Aquatics Rec. Assistnat position added in 2009

Source: City of Clayton Annual Budgets (1999-2008)

CITY OF CLAYTON, MISSOURI

OPERATING INDICATORS BY FUNCTION/PROGRAM LAST SEVEN FISCAL YEARS*

Function/Program	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
Police:							
Arrests	432	670	848	973	1,176	959	1,127
Parking violations	4,579	4,526	4,114	5,362	3,729	2,890	2,448
Traffic violations	5,423	5,364	7,402	7,626	6,011	7,053	7,248
Parking tickets **	59,829	57,738	50,222	44,221	43,427	44,200	41,624
Fire:							
Emergency response ambulance	1,212	1,418	1,370	1,430	1,497	1,648	1,511
Emergency response- fire	1,639	1,470	1,460	1,420	1,665	1,739	1,863
Inspections	907	800	767	520	656	717	691
Parks and recreation:							
Shaw Park Pool - Passes	533	542	528	651	871	1,025	913
Shaw Park Ice Rink - Passes	11	13	16	8	—	15	17
Platinum Passes	—	—	—	—	152	267	348
Tennis Court - Passes	26	30	26	8	9	17	13
Pool/Tennis - Passes	81	73	69	57	66	56	44
Tri Passes (pool/rink/tennis)	2	11	12	13	—	4	—
Shelter Rentals (including picnic pads)	468	391	497	266	306	269	245
Planning and development:							
Residential permits issued	173	202	172	304	282	299	219
Estimated cost of construction							
for residential permits	\$ 33,443,381	\$ 20,694,236	\$ 29,333,420	\$ 43,081,206	\$ 33,021,571	\$ 26,602,257	\$ 15,892,142
Commercial permits issued	272	281	274	113	135	183	147
Est. cost of construction							
for commercial permits	\$ 33,135,438	\$ 68,617,644	\$ 31,775,928	\$ 57,891,052	\$ 28,898,204	\$ 71,511,966	\$ 123,209,999
Finance and administration:							
Business licenses issued	890	893	894	889	791	787	807
Liquor licenses issued	62	64	67	63	62	63	56

Notes:

* Data for operating indicators by function/program before fiscal year 2003 is not readily available.

** Parking tickets not included in parking violations.

No operating indicators by function/program are available for the Administration or Public Works Departments

Sources: City of Clayton Annual Reports (2003-2009), various City departments

CITY OF CLAYTON, MISSOURI

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	25	25	25	25	25	25	25	25	26	—
Fire:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire hydrants	371	371	371	371	371	371	371	371	371	371
Vehicles:										
Ladder Trucks	1	1	1	1	1	1	1	1	1	1
Pumpers	1	1	1	1	1	1	1	1	1	1
Rescue Trucks	1	1	1	1	1	1	1	1	1	—
Ambulances	2	2	2	2	2	2	2	2	2	2
Public Works:										
Miles of streets - paved (1) (3)	46.7	46.7	46.7	46.7	46.7	46.7	46.7	46.7	38.0	99.08
Miles of alleys (3)	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	19.34
Miles of sidewalks	39	39	39	39	39	39	39	39	39	39
Number of street lights	2,190	2,190	2,190	2,190	2,200	2,200	2,200	2,200	2,200	2,200
Number of traffic signals (4)	27	27	27	27	28	28	28	28	28	24
Parks and recreation:										
Acres of Parks	84.3	84.3	84.3	84.3	84.3	84.4	84.4	84.4	84.4	84.4
Number of Parks (2)	9	9	9	9	9	10	10	10	10	10
Athletic Complex	1	1	1	1	1	1	1	1	1	1
Aquatic Center	1	1	1	1	1	1	1	1	1	1

Notes:

(1) Survey taken by Public Works in 2008 resulted in new figures. Miles include private subdivisions located in and maintained by the City.

(2) Added Whitburn Park in 2005 - size 1/8 acre.

(3) Based on lane mile unit of measure (Unit is more consistent with standards) where 1 mile of pavement 12 ft. wide equals one lane mile.

(4) Number of signalized intersections owned and maintained by the City.

No capital asset indicators are available for the Administration, Finance or Planning functions.

Source: City of Clayton Annual Reports (2000-2009), various City departments