

Clayton, MISSOURI



Comprehensive Annual Financial Report

for the year ended
September 30, 2012

CITY OF CLAYTON, MISSOURI

***COMPREHENSIVE ANNUAL
FINANCIAL REPORT***

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2012

PREPARED BY THE FINANCE
DEPARTMENT

CITY OF CLAYTON, MISSOURI
FINANCIAL REPORT

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INTRODUCTORY SECTION



March 27, 2013

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

Pursuant to City policy and in conformance with state law, the Comprehensive Annual Financial Report (CAFR) of the City of Clayton, Missouri, (the City) for the fiscal year (FY) ended September 30, 2012, is herewith submitted for your review. This report was prepared in conformance with U.S. generally accepted accounting principles (GAAP) and audited in accordance with U.S. generally accepted auditing standards by an independent firm of licensed certified public accountants.

This report is the City management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making the representations contained within this report, management of the City has established a comprehensive internal control framework that is designed to protect the City's assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of the City's financial statements in conformance with GAAP. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects and that all necessary disclosures have been included to enable the reader to gain a reasonable understanding of the City's financial affairs.

The City's financial statements have been audited by Hochschild, Bloom & Company LLP, a firm of licensed certified public accountants. The goal of this independent audit was to provide reasonable assurance that the basic financial statements of the City for the year ended September 30, 2012, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management evaluating the overall basic financial statement presentation. The independent auditors concluded, based upon its audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the year ended September 30, 2012, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

CITY PROFILE AND STRUCTURE

The City was incorporated in 1913 and is a home rule municipal corporation operating under its own charter. The governing body for the City consists of an elected six-member Board of Aldermen and the Mayor, and operates under the Council/Manager form of government. The Mayor and Board of Aldermen collectively

appoint a City Manager to administer daily operations. The City's borders encompass 2.5 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 15,939 and an estimated daytime population of 46,000. The City serves as the governmental seat for St. Louis County, Missouri.

The City provides a full range of municipal services including public works, parks and recreation, police, fire and emergency medical services, community development, finance, information technology and general administration.

The City uses the Governmental Accounting Standards Board criteria to examine the relationship of the City to other associated but legally separate entities, to determine if their inclusion in this report would be necessary to fairly represent the financial position of the City. These criteria for including entities as a potential component unit are generally related to the financial benefit or burden, and levels of influence over the activities of these organizations. The financial reporting entity includes all funds of the City. This report does not include the Clayton Recreation, Sports and Wellness Commission (CRSWC). The CRSWC is considered a joint venture of the City and Clayton School District and further information on this entity can be found in Note N on page 48 of the Notes to Financial Statements.

FINANCIAL INFORMATION

In developing the City's accounting system, consideration is given to the adequacy of internal accounting controls. 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 policies. The internal control structure provides reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes: 1) the cost of a control should not exceed the benefits likely to be derived, and 2) the valuation of costs and benefits require estimates and judgments by management.

The annual budget serves as a foundation for the City's financial and operational plan for the following year. The City Manager requests each department develop an annual operating and capital planning budget request, including revenue and expenditures, for appropriation. In addition, two planning years are included in the budget document and are updated annually. The budget is prepared by fund, broken down further by department, programs or projects within the department, then object of expenditures within programs, and finally line items within the objects. The City Manager presents a proposed budget to the Board of Aldermen and a public hearing is held prior to final approval. Budget transfers within a department require approval by the City Manager. Budget transfers between departments or between funds require approval by the Board of Aldermen and these approvals occur quarterly. 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 assignments of the fund balance.

In addition to City funds, the City has a fiduciary responsibility as a trustee for assets for the Uniformed and Non-Uniformed pension plans and this summary information can be found on pages 19-20, with further details in Note H beginning on page 37 of the Notes to Financial Statements.

The City issued \$10 million in special obligation bonds in FY 2012 with projects including partial funding for the new police facility, and infrastructure and park improvements.

ECONOMIC CONDITION AND OUTLOOK

The City blends a bustling business district with an outstanding housing mix. The downtown area 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. The City'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 downtown or neighborhood retail districts that include specialty boutiques, flower shops, restaurants, dry cleaners, fitness facilities, and cafes. In addition to its strong economy, the City has beautiful residential neighborhoods and the City has devoted nearly 90 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.

The City has maintained a thriving business district despite the economic challenges the nation faces today. The City has a diverse income mix and is not overly dependent on property tax which is balanced well between commercial and residential. Therefore, the City is able to maintain a strong financial footing.

The City's location within the region further strengthens the City's attractiveness to residents, businesses, and visitors. As the seat for St. Louis County, many county residents come to the City on a daily basis to do business in the many County offices. MetroLink (the region's light-rail system) through the City 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, the City'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.

The City's stable retail community includes approximately 80 restaurants (many of which are award-winning), 90 vibrant retail boutiques and 230 personal service businesses. The City'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, the City's quality of life has attracted Enterprise Holdings, 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. The City maintains one of the highest commercial occupancy rates in the region and it continues to be one of the steadiest submarkets in the St. Louis area. Occupancy rates have continued to stay near the 90% range, one of the lowest vacancy rates in the metropolitan area, and slightly lower than the regional average.

The City continues to experience commercial development. In 2012, Clayton on the Park opened for occupancy. This project is situated across from Shaw Park and represents the first high-rise rental residential project in downtown Clayton with 208 units. In 2013 the revitalization for the former Daniele Hotel will begin in the downtown area. The hotel is currently under renovation and the developer will expand the structure by an additional story. When construction is complete in early 2014 the hotel will operate as a Hampton Inn & Suites and will offer 206 rooms. And Clayton's future development looks promising. With the success of Clayton on the Park, the City has received numerous inquiries from residential developers interested in the downtown Clayton market. In addition, Clayton remains the region's dining destination. Within the past year Clayton has seen the openings of Bar Les Frères, Brazikat Brazilian Steakhouse, Pasteria, Niche, Crushed Red, and Five Star Burgers. Restaurants set to open in 2013 include Z Pizza, Libertine, Wheelhouse, 801 Chophouse and Seedz Café.

To aid in further development, the City recently updated the Central Business District Master Plan which calls for a stronger identity for the downtown area, specifically the retail component. The revised plan

provides a comprehensive framework for future development and strategic retail marketing efforts. Some of the proposed implementations are as follows:

- Recruiting boutique retail shops that help differentiate the City from other retail destinations;
- Investing in streetscape improvements that will change the perception of and improve the pedestrian experience throughout downtown and provide better connections to mass transit;
- Investing in an interconnecting open space system that creates a downtown identity;
- Enhancing Shaw Park to create an active and inviting edge with lively sports, entertainment and cultural venues along Brentwood Boulevard (a busy road on the edge of the City's business district);
- Undertaking a comprehensive signage and way-finding study to unify the entire downtown and highlight the sub-districts of downtown; and,
- Developing a consistent and effective marketing strategy to benefit private and public sectors and encourage tourism.

MAJOR INITIATIVES

The City conducted the fourth annual citizen's survey in 2012. The City maintained high ratings, setting new high standards in several categories tracked by The ETC Institute, the survey administrator. A citizen's survey will be conducted each year to ensure the City is meeting the needs and expectations of our customers. The City continues to develop its performance measurement and management system to align City services and programs with the feedback from the annual Citizen Survey

The City is also in the final stages of finalizing a strategic plan for the future, entitled *C the Future*. The City hired a consultant to facilitate the process, established a steering committee, created a fifty-person stakeholder's group, and received public input through focus groups and online forums. The final plan will set the vision for the future.

Following a five-year search for a new location for the City's Police Department, the City purchased the Heritage Building and renovations are nearly complete to house the police department, municipal court and information technology. By reusing the Heritage building, the City to preserves the classic real estate property from possible demolition. In addition, voters supported a property tax levy to fund the initial bond issuance for the building and renovation.

The City continues to lead the region as a "green" city by becoming a *Green Power Community* and the City has now achieved a 3% green power requirement. And as part of the new police facility the City installed the largest non-utility owned solar array in the State of Missouri.

LONG-TERM FINANCIAL PLANNING

The City prepares a three year capital improvement plan annually and includes this information in the budget document. In the next three FYs, the capital plan includes \$23 million in infrastructure, parks and facility improvements.

With the approval of the FY 2013 budget, the Board of Aldermen approved a new three year plan to reduce the annual General Fund operating deficit of approximately \$2.5 million. While the City still has a strong unassigned General Fund balance at 68% of annual expenditures, the City plans to eliminate the operational deficit spending. The plan is threefold by: 1) reducing staff through a voluntary retirement incentive program and other operational expenditure reductions totaling \$1.5 million; 2) approving a ballot initiative for a sales tax increase for operations generating revenue of approximately \$1 million; and 3) requesting voter approval to increase the property tax levy to support renovation of a large portion of the residential

streets across the City. The first two items balances the budget for operations and the property tax levy provides funds for capital needs.

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 for its comprehensive annual financial report for the fiscal year ended September 30, 2011. 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. This report 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 has received a Certificate of Achievement for the last twenty-five consecutive years. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting this document to GFOA for award consideration.

Additionally, the GFOA awarded the Distinguished Budget Award to the City for FY 2012. This was the City's fifth 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 the City has already submitted the FY 2013 budget for award consideration.

ACKNOWLEDGEMENTS

The quality and timely preparation of the comprehensive annual financial report would not be possible without the dedicated service of administrative staff from various departments. We want to specifically thank the Finance Department as they were key components in administering the City's accounting and reporting systems. We would also like to acknowledge our auditors, Hochschild, Bloom and Company LLP, for their help in formulating this report. We also wish to extend our sincere gratitude to the Mayor and Board of Alderman for their leadership and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Craig S. Owens
City Manager



Janet K. Watson
Director of Finance & Administration

CITY OF CLAYTON, MISSOURI
PRINCIPAL OFFICIALS

MAYOR

Linda Goldstein

ALDERMEN

Joanne Boulton, Ward I
Andrea Maddox-Dallas, Ward I
Cynthia Garnholz, Ward II
Michelle Harris, Ward II
Mark Winings, Ward III
Alex Berger, Ward III

CITY MANAGER

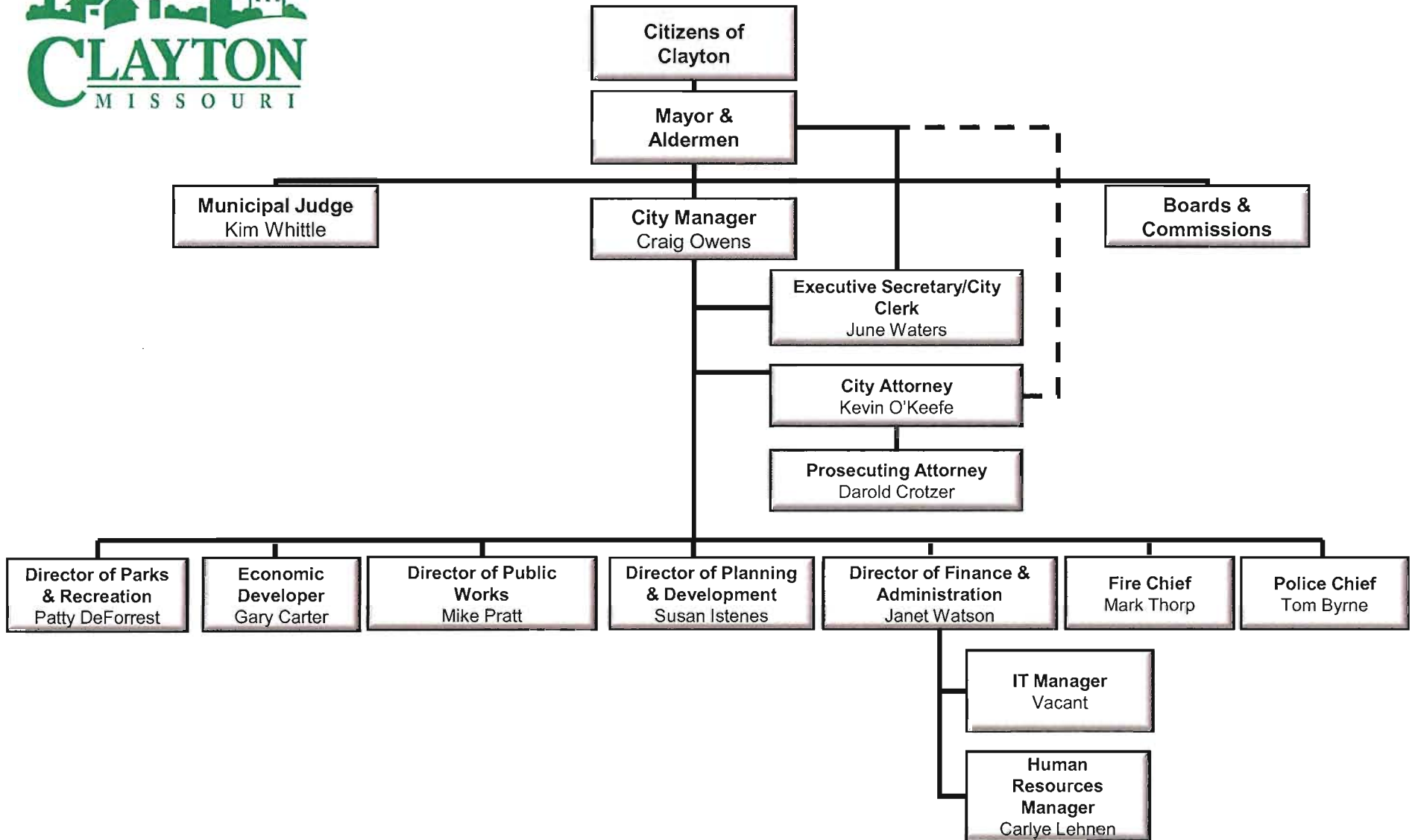
Craig S. Owens

DEPARTMENT DIRECTORS

Administrative Services	Janet Watson
Planning and Development	Susan Istenes
Police	Thomas Byrne
Fire	G. Mark Thorp
Public Works	Michael Pratt
Parks and Recreation	Patty DeForrest



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, 2011

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.



Christopher P. Moivell

President

Jeffrey R. Enow

Executive Director

FINANCIAL SECTION



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

INDEPENDENT AUDITORS' REPORT

March 27, 2013

Honorable Mayor and Members of the Board of Aldermen
CITY OF CLAYTON, MISSOURI

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **CITY OF CLAYTON, MISSOURI** (the City) as of and for the year ended September 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of September 30, 2012, and the respective changes in financial position thereof for the year then ended, in conformity with U.S. generally accepted accounting principles.

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In accordance with *Government Auditing Standards*, we have also issued a report dated March 27, 2013, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

U.S. generally accepted accounting principles require that the management's discussion and analysis and required supplemental information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, other supplemental information as listed in the table contents, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The other supplemental information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.


CERTIFIED PUBLIC ACCOUNTANTS

**CITY OF CLAYTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

The management of the City of Clayton, Missouri (the City) presents this narrative overview and analysis to assist our readers in reviewing and understanding the accompanying annual financial statements for the FY ended September 30, 2012. 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 - v of this report.

FINANCIAL HIGHLIGHTS

- On a government-wide basis the assets of the City exceeded its liabilities for the most recent FY by \$69,757,537. Of this amount \$18,799,802 may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$6,562,686 due to revenues exceeding expenses by that amount.
- At the close of fiscal year (FY) 2012, the City's governmental funds reported an ending fund balance of \$28,044,466, a decrease of \$4,429,559 in comparison to the prior year balance of \$32,474,025. Approximately 50.3% of the amount or \$14,117,417 is unassigned and available for spending at the City's discretion.
- At the end of FY 2012, unassigned fund balance for the General Fund was \$14,673,064 or 68% of total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements 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 supplemental information and other supplemental 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 position 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 position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

CITY OF CLAYTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

The statement of activities presents information showing how the City's net position changed during the most recent FY. All changes in net position 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.

Government-wide statements are principally supported by taxes and intergovernmental revenues and include general government, public safety, streets and highways, parks and recreation, and community development.

The government-wide financial statements can be found on pages 13 and 14 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, 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 can be divided into two categories: governmental 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.

The City utilizes the following major governmental funds:

- General
- Capital Improvement
- Equipment Replacement
- 2011 Bond Issue

The larger funds are presented as major funds while the other funds are presented in the combining statements for nonmajor funds. A description of the major funds can be found on page 22 in the notes

**CITY OF CLAYTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

to financial statements. Both major and nonmajor fund statements include a balance sheet and statement of revenues, expenditures, and changes in fund balances.

The City adopts an annual budget for all funds except the Drug Forfeiture Fund. 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 page 51 in the required supplemental information. All other major and nonmajor funds budgetary comparisons can be found in the other supplemental information section starting on page 54.

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 City of Clayton Uniformed Employees' Pension Fund and Nonuniformed Employees' Retirement Fund. 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 position and a statement of changes in fiduciary net position. These activities are excluded from the City's government-wide financial statements because the City cannot use these assets to finance its operations. The fiduciary fund statements may be found on pages 19 and 20.

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 21 through 49.

Required supplemental information. In addition to the basic financial statements and accompanying notes, certain required supplemental information can be found on pages 51 and 52 of this report.

Other Supplemental information. The combining and individual fund statements, referred to earlier in connection with nonmajor governmental funds, are presented immediately following the required supplemental information. Combining and individual fund statements and schedules can be found on pages 54 through 69 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City presents 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 position over time may serve as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$69,757,537 at the close of the most recent FY, an increase of \$6,562,686.

**CITY OF CLAYTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

A major portion of the City's net position are net investment in capital assets (land, buildings, machinery and equipment, and infrastructure less any related debt used to acquire those assets) and total \$47,823,828 or 68.6% of total net position. Although the City's net investment in 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 position of \$18,799,802 are another major portion of the City's net position (27%) that may be used to meet on-going obligations to citizens and creditors.

	City Of Clayton's Net Position	
	September 30	
	2012	2011
ASSETS		
Current and other assets	\$ 36,587,855	39,613,282
Capital assets	82,660,040	65,347,013
Total Assets	<u>119,247,895</u>	<u>104,960,295</u>
LIABILITIES		
Current liabilities	7,849,556	6,397,907
Noncurrent liabilities	41,640,802	35,367,537
Total Liabilities	<u>49,490,358</u>	<u>41,765,444</u>
NET POSITION		
Net investment in capital assets	47,823,828	37,682,326
Restricted	3,133,907	4,723,377
Unrestricted	<u>18,799,802</u>	<u>20,789,148</u>
Total Net Position	<u>\$ 69,757,537</u>	<u>63,194,851</u>

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, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	City Of Clayton's Statement Of Activities	
	For The Years Ended September 30	
	2012	2011
Program Revenues:		
Charges for services	\$ 5,873,212	6,123,613
Operating grants and contributions	1,859,222	2,010,033
Capital grants and contributions	5,285,025	5,997,466
Total Program Revenues	13,017,459	14,131,112
General Revenues:		
Property tax	6,707,168	6,665,628
Sales tax	5,650,981	5,486,472
Utility tax	5,206,297	5,450,458
Other taxes	100,489	100,488
Investment income	167,766	320,728
Grants and contributions not restricted to specific programs	1,797,555	309,426
Gain of sale of capital assets	12,554	-
Miscellaneous	158,309	349,838
Total General Revenues	19,801,119	18,683,038
Total Revenues	32,818,578	32,814,150
Program Expenses:		
General government	5,050,212	5,006,261
Public safety	10,148,499	10,240,914
Streets and highways	5,968,351	6,060,451
Parks and recreation	2,990,170	2,808,620
Community development	298,989	318,787
Interest on long-term debt	1,799,671	1,525,947
Total Program Expenses	26,255,892	25,960,980
Change In Net Position Before Restatement	6,562,686	6,853,170
Restatement	-	(961,304)
Change In Net Position	6,562,686	5,891,866
Net Position - Beginning of Year	63,194,851	57,302,985
Net Position - End of Year	\$ 69,757,537	63,194,851

CITY OF CLAYTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

The City's overall net position of \$69,757,537 increased \$6,562,686 during the current FY. Fiscal year 2012 revenues totaling \$32,818,578 are \$4,428 more than FY 2011. Program revenues totaling \$13,017,459 are \$1,113,653 less than FY 2011 due largely to a decrease in grants and contributions, mostly due to one large flood buyout grant in the prior year. These grants were for ongoing improvements to streets, pedestrian safety, and park improvements.

General revenue from property, sales and utility taxes total \$17,564,446 or 88.7% of total general revenues of \$19,801,119, an increase of \$1,118,081 from FY 2011. Property tax revenue increased \$41,540 to \$6,707,168 partly due to new residential construction in 2011. Sales tax increased by \$164,509 to \$5,650,981 mainly due to the slight improvement in the economy. Utility tax decreased \$244,161 to \$5,206,297 mainly due to a decrease in gas utility receipts due to a warmer winter. Investment income decreased \$152,962 due to very low interest rates. Grants and contributions not restricted to specific programs were higher due to the receipt of operating grants over the prior year.

Program expenses totaling \$26,255,892 were \$294,912 more than FY 2011. The increase is due to normal standard increases in expenses.

FINANCIAL ANALYSIS OF THE CITY'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 funds 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.

The City's total governmental funds, as shown on page 15, at the end of the current FY reported an ending fund balance of \$28,044,466, a decrease of \$4,429,559 in comparison with the prior year. Approximately 50% of this total amount (\$14,117,417) constitutes unassigned fund balances, which is available for spending at the City's discretion. The remainder of fund balances consists of restricted funds of \$7,914,614 for capital projects, community development, debt service, public safety, and sewer lateral; committed funds of \$2,349,061 for capital projects; and assigned funds of \$3,663,374 for purchases on order and the loss budgeted for FY 2013. The governmental funds may be viewed on pages 15 through 18.

The General Fund is the main operating fund of the City. At the end of the current FY, unassigned fund balance is \$14,673,064 while total fund balance is \$18,336,438. Unassigned fund balance represents 68% of total General Fund operating expenditures. The City's General Fund minimum reserve policy level is 25% of operating expenditures, with a target level of 33%. The City's FY 2012 General Fund balance decreased \$2,429,918. Fiscal year 2012 revenue totaled \$20,812,481 and is \$386,940 less than FY 2011. The areas accounting for the majority of the change were \$245,543 less in public utilities due to a decrease in gas utility receipts due to a warmer winter, \$136,706 less in licenses and

CITY OF CLAYTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

permits which is mostly building permit revenue, and \$105,546 less in investment income due to low interest rates, all offset by other minor increases.

The Capital Improvement Fund balance (deficit) totaling (\$555,647) is unassigned. The net decrease in fund balance (deficit) of \$1,085,352 was due to an increase in planned capital outlay and transfers compared to the prior year. Transfers in of \$10,783,060 are from the 2011 and 2009 bond issues and transfers out of \$2,803,490 are to pay for a portion of the debt service on the 2007 and 2005 bond issues and to cover some expenses in the General Fund and 2011 Bond Issue Fund.

The Equipment Replacement Fund has a total fund balance of \$2,349,061 which is committed 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 General Fund.

The 2011 Bond Issue Fund has a total fund balance of \$4,780,707 which is restricted for capital projects. During FY 2012, the City issued \$9,845,000 in bonds to finance various parks projects, street improvements, and police building improvements.

GENERAL FUND SIGNIFICANT VARIANCES - BUDGET AND ACTUAL

Page 51 summarizes the General Fund budget to actual. The General Fund final budget for revenues totaled \$20,745,793 and was \$625,620 lower than the original budget due to various increases and decreases, mostly related to the economy. The final budget for expenditures totaled \$22,932,473 and was \$256,086 higher than the original budget due to the decision to purchase a self-contained breathing apparatus for the fire department and the addition of the Taste of Clayton event. As stated earlier, the City policy on General Fund balance is a minimum of 25% of operating expenditures, with a target level of 33%. The current unassigned General Fund balance is at 68%.

Overall, the net change in fund balance was a decrease of \$2,429,918. Actual General Fund revenue totaling \$20,685,235 was \$60,558 less than the final budget. The actual General Fund expenditures totaling \$21,455,860 were \$1,476,613 less than the final budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The City's investment in capital assets as of September 30, 2012 totaled \$82,660,040 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, infrastructure, and construction in progress. The total change in the City's investment in capital assets was an increase of \$17,313,027 with capital assets increasing \$1,751,624, land and construction in progress increasing \$17,366,977, and offset by depreciation of \$2,201,700.

CITY OF CLAYTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

City Of Clayton		
Capital Assets		
(Net of Depreciation)		
September 30		
	2012	2011
Land	\$ 9,255,672	2,963,342
Buildings and improvements	22,167,992	22,488,669
Improvements other than building	1,277,417	1,088,762
Machinery and equipment	4,151,602	3,528,444
Infrastructure	18,806,772	19,351,858
Construction in progress	27,000,585	15,925,938
Total Capital Assets, Net	\$82,660,040	65,347,013

Additional information on the City's capital assets can be found in Note C in the notes to financial statements starting on page 31 of this report.

Long-term debt. The City had government-wide debt outstanding of \$39,630,449 at the end of the current FY. The amount of \$945,000 is general obligation debt backed by the full faith and credit of the City. The amount of \$36,735,000 is special obligation debt and \$1,950,449 is a note payable and capital lease which are paid for from annual appropriations.

City Of Clayton's		
Outstanding Debt		
September 30		
	2012	2011
Series 2005	\$ 8,025,000	9,075,000
Series 2007	5,030,000	5,895,000
Series 2009 GO	945,000	1,960,000
Series 2009\BAB	13,835,000	14,435,000
Series 2011	9,845,000	-
Capital lease payable	828,255	893,106
Note payable	1,122,194	1,292,168
Total Long-term Debt	\$39,630,449	33,550,274

**CITY OF CLAYTON, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

The City reduced principal by \$3,764,825 during the current FY, but also issued \$9,845,000 in special obligation bonds. Additional information on the City's long-term debt can be found in Note F in the notes to financial statements starting on page 34 of this report.

THE OUTLOOK FOR NEXT YEAR'S BUDGET

As the City responds to changing economics, the focus shifts to providing a sustainable level of government services. Citizen surveys and performance measures assist the City in determining the appropriate level of services to be provided. The City's reliance on operating revenue is spread among three major revenue sources, property tax, sales tax, and utility tax, and the City is prioritizing services based on projections for only slight growth in those sources.

The City has established a three year deficit elimination plan for the General Fund and a capital improvement funding option. This plan calls for staff reductions through a voluntary retirement incentive plan along with other expenditure reductions, and a ballot measure for a sales tax increase. In addition, the Board of Aldermen has discussed requesting a property tax increase to support residential street renovation. The staffing and expenditure reductions will begin in FY 2013 with the larger changes occurring in FY 2014. The sales tax and property tax ballot issues will likely occur in FY 2014.

Highlights of the FY 2013 budget are as follows:

- For all funds, revenue and transfers in are \$44,663,442, and expenditures and transfers out are \$48,453,305.
- For the General Fund, revenue and transfers in are \$22,409,720, and expenditures and transfers out are \$26,009,071, and the fund balance at year end is expected to be 53%.
- Capital Improvements are \$7,227,637 and include the completion of the police building and various infrastructure, facilities, and parks improvements. The total capital improvement plan for FY 2013 - FY 2015 totals \$23,073,027.

Overall, the economic outlook for the City is optimistic. This optimism comes from a plan to stabilize expenditures, acknowledging slow growth in revenue, and increased economic development activity.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Director of Finance and Administration
City of Clayton, Missouri
10 N. Bemiston Avenue
Clayton, MO 63105

CITY OF CLAYTON, MISSOURI
STATEMENT OF NET POSITION
SEPTEMBER 30, 2012

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 4,766,886
Investments	25,336,295
Receivables:	
Intergovernmental	1,202,582
Property taxes	237,201
Public utility licenses	525,381
Special assessments	210,873
Ambulance	185,094
Court	148,385
Interest	36,656
Other	589,589
Deposits	630,383
Prepaid insurance	131,497
Net pension asset	288,114
Investments - restricted	2,298,919
Capital assets:	
Land and construction in progress	36,256,257
Other capital assets, net of accumulated depreciation	46,403,783
Total Assets	119,247,895
LIABILITIES	
Accounts payable	4,102,263
Accrued interest payable	486,425
Accrued liabilities	756,153
Unearned revenues	2,115,507
Deposits	389,208
Noncurrent liabilities:	
Due within one year	4,721,849
Due in more than one year	35,235,248
Due in more than one year - net OPEB obligation	158,802
Due in more than one year - net pension obligation	1,524,903
Total Liabilities	49,490,358
NET POSITION	
Net investment in capital assets	47,823,828
Restricted for:	
Community development	90,685
Debt service	2,660,398
Public safety	124,598
Sewer lateral	258,226
Unrestricted net position	18,799,802
Total Net Position	\$ 69,757,537

See notes to financial statements

CITY OF CLAYTON, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2012

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Net Revenues (Expenses) And Change In Net Assets	
		Charges For Services	Operating Grants And Contributions		Capital Grants And Contributions
Governmental Activities					
General government	\$ 5,050,212	1,462,385	-	81,652	(3,506,175)
Public safety	10,148,499	2,367,393	516,433	954,238	(6,310,435)
Streets and highways	5,968,351	1,161,444	1,342,789	3,321,635	(142,483)
Parks and recreation	2,990,170	881,990	-	927,500	(1,180,680)
Community development	298,989	-	-	-	(298,989)
Interest on long-term debt	1,799,671	-	-	-	(1,799,671)
Total Governmental Activities	\$ 26,255,892	5,873,212	1,859,222	5,285,025	(13,238,433)
General Revenues					
Taxes:					
Property					6,707,168
Sales					5,650,981
Utility					5,206,297
Other					100,489
Gain on sale of capital assets					12,554
Grants and contributions not restricted to specific programs					1,797,555
Investment income					167,766
Miscellaneous					158,309
Total General Revenues					19,801,119
CHANGE IN NET POSITION					6,562,686
NET POSITION, OCTOBER 1					63,194,851
NET POSITION, SEPTEMBER 30					\$ 69,757,537

See notes to financial statements

CITY OF CLAYTON, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2012

	<u>General</u>	<u>Capital Improvement</u>	<u>Equipment Replacement</u>	<u>2011 Bond Issue</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	\$ 1,031,699	1,652,874	572,165	778,469	731,679	4,766,886
Investments	17,525,540	2,002,720	1,674,302	4,001,196	132,537	25,336,295
Receivables:						
Intergovernmental	515,093	611,430	-	-	-	1,126,523
Property taxes	208,025	-	-	-	29,176	237,201
Public utility licenses	525,381	-	-	-	-	525,381
Special assessments	-	129,376	-	-	81,497	210,873
Ambulance	185,094	-	-	-	-	185,094
Court	148,385	-	-	-	-	148,385
Interest	23,527	6,664	4,403	1,042	1,020	36,656
Other	463,788	100,000	25,801	-	-	589,589
Deposits	-	-	630,383	-	-	630,383
Investments - restricted	-	-	-	-	2,298,919	2,298,919
Total Assets	<u>\$ 20,626,532</u>	<u>4,503,064</u>	<u>2,907,054</u>	<u>4,780,707</u>	<u>3,274,828</u>	<u>36,092,185</u>
LIABILITIES						
Accounts payable	\$ 721,956	2,909,335	444,236	-	26,736	4,102,263
Accrued liabilities	747,404	-	-	-	8,749	756,153
Unearned revenue	1,750	2,000,000	113,757	-	-	2,115,507
Deposits	369,208	20,000	-	-	-	389,208
Total Liabilities	<u>1,840,318</u>	<u>4,929,335</u>	<u>557,993</u>	<u>-</u>	<u>35,485</u>	<u>7,363,131</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue:						
Property taxes	170,689	-	-	-	23,939	194,628
Special assessments	-	129,376	-	-	81,497	210,873
Ambulance	130,702	-	-	-	-	130,702
Court	148,385	-	-	-	-	148,385
Total Deferred Inflows Of Resources	<u>449,776</u>	<u>129,376</u>	<u>-</u>	<u>-</u>	<u>105,436</u>	<u>684,588</u>
FUND BALANCES (DEFICITS)						
Restricted for:						
Capital projects	-	-	-	4,780,707	-	4,780,707
Community development	-	-	-	-	90,685	90,685
Debt service	-	-	-	-	2,660,398	2,660,398
Public safety	-	-	-	-	124,598	124,598
Sewer lateral	-	-	-	-	258,226	258,226
Committed for:						
Capital projects	-	-	2,349,061	-	-	2,349,061
Assigned to:						
Purchases on order	64,023	-	-	-	-	64,023
Subsequent year's budget	3,599,351	-	-	-	-	3,599,351
Unassigned	14,673,064	(555,647)	-	-	-	14,117,417
Total Fund Balances (Deficits)	<u>18,336,438</u>	<u>(555,647)</u>	<u>2,349,061</u>	<u>4,780,707</u>	<u>3,133,907</u>	<u>28,044,466</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances (Deficits)	<u>\$ 20,626,532</u>	<u>4,503,064</u>	<u>2,907,054</u>	<u>4,780,707</u>	<u>3,274,828</u>	<u>36,092,185</u>

See notes to financial statements

CITY OF CLAYTON, MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2012

Total Fund Balances - Governmental Funds	\$ 28,044,466
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of the assets is \$105,748,398 and the accumulated depreciation is \$23,088,358.	82,660,040
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.	684,588
Prepaid assets used in governmental activities are not financial resources if they expire after 30 days and, therefore, are not reported in the governmental funds.	131,497
Certain assets (obligations) are not a use of financial resources and, therefore, are not reported in the governmental funds. These items consist of:	
Net pension asset	288,114
Net pension obligation	(1,524,903)
OPEB obligation	(158,802)
Interest subsidy receivable	76,059
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 compensated absences	(341,220)
Accrued interest payable	(486,425)
Bonds, notes, and capital leases payable outstanding	(39,630,449)
Unamortized bond premium	(231,237)
Unamortized deferred charges	245,809
Net Position Of Governmental Activities	\$ 69,757,537

CITY OF CLAYTON, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	<u>General</u>	<u>Capital Improvement</u>	<u>Equipment Replacement</u>	<u>2011 Bond Issue</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES						
General property taxes	\$ 5,562,435	-	-	-	1,155,504	6,717,939
Assessment income	-	96,726	-	-	125,668	222,394
Licenses and permits	1,387,155	-	-	-	-	1,387,155
Public utility licenses	5,182,809	23,488	-	-	-	5,206,297
Intergovernmental	4,140,753	6,290,458	-	-	229,753	10,660,964
Community programs	1,549,301	-	-	-	-	1,549,301
Parking facilities and meters	1,587,248	-	-	-	-	1,587,248
Fines and forfeitures	1,092,691	-	-	-	18,526	1,111,217
Donations and reimbursements	-	2,879,099	1,000,152	-	-	3,879,251
Investment income	107,080	22,937	8,437	10,305	19,007	167,766
Miscellaneous	203,009	99,503	3,266	-	-	305,778
Total Revenues	<u>20,812,481</u>	<u>9,412,211</u>	<u>1,011,855</u>	<u>10,305</u>	<u>1,548,458</u>	<u>32,795,310</u>
EXPENDITURES						
Current:						
General government	4,494,963	-	-	-	-	4,494,963
Parks and recreation	2,330,063	-	-	-	-	2,330,063
Public safety	9,687,482	-	-	-	72,813	9,760,295
Streets and highways	4,827,147	-	-	-	-	4,827,147
Community development	-	-	-	-	299,774	299,774
Capital outlay	-	18,477,133	1,467,775	-	116,859	20,061,767
Debt service:						
Principal	169,974	-	64,851	-	3,530,000	3,764,825
Interest and fiscal charges	60,834	-	37,297	138,003	1,254,614	1,490,748
Bond issue costs	-	-	-	217,195	-	217,195
Total Expenditures	<u>21,570,463</u>	<u>18,477,133</u>	<u>1,569,923</u>	<u>355,198</u>	<u>5,274,060</u>	<u>47,246,777</u>
REVENUES UNDER EXPENDITURES	<u>(757,982)</u>	<u>(9,064,922)</u>	<u>(558,068)</u>	<u>(344,893)</u>	<u>(3,725,602)</u>	<u>(14,451,467)</u>
OTHER FINANCING SOURCES (USES)						
Issuance of long-term debt	-	-	-	9,845,000	-	9,845,000
Premium on bond issue	-	-	-	150,600	-	150,600
Transfers in	765,469	10,783,060	906,623	130,000	3,513,950	16,099,102
Transfers out	(2,437,405)	(2,803,490)	-	(5,000,000)	(5,858,207)	(16,099,102)
Sale of capital assets	-	-	26,308	-	-	26,308
Total Other Financing Sources (Uses)	<u>(1,671,936)</u>	<u>7,979,570</u>	<u>932,931</u>	<u>5,125,600</u>	<u>(2,344,257)</u>	<u>10,021,908</u>
NET CHANGES IN FUND BALANCES	<u>(2,429,918)</u>	<u>(1,085,352)</u>	<u>374,863</u>	<u>4,780,707</u>	<u>(6,069,859)</u>	<u>(4,429,559)</u>
FUND BALANCES, OCTOBER 1	<u>20,766,356</u>	<u>529,705</u>	<u>1,974,198</u>	<u>-</u>	<u>9,203,766</u>	<u>32,474,025</u>
FUND BALANCES (DEFICIT), SEPTEMBER 30	<u>\$ 18,336,438</u>	<u>(555,647)</u>	<u>2,349,061</u>	<u>4,780,707</u>	<u>3,133,907</u>	<u>28,044,466</u>

See notes to financial statements

CITY OF CLAYTON, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2012

Net Change In Fund Balances - Governmental Funds \$ (4,429,559)

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays over the capitalization threshold (\$19,541,445) exceeded depreciation (\$2,201,700) in the current period. 17,339,745

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, donations) is to decrease net assets. (26,718)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. (1,444)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discount, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of bonds	(9,845,000)
Premium on bonds	(150,600)
Repayment of bond principal	3,530,000
Repayment of note payable	169,974
Repayment of capital lease	64,851
Amortization of premium and deferred amount on refunding	(41,422)

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

Accrued interest on debt	(50,306)
Prepaid insurance	2,528
Compensated absences	(29,447)
Net pension obligation	28,379
Net pension asset	1,705

Change In Net Position Of Governmental Activities \$ 6,562,686

CITY OF CLAYTON, MISSOURI
STATEMENT OF FIDUCIARY NET POSITION -
PENSION TRUST FUNDS
SEPTEMBER 30, 2012

ASSETS

Cash and cash equivalents	\$ 869,282
Investments:	
U.S. government and agency securities	2,299,193
Common stocks	4,606,747
Corporate bonds	5,471,874
Taxable municipal obligations	916,597
Mutual funds	24,316,789
Property funds	3,839,740
Interest receivable	86,263
Unsettled investment transactions	50,097
Total Assets	<u>42,456,582</u>

LIABILITIES

Accrued investment expenses	16,339
Unsettled investment transactions	14,521
Total Liabilities	<u>30,860</u>

NET POSITION

Held in trust for pension benefits	<u>\$ 42,425,722</u>
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CITY OF CLAYTON, MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY
NET POSITION - PENSION TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

ADDITIONS

Contributions:

Participant contributions	\$ 296,811
Employer contributions	1,365,627
Total Contributions	1,662,438

Investment income:

Net appreciation in fair value of investments and interest and dividends	5,481,419
Less - Investment expense	(250,603)
Total Investment Income	5,230,816
Total Additions	6,893,254

DEDUCTIONS

Benefits paid	1,687,324
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CHANGE IN NET POSITION

5,205,930

NET POSITION HELD IN TRUST FOR PENSION BENEFITS,
OCTOBER 1

37,219,792

**NET POSITION HELD IN TRUST FOR PENSION BENEFITS,
SEPTEMBER 30**

\$ 42,425,722

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the **CITY OF CLAYTON, MISSOURI** (the City) in the preparation of the accompanying basic financial statements are summarized below:

1. Reporting Entity

The financial statements of the City include the financial activities of the City and any component units, entities which are financially accountable to the City. The City does not currently have any component units.

2. Government-wide and Fund Financial Statements

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

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are 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 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 col-

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

lected 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 insurance and compensated absences, are recorded only when payment is due (i.e., matured).

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

The City reports the following major governmental funds:

General Fund -- 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.

Capital Improvement Fund -- The Capital 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 two half-cent capital improvement sales taxes, 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.

2011 Bond Issue Fund -- The 2011 Bond Issue Fund is a Debt Service Fund used to account for the proceeds for the projects and debt service payments of the 2011 Bonds.

Additionally, the City reports the following fiduciary funds:

Pension Trust Funds -- The Pension Trust Funds are used to account for assets held in a trustee capacity for the City's eligible employees.

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. 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, mutual funds, and other evidence of indebtedness or ownership, but 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.

5. Allowance for Uncollectibles

Accounts receivables are shown net of an allowance for uncollectibles of \$199,963.

6. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items on the purchase method. Prepaid items are recorded as expenditures when purchased rather than when consumed. Prepaid items are recorded in the government-wide financial statements and in the fund financial statements if they expire within 30 days.

7. Interfund Transactions

In the fund financial statements, the City has the following types of transactions among funds:

Transfers -- Transfers of resources from a fund receiving revenue to the fund through which resources are to be expended are recorded as transfers. Such transfers are reported as other financing sources (uses).

Due To/From Other Funds -- Current portions of long-term interfund loans receivable/payable are considered "available spendable resources" and are reported as assets and liabilities of the appropriate funds.

Elimination of interfund activity has been made for governmental activities in the government-wide financial statements.

8. Restricted Assets

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. 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 expensed 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.

10. Capital Assets

Capital assets, which include property, equipment, and infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported 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 do not add to the value of the asset or materially extend the asset's life is not capitalized.

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

Asset	Years
Buildings	15 - 50
Improvements other than buildings	5 - 20
Machinery and equipment	3 - 15
Infrastructure	30 - 50

11. Compensated Absences

Under terms of the City's personnel policy, employees are granted vacations based on length of service. Vacations accrue on January 1 of each 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 the governmental funds only if the amounts due at year-end have matured.

12. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts 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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Long-term Obligations (Continued)

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

13. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City does not currently have any deferred outflows.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenues, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from various sources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts have become available.

14. Fund Balance Policies

The fund balance amounts are reported in the following applicable categories listed from the most restrictive to the least restrictive:

Nonspendable -- The portion of fund balance that is not in a spendable form or is required to be maintained intact.

Restricted -- The portion of fund balance that is subject to external restrictions and constrained to specific purposes imposed by agreement, through constitutional provisions, or by enabling legislation.

Committed -- The portion of fund balance with constraints or limitations by formal action (ordinance) of the Board of Aldermen, the highest level of decision-making authority.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

14. Fund Balance Policies (Continued)

Assigned -- The portion of fund balance that the City intends to use for a specific purpose as determined by City management based on the Board of Aldermen direction.

Unassigned -- Amounts that are available for any purpose; these positive amounts are reported only in the General Fund.

When both restricted and unrestricted resources are available, the City will spend the most restricted amounts before the least restricted - committed, assigned, and then unassigned.

The fund balance of the City's General Fund has been accumulated to provide stability and flexibility to respond to unexpected adversity and/or opportunities. The City has set a minimum unassigned fund balance of not less than 25% of annual operating expenditures for the fiscal year, and a target of 33% of annual operating expenditures for the fiscal year.

15. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of funds are recorded in order to reserve that portion of the applicable appropriation, is employed by the governmental funds. Since appropriations lapse at year-end, outstanding encumbrances are reappropriated in the subsequent year's budget to provide for the liquidation of the prior commitments. Encumbrances do not constitute current year expenditures or liabilities. Encumbrances outstanding at year-end were \$64,023 for the General Fund, \$2,886,630 for the Capital Improvement Fund, and \$250,523 for the Equipment Replacement Fund.

16. Property Taxes

Property taxes are levied in October of each year on the assessed value as of the prior January 1 for all real and personal property located in the City. Property taxes attach as an enforceable lien on property as of January 1 and are due upon receipt of billing and become delinquent after December 31.

Property tax revenue is recognized to the extent it is collected within 60 days after year-end in the fund financial statements. Property taxes not collected within 60 days of year-end are deferred for fund financial statements but are recognized as revenue in the government-wide financial statements.

All property tax assessment, billing, and collection functions are handled by the 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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

17. Use of Estimates

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

NOTE B - CASH, CASH EQUIVALENTS, AND INVESTMENTS

1. Deposits

The City's bank deposits are required by state law to be secured by the deposit of certain securities specified at RSMo 30.270 with the City or trustee institution. The value of the securities must amount to the total of the City's cash not insured by the Federal Deposit Insurance Corporation (FDIC).

As of September 30, 2012, the City's bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

2. Investments

As of September 30, 2012, the City had the following investments:

CITY OF CLAYTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

2. Investments (Continued)

Investments	Fair Value	Maturities					Credit Risk
		No Maturity	Less Than One Year	1 - 5 Years	6 - 10 Years	More Than 10 Years	
Primary Government							
Certificates of deposit	\$27,635,214	-	24,129,866	3,505,348	-	-	N/A
Fiduciary Funds							
U.S. government and agency securities:							
U.S. Treasuries	181,541	-	-	-	152,610	28,931	AA
U.S. Agencies	2,117,652	-	-	522,390	425,872	1,169,390	AA
Common stock	4,606,747	4,606,747	-	-	-	-	N/A
Corporate bonds	2,484,689	-	-	1,335,294	543,478	605,917	A
Corporate bonds	372,219	-	-	332,538	-	39,681	AA
Corporate bonds	1,129,965	-	-	457,060	265,951	406,954	AAA
Corporate bonds	41,816	-	-	-	-	41,816	B
Corporate bonds	703,406	-	-	361,966	103,162	238,278	BBB
Corporate bonds	99,664	-	-	-	28,156	71,508	CCC
Corporate bonds	113,730	-	-	-	-	113,730	D
Corporate bonds	526,385	-	50,058	92,247	-	384,080	Not rated
Taxable municipal obligations	226,098	-	50,558	81,278	-	94,262	A
Taxable municipal obligations	435,751	-	15,302	173,948	138,542	107,959	AA
Taxable municipal obligations	161,492	-	-	80,605	-	80,887	AAA
Taxable municipal obligations	93,256	-	-	93,256	-	-	Not rated
Mutual funds	24,316,789	24,316,789	-	-	-	-	Not rated
Property funds	3,839,740	3,839,740	-	-	-	-	Not rated
Total Fiduciary Funds	41,450,940	32,763,276	115,918	3,530,582	1,657,771	3,383,393	
Grand Total Investments	\$69,086,154	32,763,276	24,245,784	7,035,930	1,657,771	3,383,393	

Investment Policy

Governmental Activities

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

NOTE B - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

2. Investments (Continued)

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

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

- a. 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.
- b. 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 Plan's 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 an 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.

NOTE B - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

2. Investments (Continued)

Investment Types and Maturities

Governmental 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 requirement. The City will not invest in securities maturing more than three years from the date of purchase unless matched to a specific cash flow.

At September 30, 2012, the general government portfolios only had investments in depository agreements.

Credit Risk

Governmental 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 FDIC.

Pension Trust Funds

The investment policies of the pension funds do not address credit quality standards. The above table reflects the credit ratings for the two retirement plans associated with the securities invested in the pension trust funds as of September 30, 2012, excluding obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government.

Concentration of Risk

Governmental Activities

The City will diversify its investments by institution. With the exception of bonds, bills or notes of the U.S. 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, 2012.

NOTE B - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

2. Investments (Continued)

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, 2012, the pension plans did not have concentrations with any one issuer greater than 5%.

Custodial Credit Risk

Governmental 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 prequalifying 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 FDIC; by specific eligible securities pledged by the financial institution; by a single collateral pool established by the financial institution; or by separate insurance.

Pension Trust Funds

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, 2012, the City of Clayton Uniformed Employees' Retirement Fund has \$8,687,664 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.

NOTE C - CAPITAL ASSETS

Capital asset activity was as follows:

CITY OF CLAYTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE C - CAPITAL ASSETS (Continued)

	For The Year Ended September 30, 2012			
	Balance September 30 2011	Additions And Transfers	Deletions And Transfers	Balance September 30 2012
Capital assets not being depreciated:				
Land	\$ 2,963,342	6,292,330	-	9,255,672
Construction in progress	15,925,938	17,548,682	6,474,035	27,000,585
Total Capital Assets Not Being Depreciated	<u>18,889,280</u>	<u>23,841,012</u>	<u>6,474,035</u>	<u>36,256,257</u>
Capital assets being depreciated:				
Buildings and improvements	29,794,469	406,506	25,700	30,175,275
Improvements other than building	1,597,172	294,576	-	1,891,748
Machinery and equipment	7,612,094	1,392,249	397,144	8,607,199
Infrastructure	28,736,782	81,137	-	28,817,919
Total Capital Assets Being Depreciated	<u>67,740,517</u>	<u>2,174,468</u>	<u>422,844</u>	<u>69,492,141</u>
Less - Accumulated depreciation for:				
Buildings and improvements	7,305,800	727,183	25,700	8,007,283
Improvements other than building	508,410	105,921	-	614,331
Machinery and equipment	4,083,650	742,373	370,426	4,455,597
Infrastructure	9,384,924	626,223	-	10,011,147
Total Accumulated Deprecia- tion	<u>21,282,784</u>	<u>2,201,700</u>	<u>396,126</u>	<u>23,088,358</u>
Total Capital Assets Being Depreciated, Net	<u>46,457,733</u>	<u>(27,232)</u>	<u>26,718</u>	<u>46,403,783</u>
 Governmental Activities Capital Assets, Net	 <u>\$ 65,347,013</u>	 <u>23,813,780</u>	 <u>6,500,753</u>	 <u>82,660,040</u>

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

	For The Year Ended September 30 2012
General government	\$ 580,773
Public safety	347,438
Streets and highways	933,814
Parks and recreation	339,675
 Total	 <u>\$ 2,201,700</u>

CITY OF CLAYTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE D - RESTRICTED ASSETS

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

	September 30, 2012	
	Actual	Required
Series 2005A Bond Reserve Account	\$ 1,215,919	1,216,500
Series 2005B Bond Reserve Account	265,500	265,500
Series 2007 Bond Reserve Account	817,500	571,000
Total	\$ 2,298,919	2,053,000

NOTE E - INTERFUND TRANSACTIONS

Individual interfund transactions are as follows:

Transfers Out	Transfers In	For The Year Ended September 30 2012
Capital Improvement Fund	General Fund	\$ 690,322
Nonmajor Funds	General Fund	75,147
2011 Bond Issue Fund	Capital Improvement Fund	5,000,000
Nonmajor Funds	Capital Improvement Fund	5,783,060
General Fund	Equipment Replacement Fund	906,623
Capital Improvement Fund	2011 Bond Issue Fund	130,000
General Fund	Nonmajor Funds	1,530,782
Capital Improvement Fund	Nonmajor Funds	1,983,168
Total		\$ 16,099,102

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.

CITY OF CLAYTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE F - LONG-TERM DEBT

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

	For The Year Ended September 30, 2012			Balance September 30 2012	Amounts Due Within One Year
	Balance September 30 2011	Additions	Reductions		
	Special obligation bonds	\$ 29,405,000	9,845,000		
General obligation bonds	1,960,000	-	1,015,000	945,000	945,000
Plus - Premium	120,942	150,600	40,305	231,237	-
Less - Deferred charges	(327,536)	-	(81,727)	(245,809)	-
Note payable	1,292,168	-	169,974	1,122,194	178,683
Capital lease payable	893,106	-	64,851	828,255	74,007
Compensated absences	311,773	738,146	708,699	341,220	324,159
Total Governmental Activities	\$ 33,655,453	10,733,746	4,432,102	39,957,097	4,721,849

The liability for compensated absences is generally liquidated by the General Fund.

Special Obligation Bonds, Series 2011 totaling \$9,845,000 were issued on November 8, 2011 with interest rates ranging from 2% to 3.25%, maturing December 1, 2031. The 2011 bonds were issued to finance various park projects, street improvements, and police building improvements. The balance at September 30, 2012 was \$9,845,000.

Taxable Build America (Direct-Pay) Special Obligation Bonds, Series 2009A and 2009B totaling \$6,420,000 and \$8,580,000, respectively, were issued on October 27, 2009 with interest rates ranging from 1% to 4.5% and 5% to 5.75%, respectively. The bonds were issued to acquire and renovate a facility for the police department. The bonds mature December 1, 2019 and December 1, 2029, respectively. The balance at September 30, 2012 was \$5,255,000 and \$8,580,000, respectively.

Special Obligation Refunding Bonds, Series 2007 totaling \$8,175,000 were issued on October 23, 2007 with an interest rate of 3.75%, maturing December 1, 2018. The 2007 bonds were issued to refund \$7,375,000 of the Series 2002 bond issue with an interest rate of 2.65%. The 2002 bonds were originally used to construct a new outdoor pool in Shaw Park, to construct a new Fire Station, and to renovate City Hall. The balance at September 30, 2012 was \$5,030,000.

Special Obligation Refunding Bonds, Series 2005A totaling \$12,165,000 were issued on April 26, 2005 with interest rates ranging from 3% to 4.1%, maturing December 1, 2017. The 2005A bonds were issued to refund the 1997 and 1998A bonds 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 perform private street infrastructure improvements in two subdivisions. The balance at September 30, 2012 was \$6,890,000.

CITY OF CLAYTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE F - LONG-TERM DEBT (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%, maturing December 1, 2015. The 2005B bond was issued to refund the 1998B bonds that were originally used to acquire real estate and construct a parking garage. The balance at September 30, 2012 was \$1,135,000.

General Obligation Refunding Bonds, Series 2009 totaling \$3,950,000 were issued on March 10, 2009, with interest rates ranging from 2% to 3%, maturing December 1, 2012. The bond proceeds were used to refund \$3,970,000 of the Series 1999 bond issuance with an interest rate of 4.25%. The 1999 bonds were originally used to improve City parks; to resurface residential streets and sidewalks; perform improvements to infrastructure in three City subdivisions; building improvements to comply with the Americans with Disabilities Act; perform improvements to curb, sidewalk and traffic signals in the Clayton Downtown area; perform improvements to the City recreational facilities including Shaw Park Pool, Ice Rink, and Hanley House; and replace the underground storage tank at the Municipal Garage. The balance at September 30, 2012 was \$945,000.

The City has an agreement with St. Louis County, Missouri (the County) to pay for a portion of 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% to 4.75%. Monthly payments of \$19,234 will continue through April 2018. The balance at September 30, 2012 was \$1,122,194.

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

<u>For The Years Ended September 30</u>	<u>Special Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 3,200,000	1,377,985	4,577,985
2014	2,635,000	1,280,726	3,915,726
2015	2,730,000	1,187,662	3,917,662
2016	2,830,000	1,087,067	3,917,067
2017	2,875,000	982,645	3,857,645
2018 - 2022	9,825,000	3,488,194	13,313,194
2023 - 2027	6,770,000	2,054,989	8,824,989
2028 - 2032	5,870,000	492,560	6,362,560
Total	<u>\$ 36,735,000</u>	<u>11,951,828</u>	<u>48,686,828</u>

<u>For The Year Ended September 30</u>	<u>General Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	<u>\$ 945,000</u>	<u>14,175</u>	<u>959,175</u>

CITY OF CLAYTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE F - LONG-TERM DEBT (Continued)

<u>For The Years Ended September 30</u>	<u>Note Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 178,683	52,125	230,808
2014	187,837	42,971	230,808
2015	197,462	33,346	230,808
2016	207,579	23,229	230,808
2017	218,214	12,594	230,808
2018	132,419	2,219	134,638
Total	<u>\$ 1,122,194</u>	<u>166,484</u>	<u>1,288,678</u>

Capital Lease

On November 25, 2009, the City entered into a capital lease agreement to purchase a ladder truck for \$1,020,000. The lease matures November 2021, with an interest rate of 4.71%. The capitalized cost of the truck is \$1,028,386, and accumulated depreciation is \$188,538 at September 30, 2012.

The future minimum capital lease payments and the present value of the net minimum lease payments are as follows:

<u>For The Years Ended September 30</u>	
2013	\$ 111,434
2014	111,434
2015	111,434
2016	111,434
2017	111,434
2018 - 2022	464,310
Total Minimum Lease Payments	1,021,480
Less - Amount representing interest	<u>193,225</u>
Present Value Of Future Minimum Lease Payments	<u>\$ 828,255</u>

NOTE G - CONDUIT DEBT

The City 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

NOTE G - CONDUIT DEBT (Continued)

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 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, 2012, 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, 2012, \$153,701,679 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, 2012, \$11,136 was issued and remains outstanding.

On May 23, 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, 2012, \$2,860,717 was issued and remains outstanding.

NOTE H - 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, 2012 was \$10,923,884.

1. Nonuniformed Employees' Retirement Fund

Plan Description and Provisions

The City sponsors and administers a single-employer defined benefit pension plan, the City of Clayton Nonuniformed Employees' Retirement Fund (NUERF), which covers substantially all full-time employees not covered under the City of Clayton Uniformed Employees' Retirement Fund. The NUERF was created and is governed by City ordinance.

The NUERF does not issue a stand-alone financial report. The financial information is included as a Trust Fund in the City's basic financial statements. Information about the NUERF is provided in a summary plan description.

The financial statements of the NUERF are prepared using the accrual basis of accounting. NUERF member contributions are recognized in the period in which the contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the NUERF.

NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

1. Nonuniformed Employees' Retirement Fund (Continued)

Current membership in the Plan is as follows:

<u>Group</u>	<u>July 1 2012</u>
Retirees and beneficiaries currently receiving benefits	28
Vested terminated employees	48
Active employees:	
Fully vested	60
Nonvested	30

All employees of the City, except police officers and firefighters, who have completed 6 months of employment are eligible to participate as long as they continue to be employed by the City on a full-time, permanent basis. 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 5 consecutive years out of the last 10. 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 0.25% for each month that early retirement precedes normal retirement.

Employees are required to contribute 3% of annual salary to the NUERF. The employee contribution requirements were temporarily suspended from 1991 through September 30, 2011. Beginning October 1, 2011 employees were required to contribute 1.5% of annual salary, and beginning October 1, 2012 employees are required to contribute 3% of annual salary. The City should appropriate annually such funds as are necessary, which, together with employee contributions and investment income, will cover the costs and accrued liability of the Plan.

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 5 years of credited service, a refund of member contributions plus 4% interest.
- With 5 or more years of credited service, the pension accrued to date of termination, payable commencing at his/her normal retirement date.

CITY OF CLAYTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

1. Nonuniformed Employees' Retirement Fund (Continued)

Funding Status and Progress

Pension Plan			
Valuation For The Actuarial Years Ended June 30	Actuarial Value Of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)
2012	\$11,401,566	\$14,444,725	\$3,043,159
2011	10,814,733	12,431,460	1,616,727
2010	10,217,856	11,801,559	1,583,703
2009	10,035,142	10,869,394	834,252
2008	10,160,207	10,124,715	(35,492)
2007	9,661,919	9,533,677	(128,242)

Valuation For The Actuarial Years Ended June 30	Funded Ratio	Covered Payroll	UAAL As A Percentage Of Covered Payroll
2012	78.9%	\$4,333,343	70.2%
2011	87.0	4,367,581	37.0
2010	86.6	4,724,615	33.5
2009	92.3	4,690,330	17.8
2008	100.4	4,477,087	(0.8)
2007	101.3	4,201,226	(3.1)

Schedule Of Employer's Contributions

For The Years Ended June 30	Annual Required Contribution (ARC)	Actual Contribution	Percentage Contributed
2012	\$396,443	\$363,049	91.6%
2011	423,850	243,242	57.4
2010	353,902	161,614	45.7
2009	251,507	-	-
2008	255,620	-	-
2007	256,078	-	-

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

CITY OF CLAYTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

1. Nonuniformed Employees' Retirement Fund (Continued)

Valuation date	July 1, 2012
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%
Inflation rate	2%
Post-retirement benefit increases	Lower of annual consumer price index or 2% to maximum adjustment of 25%

The net pension obligation is generally liquidated by the General Fund.

Trend Information

Historical trend information about the NUERF is presented herewith as required supplemental information. This information is intended to help users assess the NUERF's funding status on a going-concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparison with other Public Employee Retirement Systems (PERS). Certain changes have been made to prior year amounts due to actuarial adjustments.

Retirement Fund

<u>Valuation For The Actuarial Years Ended June 30</u>	<u>Annual Pension Cost</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation (Asset)</u>
2012	\$334,670	108.5%	\$1,524,903
2011	366,999	66.3	1,553,282
2010	302,660	53.4	1,429,525
2009	208,559	-	1,288,479
2008	221,481	-	1,079,920
2007	231,131	-	858,439

<u>Valuation For The Actuarial Years Ended June 30</u>	<u>Net Pension Obligation (Asset) Beginning Of Year</u>	<u>ARC</u>	<u>Interest On Net Pension Obligation (Asset)</u>	<u>Adjustment To ARC</u>	<u>Annual Pension Cost</u>	<u>Actual Contri- bution</u>	<u>Net Pension Obligation (Asset) End Of Year</u>
2012	\$1,553,282	\$396,443	\$108,730	\$170,503	\$334,670	\$363,049	\$1,524,903
2011	1,429,525	423,850	100,067	156,918	366,999	243,242	1,553,282
2010	1,288,479	353,902	90,194	141,436	302,660	161,614	1,429,525
2009	1,079,920	251,507	75,594	118.542	208,559	-	1,288,479
2008	858,439	255,620	60,091	94.230	221,481	-	1,079,920
2007	627,308	256,078	43,912	68,859	231,131	-	858,439

NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

2. Uniformed Employees' Pension Fund

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' Pension 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:

<u>Group</u>	<u>January 1 2012</u>
Retirees and beneficiaries currently receiving benefits	57
Vested terminated employees	8
Active employees:	
Fully vested	46
Nonvested	41

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 10 years. If an employee terminates before 10 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 10 years of credited service or age 50 and completion of 25 years of credited service or age 65 with completion of 5 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 5-year average annual salary out of the last 10 years. The actual benefit is based on 2% 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.

City ordinance requires each member to contribute 5% of basic pay during the first 30 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 FINANCIAL STATEMENTS

NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

2. Uniformed Employees' Pension Fund (Continued)

Funding Status and Progress

Pension Plan			
Valuation For The Actuarial Years Ended December 31	Actuarial Value Of Assets	AAL	UAAL
2011	\$27,748,837	\$34,449,054	(\$6,700,217)
2010	25,439,311	32,958,143	(7,518,832)
2009	21,744,890	31,448,981	(9,704,091)
2008	27,667,999	30,172,986	(2,504,987)
2007	25,274,151	28,927,898	(3,653,747)
2006	22,514,850	27,182,515	(4,667,665)
Valuation For The Actuarial Years Ended December 31	Funded Ratio	Covered Payroll	UAAL As A Percentage Of Covered Payroll
2011	80.6%	\$5,735,000	116.8%
2010	77.2	5,502,000	136.7
2009	69.1	5,688,000	170.6
2008	91.7	5,274,000	47.5
2007	87.4	5,102,000	71.6
2006	82.8	5,171,000	90.3

Schedule Of Employer's Contributions

For The Years Ended December 31	ARC	Actual Contribution	Percentage Contributed
2011	\$ 965,627	\$ 965,627	100.0%
2010	990,993	990,993	100.0
2009	1,125,201	1,125,201	100.0
2008	677,396	677,396	100.0
2007	733,009	733,009	100.0
2006	756,282	756,282	100.0

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

CITY OF CLAYTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

2. Uniformed Employees' Pension Fund (Continued)

Valuation date	January 1, 2012
Actuarial cost method	Entry age (normal)
Amortization method	Closed
Amortization period	22 years
Actuarial assumptions:	
Investment rate of return	7%
Projected salary increases	3.5%
Inflation rate	0%
Post-retirement benefit increases	Lower of annual consumer price index or 2% to maximum adjustment of 25%

Annual Pension Cost

Current year annual pension costs for the UERF are shown in the trend information. ARC were made by the UERF. There is not a net pension obligation for the UERF.

Trend Information

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

Pension Plan							
Valuation For The Actuarial Years Ended December 31				Annual Pension Cost	Percentage Contributed	Net Pension Obligation (Asset)	
2011				\$ 963,922	100.2%	(\$288,114)	
2010				987,011	100.4	(286,409)	
2009				1,121,274	100.4	(282,427)	
2008				673,524	100.6	(278,500)	
2007				729,190	100.5	(274,627)	
2006				752,517	100.5	(270,808)	
Valuation For The Actuarial Years Ended December 31	Net Pension Obligation (Asset) Beginning Of Year	Calculated Contribution	Interest On Net Pension Obligation (Asset)	Adjustment To ARC	Annual Pension Cost	Actual Contri- butions	Net Pension Obligation (Asset) End Of Year
2011	(\$286,409)	\$ 965,627	(\$20,049)	(\$18,344)	\$ 963,922	\$ 965,627	(\$288,114)
2010	(282,427)	990,993	(19,770)	(15,788)	987,011	990,993	(286,409)
2009	(278,500)	1,125,201	(19,495)	(15,568)	1,121,274	1,125,201	(282,427)
2008	(274,627)	677,396	(19,224)	(15,352)	673,524	677,396	(278,500)
2007	(270,808)	733,009	(18,957)	(15,138)	729,190	733,009	(274,627)
2006	(267,043)	756,282	(18,693)	(14,928)	752,517	756,282	(270,808)

CITY OF CLAYTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

3. Condensed Statement of Fiduciary Net Position

	September 30, 2012		
	City Of Clayton Non- uniformed Employees' Retirement Fund	City Of Clayton Uniformed Employees' Pension Fund	Total
ASSETS			
Cash and cash equivalents	\$ 133,001	736,281	869,282
Investments:			
U.S. government and agency securities	-	2,299,193	2,299,193
Common stocks	-	4,606,747	4,606,747
Corporate bonds	-	5,471,874	5,471,874
Taxable municipal obligations	-	916,597	916,597
Mutual funds	9,721,351	14,595,438	24,316,789
Property funds	1,210,825	2,628,915	3,839,740
Interest receivable	12,521	73,742	86,263
Unsettled investment transactions	-	50,097	50,097
Total Assets	11,077,698	31,378,884	42,456,582
LIABILITIES			
Accrued investment expenses	2,166	14,173	16,339
Unsettled investment transactions	-	14,521	14,521
Total Liabilities	2,166	28,694	30,860
NET POSITION			
Held in trust for pension benefits	\$ 11,075,532	31,350,190	42,425,722

CITY OF CLAYTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE H - EMPLOYEE RETIREMENT BENEFIT PLANS (Continued)

4. Condensed Statement of Changes in Fiduciary Net Position

	For The Year Ended September 30, 2012		
	City Of Clayton Non- uniformed Employees' Retirement Fund	City Of Clayton Uniformed Employees' Pension Fund	Total
ADDITIONS			
Contributions:			
Participant contributions	\$ 67,686	229,125	296,811
Employer contributions	400,000	965,627	1,365,627
Total Contributions	<u>467,686</u>	<u>1,194,752</u>	<u>1,662,438</u>
Investment income:			
Net appreciation in fair value of invest- ments and interest and dividends	1,384,536	4,096,883	5,481,419
Less - Investment expense	<u>(63,565)</u>	<u>(187,038)</u>	<u>(250,603)</u>
Total Investment Income	<u>1,320,971</u>	<u>3,909,845</u>	<u>5,230,816</u>
Total Additions	<u>1,788,657</u>	<u>5,104,597</u>	<u>6,893,254</u>
DEDUCTIONS			
Benefits paid	<u>310,273</u>	<u>1,377,051</u>	<u>1,687,324</u>
CHANGES IN NET POSITION	1,478,384	3,727,546	5,205,930
NET POSITION HELD IN TRUST FOR PENSION BENEFITS, OCTOBER 1	<u>9,597,148</u>	<u>27,622,644</u>	<u>37,219,792</u>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS, SEPTEMBER 30	<u>\$ 11,075,532</u>	<u>31,350,190</u>	<u>42,425,722</u>

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

Plan Description

The City sponsors and administers a single-employer OPEB plan that does not issue a separate stand-alone financial report. 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. Nonuniformed employees are eligible to retire once they have attained age 55 and have 10 years of service or age 60 and 5 years of service. Uniformed employees are eligible to retire once they have attained the age of 50 and have 25 years of service; age 55 and 10 years of service; or age 60 and 5 years of service. Retirees who elect to participate must pay the entire monthly premium. The City's annual OPEB cost (expense) is calculated based on the annual required con-

CITY OF CLAYTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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

tribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities. The City's annual OPEB cost for the most recent actuarial valuation and the related information are as follows:

	For The Year Ended September 30 <u>2011</u>
Normal cost	\$ 46,397
Amortization of unfunded accrued liability	59,325
Interest to end of year	<u>4,229</u>
ARC	109,951
Interest on net OPEB obligation	3,459
Adjustment to ARC	<u>(6,362)</u>
Annual OPEB cost	107,048
Contributions made	<u>(34,714)</u>
Increase in net OPEB obligation	72,334
Net OPEB obligation, September 30, 2010	<u>86,468</u>
Net OPEB Obligation, September 30, 2011	<u>\$158,802</u>

The Plan, stated in the City's Personnel Policy, was established by City Ordinance, which assigned the authority to establish and amend plan benefit provisions to the City. The contribution requirements of the City and plan members are established and may be amended by the City. The OPEB liability is generally liquidated by the General Fund.

In future years, 3-year trend information will be presented. 2009 was the year of implementation of GASB 45, the City has elected to implement prospectively, and an actuarial calculation is performed every 2 years.

Required Supplemental Information

Schedule Of Funding Progress

Valuation For The Actuarial Valuation <u>October 1</u>	Actuarial Value Of Assets <u>(1)</u>	Actuarial Accrued Liability <u>(2)</u>	Unfunded Accrued Liability (UAAL) <u>(1)-(2)</u>	Funded Ratio <u>(1)/(2)</u>	Covered Payroll	UAAL As A Percentage Of Covered Payroll
2010	\$ -	\$838,489	(\$838,489)	- %	\$10,322,076	8.12%
2008	-	512,770	(512,770)	-	10,378,293	4.94

CITY OF CLAYTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

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

Schedule Of Employer Contributions			
For The Years Ended September 30	<u>ARC</u>	<u>Contribution Made</u>	<u>Percent Contributed</u>
2011	\$109,951	\$34,714	31.57%
2009	67,060	20,239	30.18

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, 2010 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 2011, reduced by decrements to an ultimate 4.5% increase for 2030 and later years.

NOTE J - 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.

NOTE K - 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, along with various other local governments, participates in an insurance trust for workers' compensation, general liability matters, and health insurance (St. Louis Area Insurance Trust - SLAIT). The purpose of this trust is to distribute the cost of self-insurance over similar entities. The trust requires an annual premium payment to cover estimated claims payable and reserves for claims from each entity. The members of the trust have no legal interest in the assets, liabilities, or fund balances of the insurance trust; however, the City retains a contingent liability to fund its pro rata share of any deficit incurred by the trust should the trust cease operations at some future date. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years. The trust has contracted with an administrator to process all claims.

The City also purchases commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past 3 years.

CITY OF CLAYTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE L - 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.

NOTE M - PRIOR PERIOD ADJUSTMENT AND RETROACTIVE RESTATEMENT OF NET POSITION

The previously stated net position/fund balances have been adjusted as follows:

	Governmental Activities	General Fund	Capital Improvement Fund	Drug Forfeiture Fund
Fund balance/net position, September 30, 2011, as previously reported	\$ 64,156,155	20,694,863	1,203,554	175,350
Restatement for:				
Deferred revenue	(673,849)	-	(673,849)	-
Reclassification of fund balances	-	(3,514)	-	3,514
Revenue recognition	75,007	75,007	-	-
Implementation of GASB 63:				
Bond issue costs	(560,563)	-	-	-
Accumulated amortization	198,101	-	-	-
Fund Balance/Net Position, September 30, 2011, As Restated	\$ 63,194,851	20,766,356	529,705	178,864

NOTE N - 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, and 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 City. The City is liable for one-half of any operational cash shortages incurred by the joint venture. The City paid \$318,374 for its share of the operational cash shortage incurred by the joint venture for the year ended September 30, 2012.

CITY OF CLAYTON, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE N - JOINT VENTURE (Continued)

A condensed summary of financial information for the joint venture is as follows:

	For The Year Ended September 30 2012
Assets	\$ 13,710,801
Liabilities	<u>1,226,360</u>
Net Position	
Net investment in capital assets	12,855,161
Unrestricted	<u>(370,720)</u>
Total Net Position	<u><u>\$ 12,484,441</u></u>
Operating revenue	\$ 2,867,123
Operating expenses	(3,898,484)
Nonoperating revenues (expenses)	(23,274)
Capital contributions	<u>636,748</u>
Change In Net Position	<u><u>\$ (417,887)</u></u>

NOTE O - RESTRICTED NET POSITION

The government-wide statement of net position reports \$3,133,907 of restricted net position, of which \$473,509 is restricted by enabling legislation.

NOTE P - FUTURE ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB 68), will require the City to record unfunded actuarial accrued liability (UALL) on the government-wide statement of net position. UAAL equals the difference between the total pension liability and the value of assets set aside in a pension plan to pay benefits. GASB 68 may also require changes to the projection of benefit payments and the rate used to discount the projected benefit payments. GASB 68 will be effective for the City for the year ending September 30, 2015.

REQUIRED SUPPLEMENTAL INFORMATION SECTION

CITY OF CLAYTON, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
General property taxes	\$ 5,767,410	5,567,410	5,562,435	(4,975)
Licenses and permits	1,472,356	1,372,356	1,387,155	14,799
Public utility licenses	5,567,084	5,187,084	5,182,809	(4,275)
Intergovernmental	3,812,974	4,049,974	4,013,507	(36,467)
Community programs	1,453,495	1,541,275	1,549,301	8,026
Parking facilities and meters	1,728,033	1,587,633	1,587,248	(385)
Fines and forfeitures	1,168,700	1,088,700	1,092,691	3,991
Investment income	160,000	110,000	107,080	(2,920)
Miscellaneous	241,361	241,361	203,009	(38,352)
Total Revenues	21,371,413	20,745,793	20,685,235	(60,558)
EXPENDITURES				
Current:				
General government:				
City planning and development	989,527	989,527	843,624	(145,903)
Nondepartmental	1,000,243	1,074,433	937,958	(136,475)
Information systems	875,376	915,876	546,479	(369,397)
Finance	545,492	560,492	559,805	(687)
City manager's office	580,214	630,214	624,450	(5,764)
Municipal court	284,692	294,692	271,973	(22,719)
Board of Aldermen and City Clerk	93,748	93,748	79,751	(13,997)
Personnel administration	176,998	176,998	154,914	(22,084)
Building maintenance	564,876	564,876	476,009	(88,867)
Parks and recreation	2,351,663	2,340,459	2,330,063	(10,396)
Public safety	9,538,724	9,622,324	9,572,879	(49,445)
Streets and highways	5,444,025	5,438,025	4,827,147	(610,878)
Debt service:				
Principal	169,975	169,975	169,974	(1)
Interest and fiscal charges	60,834	60,834	60,834	-
Total Expenditures	22,676,387	22,932,473	21,455,860	(1,476,613)
REVENUES UNDER EXPENDITURES	(1,304,974)	(2,186,680)	(770,625)	1,416,055
OTHER FINANCING SOURCES (USES)				
Transfers in	763,822	766,322	765,469	853
Transfers out	(2,278,406)	(2,437,406)	(2,437,405)	(1)
Total Other Financing Sources (Uses)	(1,514,584)	(1,671,084)	(1,671,936)	852
NET CHANGE IN FUND BALANCE	\$ (2,819,558)	(3,857,764)	(2,442,561)	1,415,203
NON BUDGETED ACTIVITY			12,643	
FUND BALANCE, OCTOBER 1			20,766,356	
FUND BALANCE, SEPTEMBER 30			\$ 18,336,438	

**CITY OF CLAYTON, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - NOTES TO
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 2012**

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 Drug Forfeiture Fund for the fiscal year. The operating budget includes proposed expenditures and the means of financing them, except for police grant revenues and expenditures. 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 October 1, the budget is adopted by the Board of Aldermen.
- d. Budgets are adopted on a basis generally consistent with U.S. generally accepted accounting principles. Unencumbered appropriations lapse at year-end.
- e. The current year budget includes amendments. Budget amendments between funds or departments must be approved by the Board of Aldermen.

OTHER SUPPLEMENTAL INFORMATION SECTION

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts 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 the 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.

Drug Forfeiture 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.

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 refunding bond principal and interest.

2002 Capital Project Bond Fund -- This fund is used to account for the accumulation of resources for, and the payment of, special obligation refunding 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.

2009 Build America Bond Debt Service Fund -- This fund is used to account for the accumulation of resources for, and the payment of, special obligation bond principal and interest.

CITY OF CLAYTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING
BALANCE SHEETS - NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2012

	Special Revenue Funds			Debt Service Funds				Total
	Special Taxing District	Sewer Lateral	Drug Forfeiture	1999 Bond Issue	2002 Capital Project Bond	2005 Bond Debt Service	2009 Build America Bond	
ASSETS								
Cash and cash equivalents	\$ 120,723	125,689	129,157	29,737	5,785	320,588	-	731,679
Investments	-	132,537	-	-	-	-	-	132,537
Property taxes receivable	-	-	-	29,176	-	-	-	29,176
Special assessments receivables	-	-	-	-	-	81,497	-	81,497
Interest receivable	-	-	-	-	-	1,020	-	1,020
Investments - restricted	-	-	-	-	817,500	1,481,419	-	2,298,919
Total Assets	<u>\$ 120,723</u>	<u>258,226</u>	<u>129,157</u>	<u>58,913</u>	<u>823,285</u>	<u>1,884,524</u>	<u>-</u>	<u>3,274,828</u>
LIABILITIES								
Accounts payable	\$ 21,289	-	4,559	-	-	888	-	26,736
Accrued liabilities	8,749	-	-	-	-	-	-	8,749
Total Liabilities	<u>30,038</u>	<u>-</u>	<u>4,559</u>	<u>-</u>	<u>-</u>	<u>888</u>	<u>-</u>	<u>35,485</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue:								
Property taxes	-	-	-	23,939	-	-	-	23,939
Special assessments	-	-	-	-	-	81,497	-	81,497
Total Deferred Inflows Of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,939</u>	<u>-</u>	<u>81,497</u>	<u>-</u>	<u>105,436</u>
FUND BALANCES								
Restricted for:								
Community development	90,685	-	-	-	-	-	-	90,685
Debt service	-	-	-	34,974	823,285	1,802,139	-	2,660,398
Public safety	-	-	124,598	-	-	-	-	124,598
Sewer lateral	-	258,226	-	-	-	-	-	258,226
Total Fund Balances	<u>90,685</u>	<u>258,226</u>	<u>124,598</u>	<u>34,974</u>	<u>823,285</u>	<u>1,802,139</u>	<u>-</u>	<u>3,133,907</u>
Total Liabilities, Deferred Inflows Of Resources, And Fund Balances	<u>\$ 120,723</u>	<u>258,226</u>	<u>129,157</u>	<u>58,913</u>	<u>823,285</u>	<u>1,884,524</u>	<u>-</u>	<u>3,274,828</u>

CITY OF CLAYTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - COMBINING
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Special Revenue Funds			Debt Service Funds				Total
	Special Taxing District	Sewer Lateral	Drug Forfeiture	1999 Bond Issue	2002 Capital Project Bond	2005 Bond Debt Service	2009 Build America Bond	
REVENUES								
General property taxes	\$ 398,748	-	-	756,756	-	-	-	1,155,504
Assessment income	-	96,683	-	-	-	28,985	-	125,668
Fines and forfeitures	-	-	18,526	-	-	-	-	18,526
Intergovernmental	-	-	-	-	-	-	229,753	229,753
Investment income	27	768	21	33	6,698	8,728	2,732	19,007
Total Revenues	<u>398,775</u>	<u>97,451</u>	<u>18,547</u>	<u>756,789</u>	<u>6,698</u>	<u>37,713</u>	<u>232,485</u>	<u>1,548,458</u>
EXPENDITURES								
Current:								
Community development	299,774	-	-	-	-	-	-	299,774
Public safety	-	-	72,813	-	-	-	-	72,813
Capital outlay	-	116,859	-	-	-	-	-	116,859
Debt service:								
Principal	-	-	-	1,015,000	865,000	1,050,000	600,000	3,530,000
Interest and fiscal charges	-	-	-	43,644	205,127	349,305	656,538	1,254,614
Total Expenditures	<u>299,774</u>	<u>116,859</u>	<u>72,813</u>	<u>1,058,644</u>	<u>1,070,127</u>	<u>1,399,305</u>	<u>1,256,538</u>	<u>5,274,060</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>99,001</u>	<u>(19,408)</u>	<u>(54,266)</u>	<u>(301,855)</u>	<u>(1,063,429)</u>	<u>(1,361,592)</u>	<u>(1,024,053)</u>	<u>(3,725,602)</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	55,000	1,063,168	1,369,098	1,026,684	3,513,950
Transfers out	(175,147)	-	-	-	-	-	(5,683,060)	(5,858,207)
Total Other Financing Sources (Uses)	<u>(175,147)</u>	<u>-</u>	<u>-</u>	<u>55,000</u>	<u>1,063,168</u>	<u>1,369,098</u>	<u>(4,656,376)</u>	<u>(2,344,257)</u>
NET CHANGES IN FUND BALANCES	<u>(76,146)</u>	<u>(19,408)</u>	<u>(54,266)</u>	<u>(246,855)</u>	<u>(261)</u>	<u>7,506</u>	<u>(5,680,429)</u>	<u>(6,069,859)</u>
FUND BALANCES, OCTOBER 1	<u>166,831</u>	<u>277,634</u>	<u>178,864</u>	<u>281,829</u>	<u>823,546</u>	<u>1,794,633</u>	<u>5,680,429</u>	<u>9,203,766</u>
FUND BALANCES, SEPTEMBER 30	<u>\$ 90,685</u>	<u>258,226</u>	<u>124,598</u>	<u>34,974</u>	<u>823,285</u>	<u>1,802,139</u>	<u>-</u>	<u>3,133,907</u>

CITY OF CLAYTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND
ACTUAL - SPECIAL TAXING DISTRICT SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
General property taxes	\$ 422,071	422,071	398,748	(23,323)
Investment income	270	270	27	(243)
Total Revenues	422,341	422,341	398,775	(23,566)
EXPENDITURES				
Community development	435,619	363,814	299,774	(64,040)
REVENUES OVER (UNDER) EXPENDITURES	(13,278)	58,527	99,001	40,474
OTHER FINANCING USES				
Transfers out	(101,000)	(176,000)	(175,147)	853
NET CHANGE IN FUND BALANCE	\$ (114,278)	(117,473)	(76,146)	41,327
FUND BALANCE, OCTOBER 1			166,831	
FUND BALANCE, SEPTEMBER 30			\$ 90,685	

CITY OF CLAYTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - SEWER LATERAL SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Assessment income	\$ 101,505	101,505	96,683	(4,822)
Investment income	1,500	1,500	768	(732)
Total Revenues	103,005	103,005	97,451	(5,554)
EXPENDITURES				
Capital outlay	88,000	120,000	116,859	(3,141)
NET CHANGE IN FUND BALANCE	\$ 15,005	(16,995)	(19,408)	(2,413)
FUND BALANCE, OCTOBER 1			277,634	
FUND BALANCE, SEPTEMBER 30			\$ 258,226	

CITY OF CLAYTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - 1999 BOND ISSUE DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
General property taxes	\$ 813,484	813,484	756,756	(56,728)
Investment income	740	740	33	(707)
Total Revenues	814,224	814,224	756,789	(57,435)
EXPENDITURES				
Debt service:				
Principal	1,015,000	1,015,000	1,015,000	-
Interest and fiscal charges	43,725	43,725	43,644	(81)
Total Expenditures	1,058,725	1,058,725	1,058,644	(81)
REVENUES UNDER EXPENDITURES	(244,501)	(244,501)	(301,855)	(57,354)
OTHER FINANCING SOURCES				
Transfers in	-	55,000	55,000	-
NET CHANGE IN FUND BALANCE	\$ (244,501)	(189,501)	(246,855)	(57,354)
FUND BALANCE, OCTOBER 1			281,829	
FUND BALANCE, SEPTEMBER 30			\$ 34,974	

CITY OF CLAYTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND
ACTUAL - 2002 CAPITAL PROJECT BOND DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES				
Investment income	\$ 6,676	6,676	6,698	22
EXPENDITURES				
Debt service:				
Principal	865,000	865,000	865,000	-
Interest and fiscal charges	204,844	205,144	205,127	(17)
Total Expenditures	<u>1,069,844</u>	<u>1,070,144</u>	<u>1,070,127</u>	<u>(17)</u>
REVENUES UNDER EXPENDITURES	(1,063,168)	(1,063,468)	(1,063,429)	39
OTHER FINANCING SOURCES				
Transfers in	<u>1,063,168</u>	<u>1,063,168</u>	<u>1,063,168</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(300)</u>	(261)	<u>39</u>
FUND BALANCE, OCTOBER 1			<u>823,546</u>	
FUND BALANCE, SEPTEMBER 30			<u>\$ 823,285</u>	

CITY OF CLAYTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - 2005 BOND DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Assessment income	\$ 20,268	20,268	28,985	8,717
Investment income	9,663	9,663	8,728	(935)
Total Revenues	29,931	29,931	37,713	7,782
EXPENDITURES				
Debt service:				
Principal	1,050,000	1,050,000	1,050,000	-
Interest and fiscal charges	349,029	350,029	349,305	(724)
Total Expenditures	1,399,029	1,400,029	1,399,305	(724)
REVENUES UNDER EXPENDITURES	(1,369,098)	(1,370,098)	(1,361,592)	8,506
OTHER FINANCING SOURCES				
Transfers in	1,369,098	1,369,098	1,369,098	-
NET CHANGE IN FUND BALANCE	\$ -	(1,000)	7,506	8,506
FUND BALANCE, OCTOBER 1			1,794,633	
FUND BALANCE, SEPTEMBER 30			\$ 1,802,139	

CITY OF CLAYTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND
ACTUAL - 2009 BUILD AMERICA BOND DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Intergovernmental	\$ 229,754	229,754	229,753	(1)
Investment income	11,025	11,025	2,732	(8,293)
Total Revenues	240,779	240,779	232,485	(8,294)
EXPENDITURES				
Debt service:				
Principal	600,000	600,000	600,000	-
Interest and fiscal charges	656,438	656,638	656,538	(100)
Total Expenditures	1,256,438	1,256,638	1,256,538	(100)
REVENUES UNDER EXPENDI- TURES	(1,015,659)	(1,015,859)	(1,024,053)	(8,194)
OTHER FINANCING SOURCES (USES)				
Transfers in	1,026,684	1,026,684	1,026,684	-
Transfers out	(6,055,495)	(5,683,060)	(5,683,060)	-
Total Other Financing Sources (Uses)	(5,028,811)	(4,656,376)	(4,656,376)	-
NET CHANGE IN FUND BALANCE	\$ (6,044,470)	(5,672,235)	(5,680,429)	(8,194)
FUND BALANCE, OCTOBER 1			5,680,429	
FUND BALANCE, SEPTEMBER 30			\$ -	

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.

Capital Improvement Fund -- This fund is used to monitor the funding of special infrastructure improvements throughout the City. Revenues derived by this fund include two half-cent capital improvement sales taxes, road and bridge taxes, and certain special assessment taxes.

Equipment Replacement Fund -- This fund is used to account for capital asset replacement funds.

DEBT SERVICE FUND

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

2011 Bond Issue Fund -- This fund is used to account for the proceeds for the project and debt service payments of the 2011 bonds.

CITY OF CLAYTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND
ACTUAL - CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Assessment income	\$ -	-	96,726	96,726
Public utility licenses	5,000	5,000	23,488	18,488
Intergovernmental	7,924,482	6,056,482	6,290,458	233,976
Donations and reimbursements	1,559,479	2,674,963	2,879,099	204,136
Investment income	3,625	3,625	22,937	19,312
Miscellaneous	-	100,000	99,503	(497)
Total Revenues	9,492,586	8,840,070	9,412,211	572,141
EXPENDITURES				
Capital outlay	23,352,418	18,689,103	18,477,133	(211,970)
Debt service	435,000	-	-	-
Total Expenditures	23,787,418	18,689,103	18,477,133	(211,970)
REVENUES UNDER EXPENDI- TURES				
	(14,294,832)	(9,849,033)	(9,064,922)	784,111
OTHER FINANCING SOURCES (USES)				
Issuance of long-term debt	10,000,000	-	-	-
Transfers in	6,155,495	10,783,715	10,783,060	(655)
Transfers out	(2,673,490)	(2,803,490)	(2,803,490)	-
Total Other Financing Sources (Uses)	13,482,005	7,980,225	7,979,570	(655)
NET CHANGE IN FUND BALANCE	\$ (812,827)	(1,868,808)	(1,085,352)	783,456
FUND BALANCE, OCTOBER 1			529,705	
FUND BALANCE (DEFICIT), SEPTEMBER 30			\$ (555,647)	

CITY OF CLAYTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
EQUIPMENT REPLACEMENT CAPITAL PROJECTS FUND - BUDGET BASIS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES				
Donations and reimbursements	\$ -	918,500	918,500	-
Investment income	3,937	3,937	8,437	4,500
Miscellaneous	-	-	3,266	3,266
	<u>3,937</u>	<u>922,437</u>	<u>930,203</u>	<u>7,766</u>
EXPENDITURES				
Capital outlay	762,534	2,262,016	1,386,123	(875,893)
Debt service:				
Principal	64,851	64,851	64,851	-
Interest and fiscal charges	46,583	46,583	37,297	(9,286)
Total Expenditures	<u>873,968</u>	<u>2,373,450</u>	<u>1,488,271</u>	<u>(885,179)</u>
REVENUES UNDER EXPENDITURES	<u>(870,031)</u>	<u>(1,451,013)</u>	<u>(558,068)</u>	<u>892,945</u>
OTHER FINANCING SOURCES				
Transfers in	798,622	906,622	906,623	1
Sale of capital assets	66,810	67,810	26,308	(41,502)
Total Other Financing Sources	<u>865,432</u>	<u>974,432</u>	<u>932,931</u>	<u>(41,501)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (4,599)</u>	<u>(476,581)</u>	374,863	<u>851,444</u>
FUND BALANCE, OCTOBER 1			<u>1,974,198</u>	
FUND BALANCE, SEPTEMBER 30			<u>\$ 2,349,061</u>	

CITY OF CLAYTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND
ACTUAL - 2011 BOND ISSUE DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Original Budget	Final Budget	Actual	Over (Under) Budget
REVENUES				
Investment income	\$ -	8,650	10,305	1,655
EXPENDITURES				
Debt service:				
Interest and fiscal charges	-	139,000	138,003	(997)
Bond issue costs	-	217,195	217,195	-
Total Expenditures	-	356,195	355,198	(997)
REVENUES UNDER EXPENDITURES				
	-	(347,545)	(344,893)	2,652
OTHER FINANCING SOURCES (USES)				
Issuance of long-term debt	-	9,845,000	9,845,000	-
Premium on bond issue	-	150,600	150,600	-
Transfers in	-	130,000	130,000	-
Transfers out	-	(5,000,654)	(5,000,000)	(654)
Total Other Financing Sources (Uses)	-	5,124,946	5,125,600	654
NET CHANGE IN FUND BALANCE	\$ -	4,777,401	4,780,707	3,306
FUND BALANCE, OCTOBER 1			-	
FUND BALANCE, SEPTEMBER 30			\$ 4,780,707	

FIDUCIARY FUND TYPES

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

PENSION TRUST FUNDS

Nonuniformed Employees' Retirement Fund -- This fund is used to account for assets held in a trustee capacity for the City's nonuniformed employees.

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
OTHER SUPPLEMENTAL INFORMATION SCHEDULE OF
CHANGES IN FIDUCIARY NET POSITION - BUDGET AND ACTUAL -
NONUNIFORMED EMPLOYEES' RETIREMENT PENSION TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Original And Final Budget	Actual	Over (Under) Budget
ADDITIONS			
Contributions:			
Participant contributions	\$ 70,875	67,686	(3,189)
Employer contributions	400,000	400,000	-
Total Contributions	470,875	467,686	(3,189)
Investment income:			
Net appreciation in fair value of investments and interest and dividends	771,500	1,384,536	613,036
Less - Investment expense	(40,965)	(63,565)	22,600
Total Investment Income	730,535	1,320,971	590,436
Total Additions	1,201,410	1,788,657	587,247
DEDUCTIONS			
Benefits paid	299,600	310,273	10,673
CHANGE IN NET POSITION	\$ 901,810	1,478,384	576,574
NET POSITION HELD IN TRUST FOR PENSION BENEFITS, OCTOBER 1		9,597,148	
NET POSITION HELD IN TRUST FOR PENSION BENEFITS, SEPTEMBER 30		\$ 11,075,532	

CITY OF CLAYTON, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF CHANGES
IN FIDUCIARY NET POSITION - BUDGET AND ACTUAL -
UNIFORMED EMPLOYEES' PENSION TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Original And Final Budget	Actual	Over (Under) Budget
ADDITIONS			
Contributions:			
Participant contributions	\$ 276,330	229,125	(47,205)
Employer contributions	965,627	965,627	-
Total Contributions	1,241,957	1,194,752	(47,205)
Investment income:			
Net appreciation in fair value of investments and interest and dividends	2,116,360	4,096,883	1,980,523
Less - Investment expense	(157,839)	(187,038)	29,199
Total Investment Income	1,958,521	3,909,845	1,951,324
Total Additions	3,200,478	5,104,597	1,904,119
DEDUCTIONS			
Benefits paid	1,400,088	1,377,051	(23,037)
CHANGE IN NET POSITION	\$ 1,800,390	3,727,546	1,927,156
NET POSITION HELD IN TRUST FOR PENSION BENEFITS, OCTOBER 1		27,622,644	
NET POSITION HELD IN TRUST FOR PENSION BENEFITS, SEPTEMBER 30		\$ 31,350,190	

STATISTICAL SECTION

CITY OF CLAYTON, MISSOURI
STATISTICAL SECTION

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

Contents	Pages
Financial Trends	
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	71 - 75
Revenue Capacity	
These schedules contain information to help the reader assess the City’s local revenue sources.	76 - 79
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	80 - 83
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	84 - 85
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	86 - 88

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 POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	September 30									
	2012	2011	2010 (1)	2009	2008	2007	2006	2005	2004	2003
Governmental Activities										
Net investment in capital assets	\$ 47,823,828	37,682,326	26,675,814	15,329,996	12,335,368	11,295,023	8,732,202	6,595,418	5,755,970	3,385,887
Restricted	3,133,907	4,723,377	3,717,214	3,782,799	2,819,375	2,729,192	2,613,411	2,512,962	7,167,871	7,061,365
Unrestricted	18,799,802	20,789,148	26,909,957	18,326,512	19,948,353	15,591,402	14,090,912	14,478,948	10,849,389	10,606,559
Total Governmental Activities Net Position	<u>\$ 69,757,537</u>	<u>63,194,851</u>	<u>57,302,985</u>	<u>37,439,307</u>	<u>35,103,096</u>	<u>29,615,617</u>	<u>25,436,525</u>	<u>23,587,328</u>	<u>23,773,230</u>	<u>21,053,811</u>
Business-type Activities										
Net investment in capital assets	\$ -	-	-	9,397,875	9,404,409	9,415,507	9,545,577	11,540,026	10,256,621	9,825,160
Restricted	-	-	-	265,500	204,000	285,195	280,174	283,450	364,327	363,211
Unrestricted	-	-	-	10,203,839	10,283,256	10,306,400	10,127,036	6,211,445	7,316,261	7,055,289
Total Business-type Activities Net Position	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>19,867,214</u>	<u>19,891,665</u>	<u>20,007,102</u>	<u>19,952,787</u>	<u>18,034,921</u>	<u>17,937,209</u>	<u>17,243,660</u>
Primary Government										
Net investment in capital assets	\$ 47,823,828	37,682,326	26,675,814	24,727,871	21,739,777	20,710,530	18,277,779	18,135,444	16,012,591	13,211,047
Restricted	3,133,907	4,723,377	3,717,214	4,048,299	3,023,375	3,014,387	2,893,585	2,796,412	7,532,198	7,424,576
Unrestricted	18,799,802	20,789,148	26,909,957	28,530,351	30,231,609	25,897,802	24,217,948	20,690,393	18,165,650	17,661,848
Total Primary Government Net Position	<u>\$ 69,757,537</u>	<u>63,194,851</u>	<u>57,302,985</u>	<u>57,306,521</u>	<u>54,994,761</u>	<u>49,622,719</u>	<u>45,389,312</u>	<u>41,622,249</u>	<u>41,710,439</u>	<u>38,297,471</u>

Note:
(1) Business-type activities were combined with governmental activities.

Source: Basic financial statements

CITY OF CLAYTON, MISSOURI
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	For The Years Ended September 30									
	2012	2011	2010 (1)	2009	2008	2007	2006	2005	2004	2003
EXPENSES										
Governmental Activities										
General government	\$ 5,050,212	5,006,261	6,066,181	5,184,518	5,286,324	4,585,667	4,253,478	4,706,827	2,875,742	3,185,066
Public safety	10,148,499	10,240,914	9,784,707	9,153,714	8,495,262	8,246,154	8,660,970	8,198,773	8,243,416	7,655,085
Streets and highways	5,968,351	6,060,451	6,847,543	7,133,404	5,411,338	5,919,304	4,530,039	4,530,110	4,856,137	4,158,084
Parks and recreation	2,990,170	2,808,620	2,938,071	2,135,837	2,079,965	1,975,986	2,865,602	2,211,655	2,279,115	2,014,876
Community development	298,989	318,787	432,432	199,035	173,316	220,788	975,774	528,627	100,657	130,408
Interest and fiscal charges	1,799,671	1,525,947	1,571,301	779,891	963,747	910,350	989,693	861,255	1,218,464	1,211,293
Total Governmental Activities Expenses	26,255,892	25,960,980	27,640,235	24,586,399	22,409,952	21,858,249	22,275,556	21,037,247	19,573,531	18,354,812
Business-type Activities										
Parking facility	-	-	-	1,081,979	1,210,118	1,155,318	1,274,489	1,247,961	1,092,781	1,042,756
Total Primary Government Expenses	26,255,892	25,960,980	27,640,235	25,668,378	23,620,070	23,013,567	23,550,045	22,285,208	20,666,312	19,397,568
PROGRAM REVENUES										
Governmental Activities										
Charges for services:										
General government	1,462,385	1,549,918	1,773,196	662,163	867,722	735,781	666,138	595,618	621,820	777,873
Public safety	2,367,393	2,481,302	2,125,691	1,295,680	1,286,279	1,141,418	931,486	1,381,324	1,334,618	1,230,252
Streets and highways	1,161,444	1,174,765	1,068,315	233,699	187,215	277,604	246,210	238,677	622,814	154,909
Parks and recreation	881,990	917,628	885,857	850,860	824,989	739,568	672,161	611,660	548,968	491,455
Community development	-	-	-	1,354,083	1,398,448	1,331,109	1,309,048	824,766	802,980	301,011
Operating grants and contributions	1,859,222	2,010,033	1,865,220	1,098,553	1,270,321	1,232,687	924,132	1,680,413	2,078,952	1,340,611
Capital grants and contributions	5,285,025	5,997,466	372,500	1,024,386	569,600	287,100	-	-	-	120,433
Total Governmental Activities Program Revenues	13,017,459	14,131,112	8,090,779	6,519,424	6,404,574	5,745,267	4,749,175	5,332,458	6,010,152	4,416,544
Business-type Activities										
Charges for services:										
Parking facility	-	-	-	1,521,683	1,420,803	1,416,686	1,486,560	1,595,313	1,711,194	1,721,204
Total Primary Government Program Revenues	13,017,459	14,131,112	8,090,779	8,041,107	7,825,377	7,161,953	6,235,735	6,927,771	7,721,346	6,137,748
NET REVENUES (EXPENSES)										
Governmental activities	(13,238,433)	(11,829,868)	(19,549,456)	(18,066,975)	(16,005,378)	(16,112,982)	(17,526,381)	(15,704,789)	(13,563,379)	(13,938,268)
Business-type activities	-	-	-	439,704	210,685	261,368	212,071	347,352	618,413	678,448
Total Primary Government Net Revenues (Expenses)	(13,238,433)	(11,829,868)	(19,549,456)	(17,627,271)	(15,794,693)	(15,851,614)	(17,314,310)	(15,357,437)	(12,944,966)	(13,259,820)

(Continued)

CITY OF CLAYTON, MISSOURI
CHANGES IN NET POSITION (Continued)
LAST TEN FISCAL YEARS

	For The Years Ended September 30									
	2012	2011	2010 (1)	2009	2008	2007	2006	2005	2004	2003
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities										
Taxes:										
Property	6,707,168	6,665,628	6,388,623	6,886,241	6,643,277	6,332,125	6,135,030	4,707,073	4,648,009	4,496,193
Sales	5,650,981	5,486,472	5,260,745	5,541,603	6,043,834	6,226,794	5,934,900	5,706,839	5,563,404	5,640,949
Utility	5,206,297	5,450,458	6,172,511	4,894,278	5,701,276	4,758,606	4,890,845	4,553,878	4,361,026	3,803,453
Other	100,489	100,488	100,488	538,881	556,272	565,780	554,595	100,613	100,534	104,854
Grants and contributions not restricted to specific programs	1,797,555	309,426	-	-	-	-	-	-	-	-
Licenses (taxes)	-	-	-	-	-	-	-	-	492,858	493,240
Investment income	167,766	320,728	667,936	659,833	771,380	884,333	665,054	329,421	349,778	442,863
Contribution*	-	-	-	-	-	-	-	-	-	800,000
Gain (loss) on sale of capital assets	12,554	-	264,774	4,887	-	-	70,222	-	-	(98,720)
Miscellaneous	158,309	349,838	652,450	1,092,730	1,022,818	400,027	220,455	284,031	205,002	297,353
Transfers	-	-	-	784,733	754,000	1,124,409	904,477	390,576	139,849	145,374
Total Governmental Activities General Revenues And Other Changes In Net Position	<u>19,801,119</u>	<u>18,683,038</u>	<u>19,507,527</u>	<u>20,403,186</u>	<u>21,492,857</u>	<u>20,292,074</u>	<u>19,375,578</u>	<u>16,072,431</u>	<u>15,860,460</u>	<u>16,125,559</u>
Business-type Activities										
Investment income	-	-	-	320,578	427,878	586,580	367,140	140,936	214,985	242,034
Gain on sale of capital assets	-	-	-	-	-	330,776	2,243,132	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	658
Transfers	-	-	-	(784,733)	(754,000)	(1,124,409)	(904,477)	(390,576)	(139,849)	(145,374)
Total Business-type Activities General Revenues And Other Changes In Net Position	<u>-</u>	<u>-</u>	<u>-</u>	<u>(464,155)</u>	<u>(326,122)</u>	<u>(207,053)</u>	<u>1,705,795</u>	<u>(249,640)</u>	<u>75,136</u>	<u>97,318</u>
Total Primary Government General Revenues And Other Changes In Net Position	<u>19,801,119</u>	<u>18,683,038</u>	<u>19,507,527</u>	<u>19,939,031</u>	<u>21,166,735</u>	<u>20,085,021</u>	<u>21,081,373</u>	<u>15,822,791</u>	<u>15,935,596</u>	<u>16,222,877</u>
CHANGES IN NET POSITION BEFORE RESTATEMENT										
Governmental activities	6,562,686	6,853,170	(41,929)	2,336,211	5,487,479	4,179,092	1,849,197	367,642	2,297,081	2,187,291
Business-type activities	-	-	-	(24,451)	(115,437)	54,315	1,917,866	97,712	693,549	775,766
Total Primary Government Changes In Net Position Before Restatement	<u>6,562,686</u>	<u>6,853,170</u>	<u>(41,929)</u>	<u>2,311,760</u>	<u>5,372,042</u>	<u>4,233,407</u>	<u>3,767,063</u>	<u>465,354</u>	<u>2,990,630</u>	<u>2,963,057</u>
RESTATEMENT										
Governmental activities	-	(961,304)	-	-	-	-	-	-	-	-
Business-type activities	-	-	-	-	-	-	-	-	-	-
Total Primary Government Restatement	<u>-</u>	<u>(961,304)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGES IN NET POSITION										
Governmental activities	6,562,686	5,891,866	(41,929)	2,336,211	5,487,479	4,179,092	1,849,197	367,642	2,297,081	2,187,291
Business-type activities	-	-	-	(24,451)	(115,437)	54,315	1,917,866	97,712	693,549	775,766
Total Primary Government Restatement	<u>\$ 6,562,686</u>	<u>5,891,866</u>	<u>(41,929)</u>	<u>2,311,760</u>	<u>5,372,042</u>	<u>4,233,407</u>	<u>3,767,063</u>	<u>465,354</u>	<u>2,990,630</u>	<u>2,963,057</u>

Notes:

(1) Business-type activities were combined with governmental activities.

*One-time donation from Enterprise Leasing Corp.

Source: Basic financial statements

CITY OF CLAYTON, MISSOURI
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	September 30									
	2012	2011	2010 (1)	2009	2008	2007	2006	2005	2004	2003
General Fund										
Assigned	\$ 3,663,374	2,838,638	-	-	-	-	-	-	-	-
Unassigned	14,673,064	17,927,718	-	-	-	-	-	-	-	-
Reserved	-	-	434,493	46,246	50,748	124,339	4,095	4,000	18,654	78,453
Unreserved	-	-	22,623,263	12,590,092	11,816,465	9,552,077	8,324,588	7,084,601	7,390,863	7,489,726
Total General Fund	\$ 18,336,438	20,766,356	23,057,756	12,636,338	11,867,213	9,676,416	8,328,683	7,088,601	7,409,517	7,568,179
All Other Governmental Funds										
Restricted	\$ 7,914,614	9,733,471	-	-	-	-	-	-	-	-
Committed	2,349,061	1,974,198	-	-	-	-	-	-	-	-
Unassigned	(555,647)	-	-	-	-	-	-	-	-	-
Reserved:										
Capital Improvement Fund	-	-	2,266,413	601,000	1,074,715	-	-	-	1,294,260	865,807
Capital Improvement Project Fund	-	-	-	-	-	-	-	52	-	22,121
Equipment Replacement Fund	-	-	2,887	1,433	76,455	250	243,051	5,940	2,904	-
1997-98 Bond Debt Service Fund	-	-	-	-	-	-	-	-	-	207,345
2009 Build America Bond Fund	-	-	7,149,194	-	-	-	-	-	-	-
Other Governmental Funds	-	-	2,953,109	3,626,688	2,333,652	2,317,646	2,282,433	2,260,337	2,332,455	2,172,239
Unreserved, reported in:										
Capital Improvement Fund	-	-	398,512	1,689,633	2,358,173	2,249,824	1,801,767	2,469,123	2,167,752	3,530,868
Capital Improvement Project Fund	-	-	-	-	-	-	-	-	-	(5,202)
Equipment Replacement Fund	-	-	2,355,125	2,272,303	2,551,415	2,662,744	2,406,124	2,994,069	3,051,034	2,770,853
Other governmental funds:										
Special Revenue Funds	-	-	386,822	570,813	559,631	357,866	318,166	400,612	345,430	332,104
Capital Projects Funds	-	-	-	581,651	1,755,975	440,311	329,158	775,873	281,879	2,119,083
Total All Other Governmental Funds	\$ 9,708,028	11,707,669	15,512,062	9,343,521	10,710,016	8,028,641	7,380,699	8,906,006	9,475,714	12,015,218

Note:

(1) Enterprise and Internal Service Funds combined with General Fund and Capital Improvement Project Fund combined with Capital Improvement Fund.

Source: Basic financial statements

GASB 54 was implemented in 2011.

CITY OF CLAYTON, MISSOURI
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	For The Years Ended September 30									
	2012	2011	2010 (1)	2009	2008	2007	2006	2005	2004	2003
REVENUES										
General property taxes	\$ 6,717,939	6,619,357	6,374,580	6,846,052	6,693,072	6,310,263	6,086,868	4,716,717	4,664,838	4,531,961
Assessment income	222,394	172,250	162,842	201,676	177,136	185,843	186,253	414,771	652,862	150,325
Licenses and permits	1,387,155	1,523,861	1,780,141	1,671,897	1,644,961	1,415,552	1,362,041	1,207,727	1,135,051	1,339,456
Public utility licenses	5,206,297	5,450,458	6,172,511	4,894,278	5,701,276	4,758,606	4,890,845	4,553,878	4,361,026	3,803,453
Intergovernmental	10,660,964	13,086,730	7,602,191	8,280,839	8,490,868	8,387,313	7,520,816	7,519,596	7,909,370	7,283,761
Community programs	1,549,301	1,460,533	1,413,736	1,193,102	1,281,421	1,249,216	1,112,109	1,000,188	960,036	972,018
Parking facilities and meters	1,587,248	1,653,514	1,474,297	-	-	-	-	-	-	-
Fines and forfeitures	1,111,217	1,302,852	1,078,799	1,097,872	1,189,598	929,316	777,766	756,907	764,265	684,168
Donations and reimbursements	3,879,251	-	-	-	-	-	-	-	-	-
Investment income	167,766	320,728	667,936	659,833	771,380	884,333	665,054	329,421	348,425	429,380
Miscellaneous	305,778	346,602	653,957	1,278,934	1,349,506	825,518	596,398	583,531	457,995	659,422
Total Revenues	32,795,310	31,936,885	27,380,990	26,124,483	27,299,218	24,945,960	23,198,150	21,082,736	21,253,868	19,853,944
EXPENDITURES										
General government	4,494,963	4,430,545	4,828,548	4,794,723	4,752,688	4,070,285	3,914,379	3,986,435	3,110,409	3,009,861
Parks and recreation	2,330,063	2,322,392	1,991,742	1,878,493	1,839,134	1,759,570	1,657,278	1,600,093	1,799,563	1,698,757
Public safety	9,760,295	9,678,202	9,458,242	8,658,593	8,362,366	8,119,616	7,921,971	7,930,225	7,838,638	7,137,008
Streets and highways	4,827,147	4,801,188	4,636,808	3,888,910	3,822,033	3,754,718	3,405,316	3,256,194	2,999,624	2,907,164
Community development	299,774	314,280	432,432	199,035	173,316	220,788	254,375	191,357	108,161	111,793
Capital outlay	20,061,767	11,477,048	12,094,749	5,004,207	2,585,407	2,918,374	3,930,973	3,106,040	5,745,639	10,224,954
Debt service:										
Principal	3,764,825	3,586,804	2,924,263	2,345,000	8,960,000	2,395,000	2,465,000	2,040,000	1,450,000	1,220,000
Interest and fiscal charges	1,490,748	1,492,390	1,289,215	786,175	894,912	882,260	962,248	892,930	1,231,434	1,133,151
Bond issue costs	217,195	-	271,353	56,446	76,239	-	-	139,036	-	11,166
Total Expenditures	47,246,777	38,102,849	37,927,352	27,611,582	31,466,095	24,120,611	24,511,540	23,142,310	24,283,468	27,453,854
REVENUES OVER (UNDER) EXPENDITURES	(14,451,467)	(6,165,964)	(10,546,362)	(1,487,099)	(4,166,877)	825,349	(1,313,390)	(2,059,574)	(3,029,600)	(7,599,910)
OTHER FINANCING SOURCES (USES)										
Issuance of long-term debt	9,845,000	-	15,000,000	3,950,000	8,175,000	-	-	12,165,000	-	9,950,000
Premium on issuance of debt	150,600	-	40,020	134,548	73,266	-	-	-	-	-
Payments to refunding escrow agent	-	-	-	(4,025,342)	-	-	-	(11,411,136)	-	-
Issuance of capital lease	-	-	1,020,000	-	-	-	-	-	15,804	-
Special item	-	-	-	-	-	-	-	-	-	800,000
Sale of capital assets	26,308	70,171	228,577	45,790	36,783	45,917	123,688	24,510	15,461	117,699
Transfers in	16,099,102	5,630,967	11,580,668	3,073,696	2,303,079	4,796,573	3,488,397	3,852,528	4,570,241	10,149,648
Transfers out	(16,099,102)	(5,630,967)	(11,580,668)	(2,288,963)	(1,549,079)	(3,672,164)	(2,583,920)	(3,461,952)	(4,430,392)	(10,004,274)
Total Other Financing Sources (Uses)	10,021,908	70,171	16,288,597	889,729	9,039,049	1,170,326	1,028,165	1,168,950	171,114	11,013,073
NET CHANGES IN FUND BALANCES	\$ (4,429,559)	(6,095,793)	5,742,235	(597,370)	4,872,172	1,995,675	(285,225)	(890,624)	(2,858,486)	3,413,163
Debt service as a percentage of noncapital expenditures	19.0 %	18.7	15.1	12.5	33.4	15.5	16.7	15.3	14.5	13.7

Note:
(1) Enterprise and Internal Service Funds combined with General Fund and Capital Improvement Project Fund combined with Revolving Public Improvement Fund.

Source: Basic financial statements

CITY OF CLAYTON, MISSOURI
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS (IN THOUSANDS)

Fiscal Year	Real Property		Personal Property	Railroads And Utilities	Assessed Value	Total		Direct Tax Rate
	Residential Property	Commercial Property				Estimated Actual Value		
2012	\$ 455,763	\$ 326,175	\$ 75,590	\$ 3,042	\$ 860,570	\$ 3,654,239	0.717	
2011	472,317	335,399	75,385	2,959	886,060	3,769,305	0.692	
2010	470,815	335,157	84,470	2,986	893,428	3,787,977	0.673	
2009	480,595	347,077	83,620	2,795	914,087	3,873,569	0.689	
2008	459,370	346,326	84,556	2,881	893,133	3,762,594	0.691	
2007	367,607	307,107	86,612	2,820	764,146	3,163,050	0.779	
2006	361,777	307,555	86,774	2,367	758,473	3,132,865	0.796	
2005	325,974	300,037	83,904	2,290	712,205	2,912,085	0.652	
2004	325,478	298,990	83,640	2,290	710,398	2,905,407	0.652	
2003	286,748	297,052	84,026	2,634	670,460	2,697,949	0.656	

Source: St. Louis County Assessor

CITY OF CLAYTON, MISSOURI
PROPERTY TAX RATES (RESIDENTIAL ONLY) - DIRECT AND ALL OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Taxes levied on all property in the City:										
City of Clayton	0.717	0.692	0.673	0.689	0.691	0.779	0.796	0.652	0.652	0.656
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	0.523	0.523	0.523	0.558	0.558	0.558	0.558	0.580	0.580	0.580
St. Louis County Library	0.163	0.157	0.140	0.140	0.140	0.150	0.150	0.150	0.140	0.140
Special School District	1.013	0.157	0.938	0.918	0.908	0.824	0.840	0.905	0.833	0.849
St. Louis Community College	0.220	0.995	0.214	0.201	0.200	0.223	0.223	0.237	0.231	0.232
Metropolitan St. Louis Sewer District (Extension)	0.082	0.218	-	-	0.067	0.069	0.069	0.069	0.069	0.069
Metropolitan Zoological Park and Museum District	0.267	0.079	0.249	0.234	0.233	0.261	0.265	0.276	0.226	0.222
Sheltered Workshop	0.084	0.255	0.074	0.069	0.070	0.082	0.082	0.085	0.085	0.085
Deer Creek Sewer District	0.840	0.079	-	-	0.060	0.060	0.060	0.060	0.060	0.060
Black Jack Sewer District	-	0.081	-	-	0.060	0.060	0.060	0.060	0.060	0.060
Total Taxes Levied On All Property In The City	<u>3.939</u>	<u>3.266</u>	<u>2.841</u>	<u>2.839</u>	<u>3.017</u>	<u>3.096</u>	<u>3.133</u>	<u>3.104</u>	<u>2.966</u>	<u>2.983</u>
School District:										
Clayton School District	<u>3.899</u>	<u>3.743</u>	<u>3.628</u>	<u>3.230</u>	<u>3.254</u>	<u>3.716</u>	<u>3.925</u>	<u>3.769</u>	<u>3.622</u>	<u>2.945</u>
Total	<u><u>7.838</u></u>	<u><u>7.009</u></u>	<u><u>6.469</u></u>	<u><u>6.069</u></u>	<u><u>6.271</u></u>	<u><u>6.812</u></u>	<u><u>7.058</u></u>	<u><u>6.873</u></u>	<u><u>6.588</u></u>	<u><u>5.928</u></u>

Source: St. Louis County Assessor (rates stated per \$100 assessed valuation)

CITY OF CLAYTON, MISSOURI
PRINCIPAL TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO

Taxpayer	2012			2002		
	Taxable Assessed Valuation	Rank	Percentage Of Total City Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage Of Total City Taxable Assessed Value
Clayton Corporate Park Mgmt. Co.	\$ 27,935,740	1	3.25 %	\$ 24,146,820	1	3.60 %
KBS Clayton Plaza, LLC	21,602,050	2	2.51	-		-
KBS11 Pierre Laclede Center, LLC	21,308,110	3	2.48	22,080,000	2	3.29
Duke Realty	13,513,730	4	1.57	-		-
MEPT Shaw Park Plaza, LLC	12,275,480	5	1.43	-		-
Centene Center, LLC	12,029,830	6	1.40	-		-
Clayton Central Investors, LLC	11,541,530	7	1.34	-		-
Brown Shoe Company	11,355,830	8	1.32	-		-
HEF 1 - StL No. 1, LLC	11,354,330	9	1.32	12,507,200	4	1.87
8182 Maryland Associates	10,463,780	10	1.22	8,794,590	8	1.31
EOP Clayton, LLC	-		-	13,888,000	3	2.07
The Plaza Office, LLC	-		-	11,241,470	5	1.68
Riggs & Company Trustee	-		-	10,924,290	6	1.63
Realty Associates Fund V	-		-	10,400,000	7	1.55
8000 Maryland, LLC	-		-	8,448,000	9	1.26
CB Bemiston Tower, Inc.	-		-	7,936,000	10	1.18
Total	\$ 153,380,410		17.84 %	\$ 130,366,370		19.44 %

Notes:

- (1) Total assessed value of the City was \$860,569,818 as of January 1, 2011.
- (2) Total assessed value of the City was \$670,459,523 as of January 1, 2002.

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

CITY OF CLAYTON, MISSOURI
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied For The Fiscal Year (1)	Collected Within The Fiscal Year Of The Levy		Delinquent Tax Collected Within The Fiscal Year For Previous Levies	Total Collections To Date (2)(3)	
		Amount	Percent Of Levy		Amount	Percent Of Levy
2012	\$ 6,406,061	\$ 6,285,537	98.1 %	\$ (44,170)	\$ 6,241,367	97.4 %
2011	6,452,891	6,319,990	97.9	84,864	6,404,854	99.3
2010	6,255,287	6,162,067	98.5	62,071	6,224,138	99.5
2009	6,664,208	6,592,851	98.9	108,933	6,701,784	100.6
2008	6,566,784	6,458,568	98.4	70,990	6,529,558	99.4
2007	6,206,413	6,123,300	98.7	114,431	6,237,731	100.5
2006	6,251,869	6,119,773	97.9	(148,346)	5,971,427	95.5
2005	4,644,371	4,392,929	94.6	181,332	4,574,261	98.5
2004	4,587,714	4,382,118	95.5	148,628	4,530,746	98.8
2003	4,409,624	4,244,002	96.2	381,852	4,625,854	104.9

Notes:

- (1) Originally adjusted for strike offs and additions by St. Louis Board of Equalization after 1978.
- (2) St. Louis County Collectors Office charges a collection fee of 1.5%.
- (3) Data for delinquent tax collection, excluding penalties and interest, is not available by levy year.

Source: St. Louis County Assessor

CITY OF CLAYTON, MISSOURI
RATIOS OF OUTSTANDING DEBT BY TYPE (1)
LAST TEN FISCAL YEARS (IN THOUSANDS)

Fiscal Year	Governmental Activities						Business-type Activities				Total Primary Government	Percentage Of Personal Income (2)	Per Capita (2)
	Capital Improvement Bonds	Reserve For Debt Service	Net Capital Improvement Bond Debt	General Obligation Bonds	Note Payable	Capital Leases	Capital Improvement Bonds	Reserve For Debt Service	Net Capital Improvement Bond Debt	Note Payable			
2012 (8)	\$ 36,735	\$ (2,300)	\$ 34,435	\$ 945	\$ 1,122	\$ 829	\$ -	\$ -	\$ -	\$ -	\$ 37,331	2.67 %	\$ 2,401
2011	29,405	(2,300)	27,105	1,960	1,292	893	-	-	-	-	31,250	2.34	1,960
2010 (7)	31,790	(2,300)	29,490	2,955	1,431	961	-	-	-	-	34,837	3.41	2,186
2009 (6)	16,680	(2,256)	14,424	3,950	-	-	1,835	(266)	1,569	1,576	21,519	2.10	1,350
2008 (5)	18,110	(2,194)	15,916	4,885	-	-	2,040	(266)	1,774	1,716	24,291	2.38	1,524
2007	18,020	(1,331)	16,689	5,760	-	4	2,240	(285)	1,955	1,846	26,254	2.57	1,648
2006	19,575	(1,304)	18,271	6,600	-	8	2,430	(280)	2,150	1,971	29,000	2.84	1,820
2005 (4)	21,230	(1,173)	20,057	7,410	-	12	2,655	(426)	2,229	2,091	31,799	3.11	1,996
2004	21,255	(1,285)	19,970	8,185	-	16	3,245	(423)	2,822	2,152	33,145	3.24	2,080
2003 (3)	21,960	(1,285)	20,675	8,930	-	-	3,380	(425)	2,955	-	32,560	3.55	2,043

Notes:

- (1) Details regarding the City's outstanding debt can be found in the notes to 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 refinance 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 \$3,970,000 of the Series 1999 bond issuance.
- (7) In fiscal year 2010, capital improvement bonds of \$15,000,000 were issued to finance the purchase and renovation of the new Police Station. Business-type activities were combined with governmental activities.
- (8) In fiscal year 2012, capital improvement bonds of \$9,845,000 were issued. \$5,000,000 was issued to finance the construction of the new Police Station. The \$4,845,000 balance was issued to finance Public Works and Parks and Recreation projects in fiscal years 2012 and 2013.

Source: Basic financial statements

CITY OF CLAYTON, MISSOURI
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS (IN THOUSANDS)

<u>Fiscal Year</u>	<u>General Obligation Bonds (1)</u>	<u>Percentage Of Actual Taxable Value of Property (2)</u>	<u>Per Capita (3)</u>
2012	\$ 945	0.11 %	59
2011	1,960	0.22	123
2010	2,955	0.33	185
2009	3,950	0.43	249
2008	4,885	0.55	307
2007	5,760	0.75	36
2006	6,600	0.87	414
2005	7,410	1.04	465
2004	8,185	1.16	514
2003	8,930	1.33	560

Notes:

- (1) Details regarding the City's outstanding debt can be found in the notes to 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
COMPUTATION OF DIRECT AND OVERLAPPING DEBT (1) -
GENERAL OBLIGATION BONDED DEBT
SEPTEMBER 30, 2012

<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	\$ 13,425,000	3.85 %	\$ 516,863
Clayton School District	99,802,000	86.38	86,208,968
Subtotal	<u>113,227,000</u>		<u>86,725,830</u>
City of Clayton	<u>39,630,449</u>	100.00	<u>39,630,449</u>
Total	<u><u>\$ 152,857,449</u></u>		<u><u>\$ 126,356,279</u></u>

(1) Sources:

City of Clayton Financial Report
St. Louis County
Clayton School District

CITY OF CLAYTON, MISSOURI
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS (IN THOUSANDS)

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Debt limit (1)	\$ 86,057	88,606	89,343	91,409	89,313	76,415	75,847	71,221	71,040	67,046
Total net debt applicable to debt limit	<u>910</u>	<u>1,678</u>	<u>2,383</u>	<u>3,092</u>	<u>4,097</u>	<u>4,993</u>	<u>5,859</u>	<u>6,680</u>	<u>7,431</u>	<u>8,137</u>
Legal Debt Margin	<u>\$ 85,147</u>	<u>86,928</u>	<u>86,960</u>	<u>88,317</u>	<u>85,216</u>	<u>71,422</u>	<u>69,988</u>	<u>64,541</u>	<u>63,609</u>	<u>58,909</u>
Total net debt applicable to the limit as a percentage of debt limit	1.06 %	1.89	2.67	3.38	4.59	6.53	7.72	9.38	10.46	12.14

Notes:

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

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

Source: Basic financial statements

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

Fiscal Year	Population (1)	Personal Income (Thousands Of Dollars)	Median Household Income (2)	Clayton School District Enrollment (3)	Unemployment Rate (4)
2012	15,939	\$ 1,398,743	\$ 87,756	2,504	3.4 %
2011	15,939	1,337,920	83,940	2,455	4.6
2010	15,935	1,022,772	64,184	2,509	5.2
2009	15,935	1,022,772	64,184	2,478	5.4
2008	15,935	1,022,772	64,184	2,490	3.5
2007	15,935	1,022,772	64,184	2,479	2.8
2006	15,935	1,022,772	64,184	2,460	2.6
2005	15,935	1,022,772	64,184	2,558	2.5
2004	15,935	1,022,772	64,184	2,548	2.6
2003	15,935	917,250	57,562	2,478	2.8

Notes:

- (1) Source: Data for 2003 - 2010 from 2000 revised census from the U.S. Census Bureau dated December 7, 2001. Source of data for 2011-2012 from 2010 U.S. Census Bureau.
- (2) Source: Sources of data for 2003 from 1990 U.S. Census Bureau. Sources of data for 2004 to 2010 from 2000 U.S. Census Bureau. Sources of data for 2011 from "2005-2009 American Community Survey Estimates". Sources of data for 2012 from "2006-2010 American Community Survey Estimates".
- (3) Source: Administrative Office - Clayton School District.
- (4) Source: 2003 through 2012 from Missouri Department of Economic Development.

CITY OF CLAYTON, MISSOURI
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO

<u>Taxpayer</u>	<u>2012</u>			<u>2002</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage Of Total City Employment(1)</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage Of Total City Employment(2)</u>
St. Louis County	1,866	1	5.33 %	1,800	1	5.44 %
Enterprise Holdings, Inc.	1,516	2	4.33	1,022	2	3.09
Centene Corporation	1,066	3	3.05	454	4	1.37
Washington University	853	4	2.44	-		-
Brown Group	800	5	2.29	436	5	1.32
Commerce Bank NA	500	6	1.43	470	3	1.42
Husch Blackwell	475	7	1.36	-		-
Clayton School District	474	8	1.35	400	6	1.21
Armstrong Teasdale	414	9	1.18	-		-
Ritz Carlton	300	10	0.86	179	9	0.54
Clark Refining & Marketing	-		-	380	7	1.15
Bank of America	-		-	374	8	1.13
Graybar Electric	-		-	177	10	0.53
Total	<u>8,264</u>		<u>23.62 %</u>	<u>5,692</u>		<u>17.20 %</u>

Notes:

(1) Percentage for 2012 based on 35,000 total daytime employees in the Downtown area.

(2) Percentage for 2002 based on estimate of 33,100 total daytime employees in the Downtown area.

Source: Business License Database from City of Clayton Finance Division, St. Louis County Human Resources Division, and the Clayton School District.

CITY OF CLAYTON, MISSOURI
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General government:										
City Clerk (1)	-	-	-	-	-	-	1	1	1	1
City Manager	5	5	5	5	5	5	4	4	3	3
Economic development (2)	-	-	-	-	-	-	-	-	1	1
Human resources	2	2	2	2	2	2	2	2	2	2
Finance	6	6	7	7	7	7	7	7	6	6
Municipal court	2	2	3	3	3	3	3	3	3	3
Information systems	4	4	3	3	3	3	3	3	3	3
Planning and development	10	10	10	10	10	10	10	10	10	10
Police:										
Officers	52	52	52	52	52	52	52	52	53	51
Civilians (3)	7	7	7	7	7	8	8	8	10	14
Fire:										
Firefighters and officers	35	35	35	35	35	35	35	35	35	32
Civilians	1	1	1	1	1	1	1	1	1	1
Public works:										
Engineering (5)	6	6	6	6	5	5	5	5	5	5
Street maintenance	16	16	16	16	16	16	16	16	17	17
Vehicle maintenance	4	4	4	4	4	5	5	5	5	5
Building maintenance	2	2	2	2	2	3	3	3	2	3
Parking maintenance	1	1	1	1	1	1	1	1	1	1
Parks and recreation:										
Administration/recreation (4)	9	9	9	9	9	8	6	6	6	6
Parks maintenance	9	9	9	9	9	9	9	9	9	9
Total	<u>171</u>	<u>171</u>	<u>172</u>	<u>172</u>	<u>171</u>	<u>173</u>	<u>171</u>	<u>171</u>	<u>173</u>	<u>173</u>

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 when City joined East Central Dispatch Center (ECDC). Dispatchers transferred to ECDC in 2004.
- (4) Community Resource Coordinator position added in 2008 and an Aquatics Recreation Assistant position added in 2009.
- (5) Civil Engineer 1 position added in 2009.

Source: City of Clayton Annual Budgets (2003-2012)

CITY OF CLAYTON, MISSOURI
OPERATING INDICATORS BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Police:										
Arrests	1,253	1,217	1,334	1,127	959	1,176	973	848	670	432
Parking violations	1,654	2,182	2,046	2,448	2,890	3,729	5,362	4,114	4,526	4,579
Traffic violations	6,583	7,061	6,831	7,248	7,053	6,011	7,626	7,402	5,364	5,423
Parking tickets*	29,888	37,198	41,366	41,624	44,200	43,427	44,221	50,222	57,738	59,289
Fire:										
Emergency response ambulance	1,639	1,524	1,474	1,511	1,648	1,497	1,430	1,370	1,418	1,212
Emergency response - fire	1,661	1,639	1,763	1,863	1,739	1,665	1,420	1,460	1,470	1,639
Inspections	640	787	660	691	717	656	520	767	800	907
Parks and recreation:										
Shaw Park Pool - passes	1,281	1,189	1,145	913	1,025	871	651	528	542	533
Shaw Park Ice Rink - passes	42	53	38	17	15	-	8	16	13	11
Platinum passes	420	525	402	348	267	152	-	-	-	-
Tennis Court - passes	-	43	40	13	17	9	8	26	30	26
Pool/Tennis - passes	N/A	N/A	N/A	44	56	66	57	69	73	81
Tri passes (pool/rink/tennis)	N/A	N/A	N/A	-	4	-	13	12	11	2
Shelter rentals (including picnic pads)	302	305	282	245	269	306	266	497	391	468
Planning and development:										
Residential permits issued	278	308	273	219	299	282	304	172	202	173
Estimated cost of construction for residential permits	\$ 15,533,472	22,374,538	16,600,417	15,892,142	26,602,257	33,021,571	43,081,206	29,333,420	20,694,236	33,443,381
Commercial permits issued	142	153	150	147	183	135	113	274	281	272
Estimated cost of construction for commercial permits	\$ 33,232,912	52,113,313	71,793,104	123,209,999	71,511,966	28,898,204	57,891,052	31,775,928	68,617,644	33,135,438
Administrative services:										
Business licenses issued	935	805	816	807	787	791	889	894	893	890
Liquor licenses issued	59	60	62	56	63	62	63	67	64	62

Notes:

*Parking tickets not included in parking violations.

No operating indicators by functions/programs are available for the Public Works Department.

Sources: City of Clayton Annual Reports (2003 - 2012), various City departments

CITY OF CLAYTON, MISSOURI
CAPITAL ASSET STATISTICS BY FUNCTIONS/PROGRAMS
LAST TEN FISCAL YEARS

FUNCTIONS/PROGRAMS	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	25	25	26	26	26	25	25	25	25	25
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
Ambulances	2	2	2	2	2	2	2	2	2	2
Command vehicles	3	3	3	3	3	3	3	3	3	3
Public works:										
Miles of streets - paved (1)	98.7	98.7	98.7	99.1	38.0	46.7	46.7	46.7	46.7	46.7
Miles of alleys (3)	6.5	6.5	6.5	19.3	5.3	5.3	5.3	5.3	5.3	5.3
Miles of sidewalks (5)	54	54	54	39	39	39	39	39	39	39
Number of street lights	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,190
Number of traffic signals (4)	22	24	24	24	28	28	28	28	28	27
Parks and recreation:										
Acres of parks (6)	89.0	84.4	84.4	84.4	84.4	84.4	84.4	84.4	84.3	84.3
Number of parks (2) (6)	11	10	10	10	10	10	10	10	9	9
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) In 2008, survey taken by public works resulted in new figures. Miles include private subdivisions located in and maintained by the City.
 In 2009, 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.
 - (2) In 2005, added Whitburn Park - size 1/8 acre.
 - (3) In 2009, 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.
 In 2010, based on lane mile unit of measure where 1 mile of pavement 15 ft. wide equals one lane mile. (15 ft. represents a standard residential alley width).
 - (4) In 2009, changed to number of signalized intersections owned and maintained by the City.
 - (5) Quantity represents paved linear miles of sidewalk.
 - (6) In 2012, added Haddington Park - size 4.6 acres.

Note: No capital asset indicators are available for the administration, finance, or planning functions.

Source: City of Clayton Annual Reports (2003 - 2012), various City departments