
**CITY OF UNIVERSITY CITY, MISSOURI
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**



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SECTION I - INTRODUCTORY SECTION



6801 Delmar Boulevard, University City, Missouri 63130, Phone (314) 862-6767

December 6, 2013

Honorable Mayor and City Council members
and the Citizens of the City of University City:

Pursuant to City policy and in conformance with state law, the Comprehensive Annual Financial Report of the City of University City, Missouri (the City), for the fiscal year ended June 30, 2013, is hereby submitted. The 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's management representations concerning the finances of the City and, therefore, management assumes full responsibility for both the accuracy of the data and the completeness and fairness of the presentation. The City's Finance Department prepared this report and believes that the financial statements, supporting schedules, and statistical information fairly present the financial position and results of operations of the various funds and agencies of the City. We further believe that all presented data is accurate in all aspects and that all necessary disclosures have been included to enable the reader to gain an understanding of the City's financial activities.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The letter of transmittal is a complement to MD&A and should be read in conjunction with it.

PROFILE OF THE CITY

The City is an inner-ring suburb on the western boundary of the City of St. Louis, Missouri. The City is located in St. Louis County. It ranks third and sixth with respect to total population and assessed valuation in St. Louis County. The City was founded by Edward Gardner Lewis and was incorporated in 1906.

The form of government established by Charter is the Council-Manager plan. The City Council is the legislative and governing body of the City. It consists of six Council members and the Mayor, all of whom are elected by the residents of the City. Council members are elected from three wards to serve four-year staggered terms. The Mayor is elected at large and serves a four-year term. The City Council and Mayor appoint the City Manager and City Clerk, and enact legislation to protect the health, safety, and general welfare of the citizens of the City. The City Manager directly supervises all City government agencies and departments, except the Library, while also serving as chief advisor to the City Council.

The City is considered a residential community with a diverse racial and religious population. There are approximately 35,400 residents (U.S. Census Bureau 2010) and 18,000 housing units in the City. The population density is 6,000 inhabitants per square mile. The area of the City is approximately 6 square miles.

The City provides a full range of municipal services for its citizens. These include public safety (police and fire), streets, sanitation (solid waste), culture and recreation, public improvements, community development, and general administrative services. The City defines its financial reporting entity in accordance with the provisions of Governmental Accounting Standards Board Statement No. 14; *The Financial Reporting Entity* (GASB 14). GASB 14 requirements for inclusion of component units are primarily based on whether the City's governing body has any significant amount of financial accountability for Potential Component Units (PCU). The City has determined that its financial reporting entity consists of the City (the primary government) and two blended component units: the University City Loop Special Business District and the Parkview Gardens Special Business District. University City residents receive library services from University City Public Library.

In addition to City funds, the City has a fiduciary responsibility as trustee for assets of the City's two Pension Funds and other miscellaneous deposits.

DISCRETE COMPONENT UNITS

The City is financially accountable for the two legally separate entities that are discretely presented component units. They are the University City Industrial Development Authority that devotes to helping attract industrial development and economic expansion in the City, and the Land Clearance for Redevelopment Authority that may prepare, recommend and carry out redevelopment plan as needed.

ECONOMIC CONDITION AND OUTLOOK

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local Economy. The City is a regional St. Louis destination located adjacent to Washington University in St. Louis County, west of the St. Louis City boundaries. Most commercial development is located on two major thoroughfares; Olive Street Boulevard and Delmar Boulevard. These two roadways run parallel to each other, traversing the City from East to West. The city is fully developed as a stable residential community with a large variety of housing types that contribute to growth in residential and commercial assessed values. The City's area of future growth continues to be redevelopment of business and residential areas and upgrading public infrastructure.

- *Delmar Boulevard*
The University City Loop on Delmar Boulevard contains a diversified mix of restaurants, galleries and specialty shops, located in five-block area near Washington University. The Loop is also home to the elegantly restored Tivoli Theater. A number of art organizations are located in this district including the St. Louis Symphony Music School and Craft Alliance gallery.
- *Olive Street*
The Olive Business District begins at the western edge of the City near Interstate 170. There are many ethnic groceries, retail stores, and small professional offices. The district is directly accessible from other business areas where a variety of grocery and retail stores are located.

Long-term Financial Planning. Each year the City updates its five-year capital improvement plan. Projects totaling over \$15.0 million are planned for the fiscal years 2014 through 2018. The City confines long-term borrowing to capital improvements or projects that cannot be financed from current revenues, and where the issuance of long-term debt is required, it pays back the bonds within a period not to exceed

the expected useful life of the project. Projects for which bonds have been issued include expansion and renovation of the city's recreational facility, renovation of City Hall and renovation of Fire Station #2. A general obligation property tax levy repays a small issuance of debt related to City Hall renovations and the parking garage repays a portion of the debt. The remainder and majority of the debt are paid by on-going sales tax and other general revenues.

The City has completed building the new fire station using a federal stimulus grant with the City matching a portion. Moving in to the new station has been scheduled for early December 2013.

FINANCIAL MANAGEMENT AND CONTROLS

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

Budgetary Controls

The annual budget serves as a foundation for the City's financial planning and control. All of the departments of the City are required to submit requests for appropriation to the City Manager who uses these requests as a starting point for development of a proposed budget. The Finance Director presents to the City Manager estimates detailing the various revenues, grants, bond proceeds, and other funding sources that are anticipated. The City Manager presents a proposed budget to the City Council who holds work sessions and a public hearing prior to adopting a budget in June. 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 objects. Budget transfers up to \$25,000 within the same department and fund are approved by the City Manager. Transfers over \$25,000, or between departments or funds, are approved by the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriate annual budget has been adopted. For the General Fund and Grant Fund, this comparison is presented as required supplemental information. For other governmental funds that have an adopted budget, comparison schedules are found in other supplemental information.

OTHER INFORMATION

Independent Audit

The City's financial statements have been audited by Schowalter & Jabouri, P.C. 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 June 30, 2013, 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, and evaluating the overall basic financial statement presentation. The independent auditors concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the year ended June 30, 2013, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

Awards and Acknowledgments. The Government Finance Officers Association (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 June 30, 2012. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. A special note of thanks to Keith Cole, Assistant Director of Finance, who served as the CAFR coordinator. We would like to express our appreciation to all members of the various departments who assisted and contributed to the preparation. Further appreciation is extended to the Mayor and the City Council for their encouragement, interest, and support in conducting the financial operations of the City in a sound and progressive manner. The professional assistance of the independent auditors is also worthy of mention.

Respectively submitted,



Lehman Walker
City Manager



Tina Charumilind
Director of Finance

CITY OF UNIVERSITY CITY, MISSOURI

List of Principal Officials

As of June 30, 2013

MAYOR

Shelley Welsch

COUNCIL MEMBERS - WARD ONE

Stephen Kraft
Terry Crow

COUNCIL MEMBERS - WARD TWO

Paulette Carr
L. Michael Glickert

COUNCIL MEMBERS - WARD THREE

Arthur Sharpe Jr.
Byron Price

CITY MANAGER

Lehman Walker

City Clerk
Joyce Pumm

Police Chief

Charles Adams

Fire Chief

Adam Long

**Director of Public Works and
Parks**

Rich Wilson

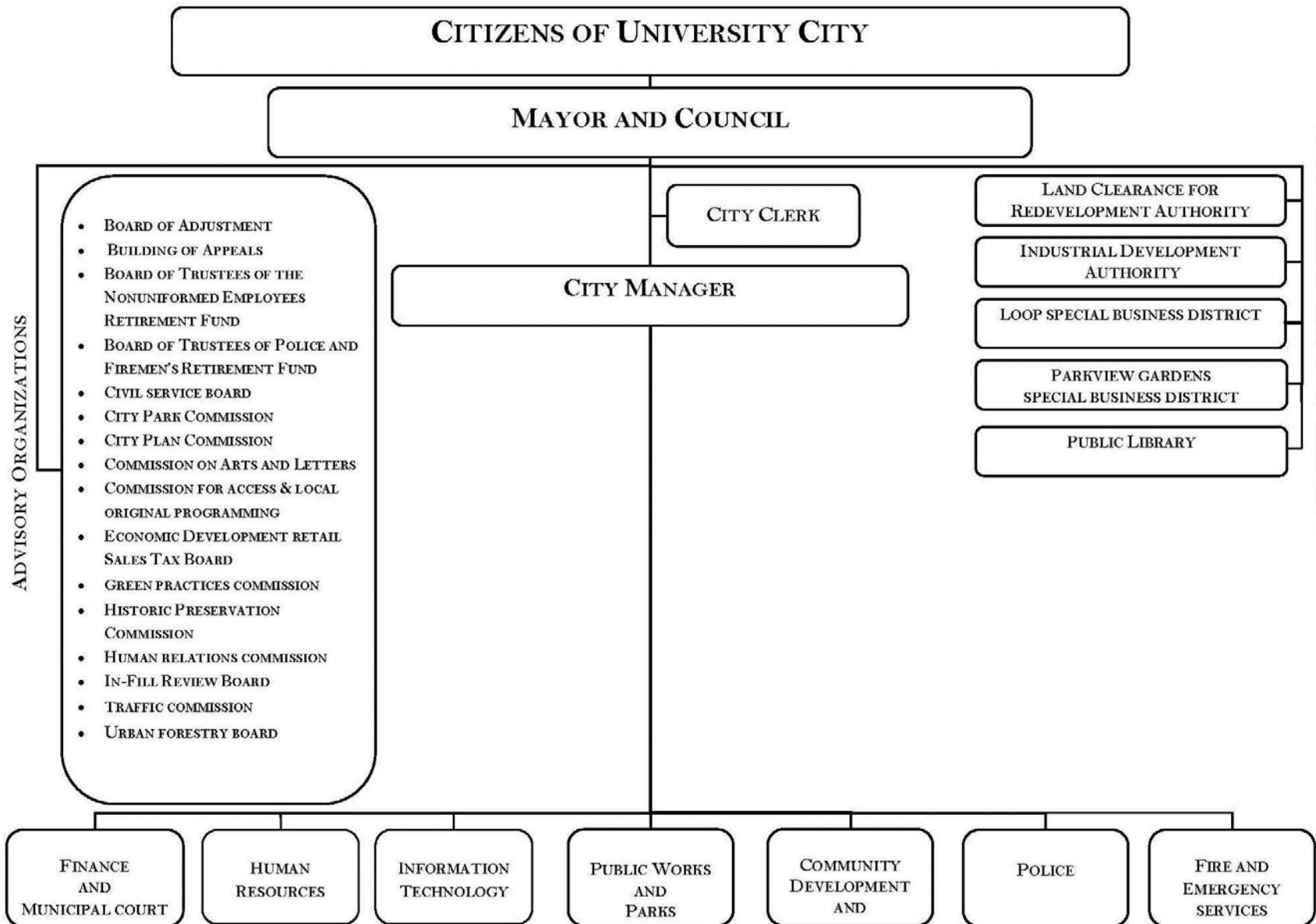
**Director of Community Development
And Recreation**

Andrea Riganti

Director of Finance
Tina Charumilind

Library Director
Patrick J. Wall

GOVERNMENT OF THE CITY OF UNIVERSITY CITY, MISSOURI





Government Finance Officers Association

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

Presented to
**City of University City
Missouri**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

A handwritten signature in black ink that reads "Jeffrey R. Eman". The signature is fluid and cursive, with "Jeffrey" on the top line and "R. Eman" on the bottom line.

Executive Director/CEO

SECTION II - FINANCIAL SECTION



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

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

FINANCIAL SERVICES
COMPUTER SOLUTIONS
ADMINISTRATIVE OFFICES

11777 GRAVOIS ROAD
ST. LOUIS, MISSOURI 63127
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INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members
of the City Council
City of University City, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of University City, Missouri (the "City") as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

MEMBERS

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS • MISSOURI SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2013, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 16 and budgetary comparison information on pages 56 through 62 and the pension related required supplemental information on pages 63 through 65 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated December 6, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Schowalter *Iabouri*
SCHOWALTER & IABOURI, P.C.

St. Louis, Missouri
December 6, 2013

Management's Discussion and Analysis

CITY OF UNIVERSITY CITY, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2013

This section of the City of University City, Missouri's (the City) financial report presents an overview and easily readable analysis of the City's financial activities based on currently known facts, decisions, and conditions. The purpose is to highlight significant financial issues, major financial activities and resulting changes in financial position, as well as economic factors affecting the City. Readers are encouraged to consider the information presented here in conjunction with the information furnished in the letter of transmittal in the introductory section and the City's financial statements and accompanying notes following the Management's Discussion and Analysis (MD&A).

FINANCIAL HIGHLIGHTS (excluding Discretely Presented Component Units)

- On a government-wide basis, the City's total assets exceeded its liabilities at the close of fiscal year 2013 by \$73.7 million. Of this amount, \$27.6 million is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.
- As of June 30, 2013, governmental activities and business-type activities had net positions of \$70.2 million and \$3.5 million, respectively.
- The City's total assets increased by \$2.0 million during fiscal year 2013. For governmental activities, revenues exceeded expenses by \$1.7 million. For the business-type activities, revenues exceeded expenses by \$0.2 million.
- General revenues for governmental activities were \$23.0 million which included \$9.2 million of sales and local use and \$6.7 million of gross receipts taxes. Property taxes accounted for \$6.2 million of general revenues. The remaining revenues of \$0.9 million were from license fees, miscellaneous taxes and investment income.
- Expenses from various functions of the City's governmental and business-type activities totaled \$34.0 million in fiscal year 2013, an increase of \$1.7 million from fiscal year 2012.
- The City's total long-term debt obligations decreased by \$1.0 million as compared to fiscal year 2012.
- As of June 30, 2013, the City's governmental funds reported combined ending fund balances of \$27.0 million, a decrease of \$0.6 million from \$27.6 million reported in fiscal year 2012. Of this amount, \$16.6 million is unassigned fund balance and available for spending at the City's discretion.
- The unassigned fund balance for the General Fund was \$17.3 million or 63.9% of total General Fund expenditures.
- Sales tax revenue increased by \$0.1 million. Gross receipt taxes increased by \$0.2 million, but Property taxes were slightly decreased.
- The City rebuilt fund reserves in preparation for significant capital activities to repair and maintain infrastructure throughout the City.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains required supplementary information and other supplementary information.

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

Government-wide Financial Statements. The Government-wide Financial Statements are designed to provide readers with a broad overview of the City's financial position in a manner similar to that of a private-sector business. These statements are reported on the full accrual basis of accounting. Under the full accrual basis, certain revenues and expenses are reported that will not affect cash flows until future periods. The two government-wide statements, **Statement of Net Position and Statement of Activities**, report the City's net position and how they have changed. In the government-wide statements, a distinction is made between governmental-type activities and business-type activities. Governmental-type activities are those normally associated with the operation of a government such as public safety, parks, and streets. Business-type activities are those activities of the government that are designed to be self-supporting such as the City's parking garage and solid waste services.

The **Statement of Net Position** presents information on all of the City's assets and deferred inflows of resources and liabilities and deferred outflows of resources; the difference between these is reported as net position. Evaluating increases and decreases in net position over time may serve as a useful indicator of whether or not the financial position of the City is improving or declining. The Statement of Net Position also provides information on unrestricted and restricted net position and net investment in capital assets.

The **Statement of Activities** presents information on the net cost of each governmental and business-type function during the fiscal year. The statement also identifies the amount of general revenues needed to fully fund each governmental function.

The Statement of Activities presents the various functions of the City and the degree to which they are supported by charges for services, federal and state grants and contributions, tax revenues, and investment income.

The governmental activities of the City include general government, public safety (fire and police), highway and streets, culture and recreation, as well as interest and fiscal charges. The business-type activities of the City include a parking facility and solid waste.

The government-wide financial statements include not only the City itself (known as the primary government), but also legally separate redevelopment agencies. Financial information for these component units is reported separately from the financial information presented for the primary government.

Fund Financial Statements. The fund financial statements focus on major governmental funds and proprietary funds separately. These statements provide information about groupings of related accounts which are used to maintain control over resources for specific activities or objectives. The City uses fund accounting to demonstrate compliance with finance-related legal requirements. The fund financial statements provide more detailed information about the City's most significant funds - not the City as a whole. The City of University City has three types of funds: governmental funds, proprietary funds, and fiduciary funds.

1. **Governmental Funds** -- Governmental funds tell how general government services are financed in the short-term as well as what financial resources remain available for future spending to finance City programs.

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

The City maintains several individual governmental funds according to their type (General, Special Revenue, Debt Service, and Capital Projects Funds). Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund and Grants Fund, which are considered to be major funds. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements in the section of Other Supplementary Information.

2. **Proprietary Funds** -- Proprietary funds offer short-term and long-term financial information about services for which the City charges customers, both external customers and internal departments of the City. The City maintains the following types of proprietary funds:

- *Enterprise Funds* are used to report information similar to business-type activities in the government-wide financial statements. The City uses the Enterprise Funds to account for the operations of the parking garage and solid waste. As mentioned in the financial highlight regarding refunding bonds, a portion of bond repayment was also funded by revenue generated from parking garage. Fiscal Year 2013 was the third year that the Solid Waste Fund has been classified as an enterprise fund.
- *Internal Service Funds* are used to report activities that provide supplies and services for certain City programs and activities. The City uses Internal Service Funds to account for its central garage activities.

3. **Fiduciary Funds** -- Fiduciary funds are used to account for resources held for the benefit of individuals or units outside of the City. The City is the trustee or fiduciary responsible for assets which can be used only for the trust beneficiaries per trust arrangements. 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. The City's Pension Trust Funds are reported under the fiduciary funds. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements.

Notes to Financial Statements. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements.

Required Supplementary Information (RSI). In addition to basic financial statements and notes to financial statements, this report presents required supplementary information concerning the City's budgetary comparisons for the General and Grant Funds. The funding progress for Non-Uniformed and Police & Fire Pension Trust Funds and Other Post Employment Benefits, and the Schedule of Contributions from the Employer are also presented in this section.

Other Supplementary Information. The combining and individual fund statements provide fund level detail for all non-major governmental funds and budgetary information.

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

GOVERNMENT-WIDE FINANCIAL ANALYSIS OF THE CITY

The City presents its financial statements pursuant to 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 will be included in this report.

Analysis of Net Position

The City's combined net position is approximately \$73.7 million. Reviewing the net position of governmental and business-type activities separately provides additional information.

The condensed Statement of Net Position was as follows (dollars in thousands):

Condensed Statement of Net Position						
	June 30					
	Governmental		Business-type		Total	
	2013	2012	2013	2012	2013	2012
ASSETS						
Current and other assets	\$ 35,089	\$ 36,617	\$ 2,335	\$ 1,585	\$ 37,424	\$ 38,202
Capital assets, net	44,856	43,065	2,755	2,771	47,611	45,836
Total assets	<u>79,945</u>	<u>79,682</u>	<u>5,090</u>	<u>4,356</u>	<u>85,035</u>	<u>84,038</u>
LIABILITIES						
Long-term debt outstanding	7,423	8,271	386	444	7,809	8,715
Other liabilities	2,274	2,898	1,218	634	3,492	3,532
Total liabilities	<u>9,697</u>	<u>11,169</u>	<u>1,604</u>	<u>1,078</u>	<u>11,301</u>	<u>12,247</u>
NET POSITION						
Net investment in capital assets	38,489	35,729	2,401	2,355	40,890	38,084
Restricted	5,167	5,196	50	50	5,217	5,246
Unrestricted	26,591	27,588	1,035	873	27,626	28,461
Total net position	<u>\$ 70,247</u>	<u>\$ 68,513</u>	<u>\$ 3,486</u>	<u>\$ 3,278</u>	<u>\$ 73,733</u>	<u>\$ 71,791</u>

As noted earlier, net position may, over time, serve as a useful indicator of a government's financial position. For the City, assets exceeded liabilities by \$73.7 million at the close of the fiscal year 2013.

The largest portion of the City's net position, \$40.9 million (55.4%), reflects its net investment in capital assets (e.g., land, buildings, and equipment), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities. The increase of \$2.8 million in net investment in capital assets for 2013 is due to growth in capital assets from grant funding, reduction in debt for normal annual debt payments.

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

Included in the City's total net position is \$5.2 million which represents resources that are subject to external restrictions on how they may be used. External restrictions include those imposed by grantors, contributors, regulations of other governments, or restrictions imposed by law through constitutional provisions or legislation. The remaining balance of total net position, \$27.6 million, is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

Changes in Net Position

The City's total revenue on a government-wide basis was \$36.0 million, a decrease of \$2.2 million or 6.1% as compared to fiscal year 2012. This decrease was mainly due to less amount of grant revenue, \$4.6 million this year as compared to \$7.4 million in 2012. As mentioned in the financial highlights, an increase of \$0.1 million or 1.1% in sales tax was received as compared to 2012. Gross receipts tax also increased by 0.2 million or 3.1%. Taxes and Gross receipts represent 61.9% of the City's revenues. Another 24.8% comes from fees charged for services; the remainder is state and federal aid, interest earnings and miscellaneous revenues.

The total cost of all programs and services was \$34.1 million. This represents an increase of \$1.7 million from the prior year, primarily due to an adjustment of an unexpected decline in the market value of the assets held for resale. The City's expenses cover a range of typical city services. The program with the largest burden on general revenues was public safety in the amount of \$12.2 million. General government had the second largest expense of \$9.1 million, followed by Public Works and Parks and Culture and Recreation in the amount of \$6.1 million and \$3.9 million, respectively.

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

The City's Statement of Changes in Net Position is as follows (dollars in thousands):

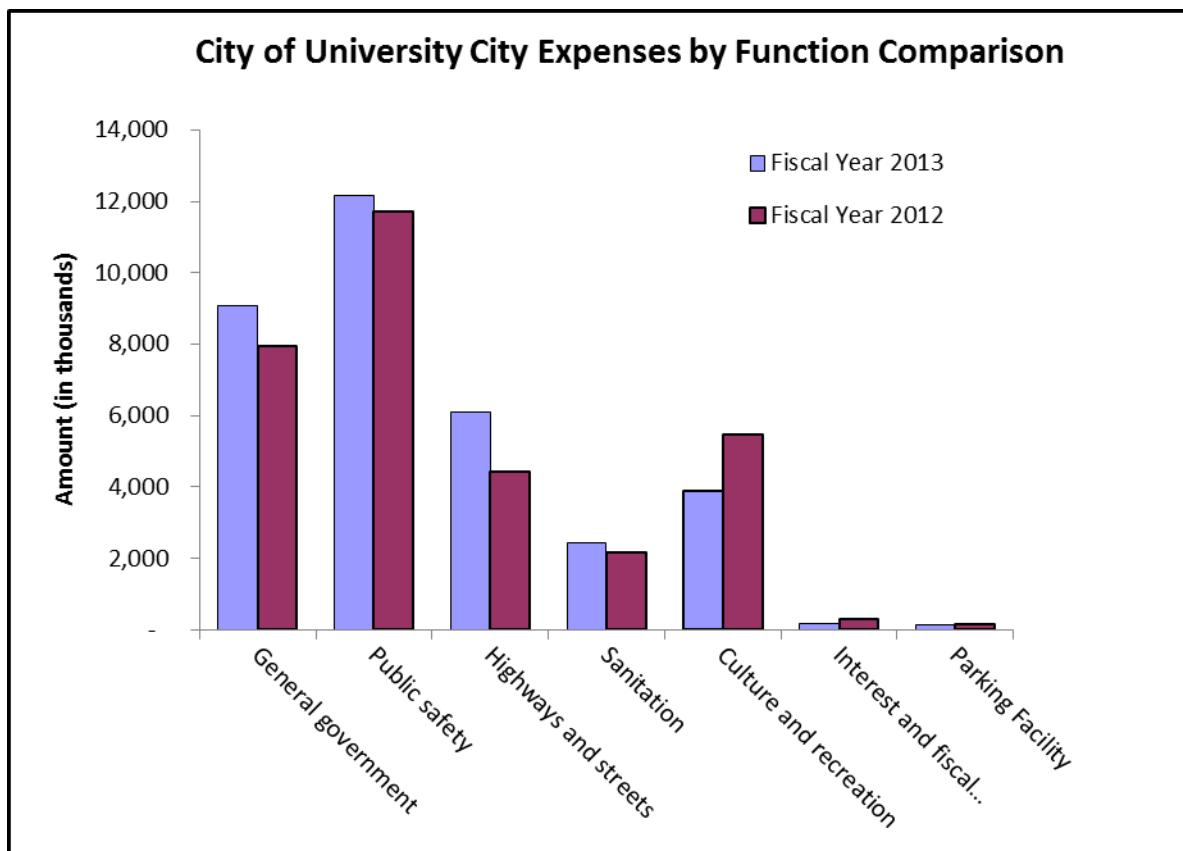
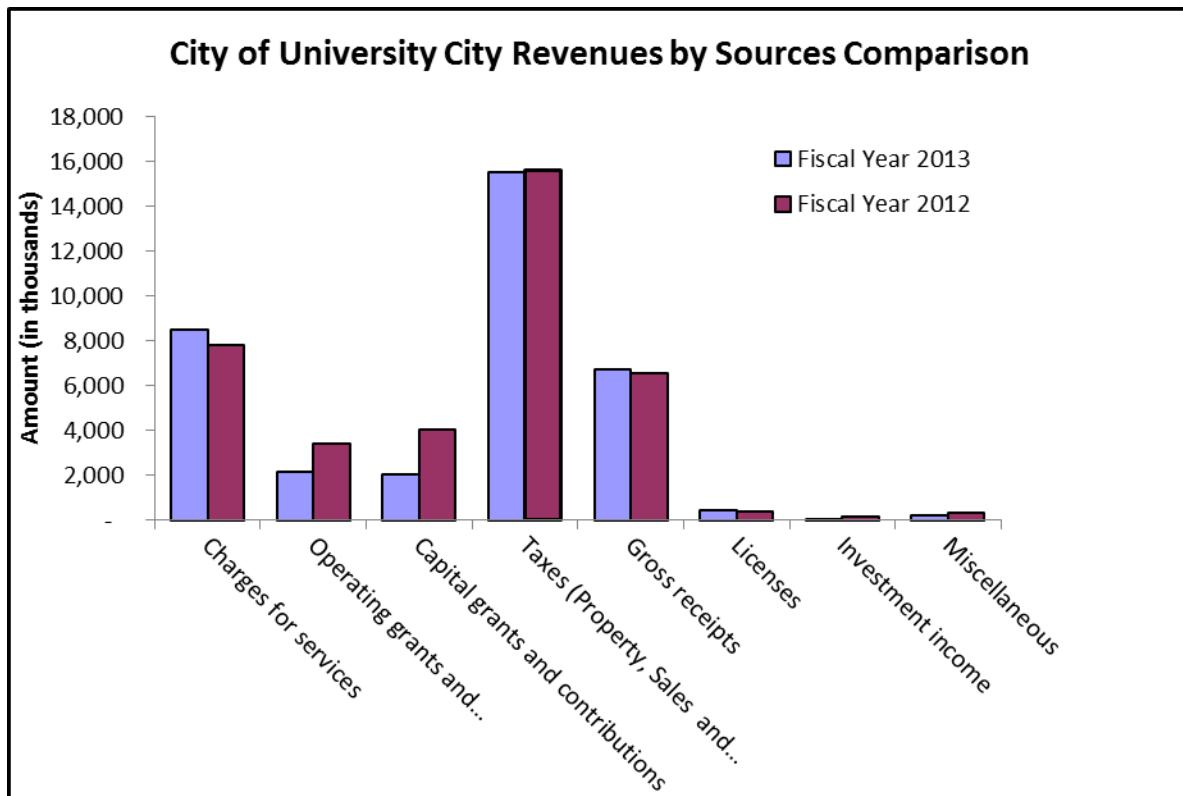
Condensed Statement of Changes in Net Position						
For the Year Ended June 30						
	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues						
Program revenues:						
Charges for services	\$ 5,617	\$ 5,333	\$ 2,792	\$ 2,459	\$ 8,409	\$ 7,792
Operating grants and contributions	2,565	3,429	-	-	2,565	3,429
Capital grants and contributions	2,065	4,009	-	-	2,065	4,009
General revenues:						
Taxes	22,345	22,150	-	-	22,345	22,150
Local use tax	442	381	-	-	442	381
Investment Income	50	133	-	-	50	133
Miscellaneous	124	329	-	-	124	329
Total revenues	<u>33,208</u>	<u>35,764</u>	<u>2,792</u>	<u>2,459</u>	<u>36,000</u>	<u>38,223</u>
Expenses						
General government	9,108	7,946	-	-	9,108	7,946
Public safety	12,202	11,753	-	-	12,202	11,753
Public works and parks	6,093	4,468	-	-	6,093	4,468
Culture and recreation	3,893	5,462	-	-	3,893	5,462
Interest and fiscal charges	178	319	-	-	178	319
Sanitation	-	-	2,430	2,172	2,430	2,172
Parking facility	-	-	154	198	154	198
Total expenses	<u>31,474</u>	<u>29,948</u>	<u>2,584</u>	<u>2,370</u>	<u>34,058</u>	<u>32,318</u>
Excess before transfers	1,734	5,816	208	89	1,942	5,905
Transfers	-	(56)	-	56	-	-
Change in net position	<u>1,734</u>	<u>5,760</u>	<u>208</u>	<u>145</u>	<u>1,942</u>	<u>5,905</u>
Beginning net position	<u>68,513</u>	<u>62,753</u>	<u>3,278</u>	<u>3,133</u>	<u>71,791</u>	<u>65,886</u>
Ending net position	<u>\$ 70,247</u>	<u>\$ 68,513</u>	<u>\$ 3,486</u>	<u>\$ 3,278</u>	<u>\$ 73,733</u>	<u>\$ 71,791</u>

The City had an increase in net position of \$1.9 million. This increase primarily contributed to a combination of a significant increase of charges for services in both general government and business-type activities and a diminishing increase of expenditures as a proportion of revenues.

Charts on the following page illustrate the comparison of 2013 and 2012 revenues by source and expenses by function.

CITY OF UNIVERSITY CITY, MISSOURI

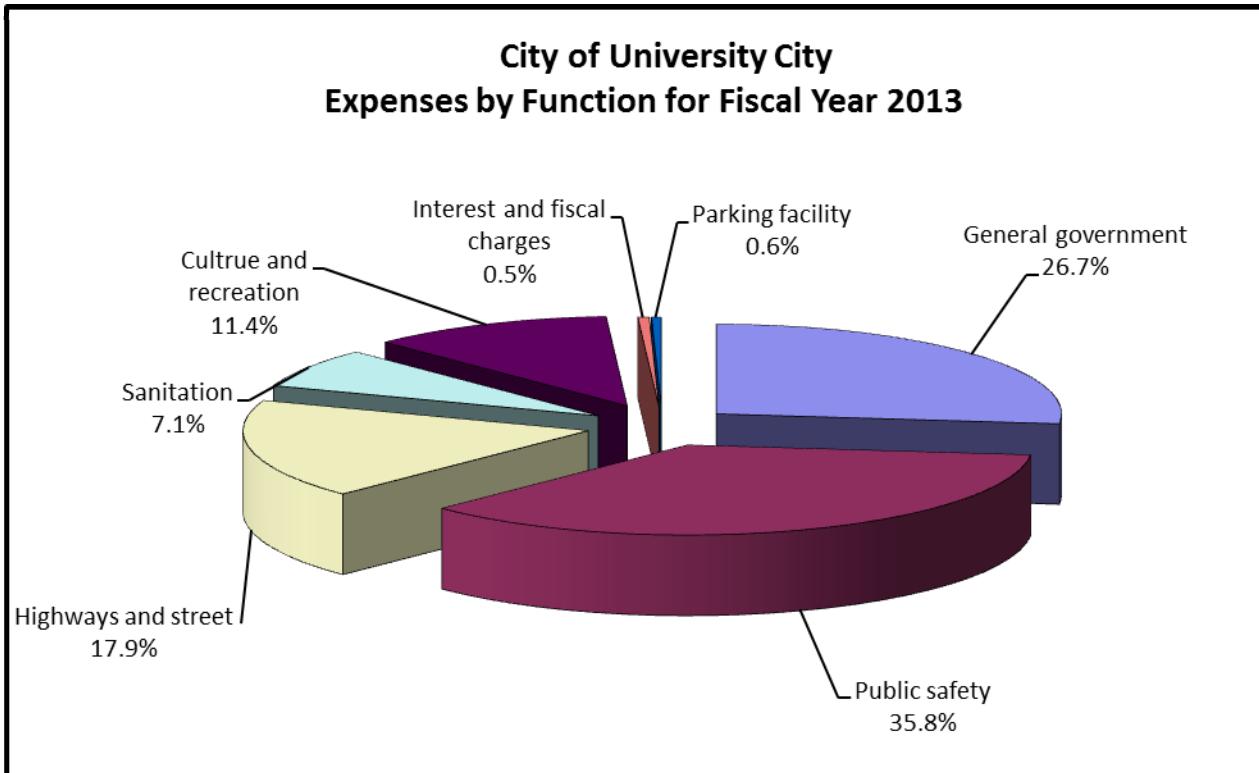
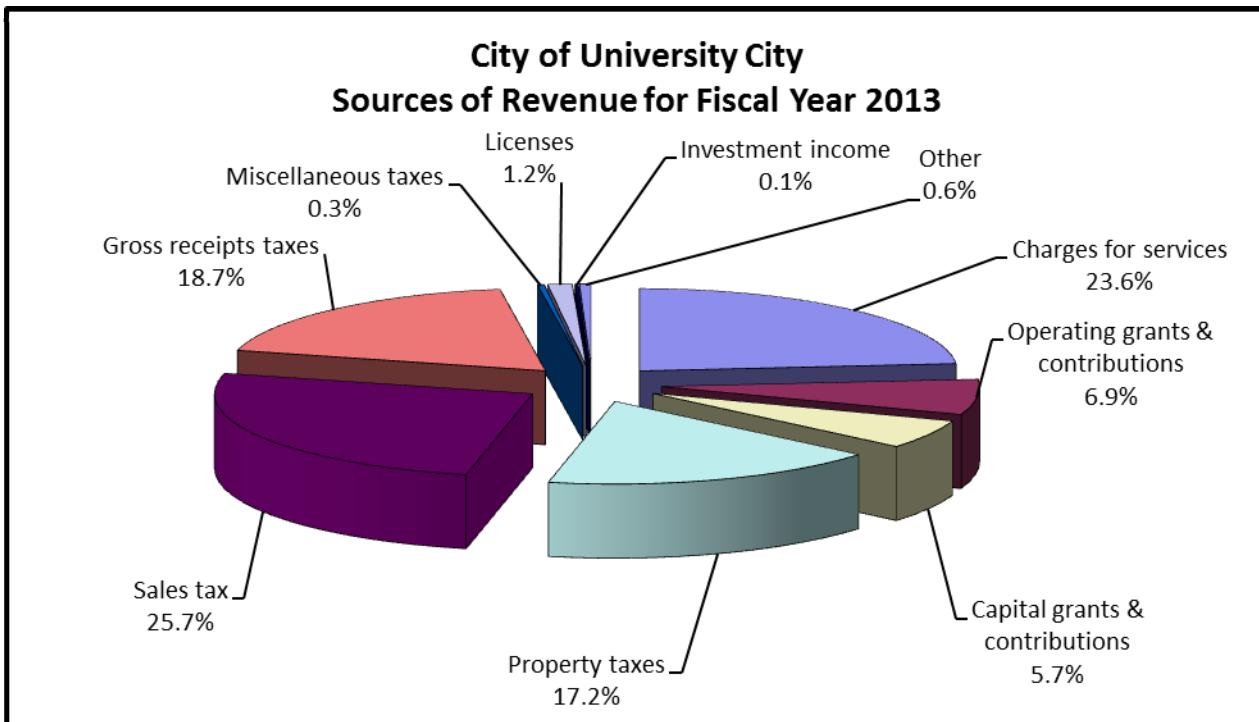
Management's Discussion and Analysis (continued)



CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

The charts below illustrate the City's sources of revenue and expenses by percentages of total.



CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

Property, sales, and gross receipts taxes totaling 61.6% are the primary revenue sources used to support City-wide program activities. As shown, public safety is the largest function in expense (38.8%) of the total expenses of governmental activities. Additionally, this expense increased by \$0.4 million (3.8%) from previous year. In FY 2013, the City received a less amount of grants for both operating and capital. A combined total was \$4.6 million or 12.6% of total revenue.

Governmental Activities -- Governmental activities increased the City's net position by \$1.7 million. This increase in net assets is attributed to fairly stable revenues and a reduction in expenses. Reduction of expenses was a result of delaying purchases of capital equipment, elimination of positions and merging Parks and Recreation Department with Public Works and Community Development Departments. In FY 2013, the City gave a 2% cost of living increase to all employees.

Business-type Activities -- Business-type activities increased the City's net position only by \$0.2 million, accounting for 10.7% of the total growth in the City's net position. The refuse net charges have increased by \$0.3 million (13.9%) from FY 2012. This increase was a result of the City staff put tremendous efforts into the delinquent bills collection. The actions include applying penalties and interest, sending delinquent notices, suspending refuse service, disallowing building and occupancy permits and offering payment agreements to low income residents.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The governmental fund statements report on a near-term revenues/financial resources and expenditures basis. This information helps determine the City's financial requirements in the near future. In particular, unassigned fund balance is a good indicator of the City's resources available for spending at the end of the year. Restrictions on fund balance do not significantly affect the availability of fund resources for future use.

General Fund

At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$17.3 million, while the total fund balance was \$22.8 million.

The unassigned fund balance in the City's General Fund decreased by \$0.5 million or 2.7% from the prior year's unassigned fund balance. This decrease was partially a result of adjusting an unexpected decline in the market value of assets held for resale.

Grant Fund

Grant Fund was a major fund during FY 2013. This fund had a negative fund balance of \$0.7 million. This negative fund balance represents the portion of amount spent on the new Fire House and Wilson Avenue Flood buyout but was not reimbursed by the grantor due to the stage of incompletion of the project. The City anticipates completing this project by the middle of FY 2014.

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

Proprietary Funds. The City's proprietary funds statements provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Parking Facility and Solid Waste Funds at the end of the year amounted to \$202,731 and \$832,406 respectively with the increase in total net positions of \$75,168 and \$132,584 from last year. The Internal Service Fund, which is used to account for certain City activities, had \$2.2 million in unrestricted net position.

Fiduciary Funds. The City maintains Fiduciary Funds for the assets of the City Non-Uniformed and Police & Fire Employee Retirement Plans. As of the end of fiscal year 2013, the net position of the Pension Funds totaled \$39.4 million, representing an increase of \$1.7 million in total net position over last fiscal year. The change was primarily related to a gradual recovery of the market value of the Pension Funds' investments.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City of University City's investment in capital assets for the end of 2013 was \$47.6 million, net of accumulated depreciation, in a broad range of capital assets including buildings, park facilities, equipment, roads, bridges, and sidewalks. This amount represents a net increase for the current fiscal year (including additions and deductions) of \$1.8 million or 3.9% over the previous year. The portion of the increase was due to additional infrastructure, streets and sidewalks. The following table shows the balances by category for governmental activities, business activities, and the City as a whole (dollars in thousands):

	Capital Assets, Net of Depreciation					
	June 30					
	Governmental		Business-type		Total	
	Activities	2013	Activities	2013	2013	2012
Land	\$ 3,745	\$ 3,745	\$ -	\$ -	\$ 3,745	\$ 3,745
Buildings	11,935	12,565	1,957	2,006	13,892	14,571
Improvements other than buildings	2,360	2,161	3	4	2,363	2,165
Equipment and vehicles	3,953	4,283	612	761	4,565	5,044
Infrastructure	14,269	13,140	-	-	14,269	13,140
Construction in progress	8,594	7,171	183	-	8,777	7,171
Total Capital assets net of depreciation	<u>\$ 44,856</u>	<u>\$ 43,065</u>	<u>\$ 2,755</u>	<u>\$ 2,771</u>	<u>\$ 47,611</u>	<u>\$ 45,836</u>

For government-wide financial presentation, all depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year. Fund financial statements record capital asset purchases as expenditures.

Additional information on the City's government capital assets can be found in Note 3, page 40.

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

Long-term Debt Obligations

At the end of the fiscal year 2013, the City had outstanding long-term debt obligations in the amount of \$7.6 million compared to \$8.6 million in fiscal year 2012. Of this amount, \$5.9 million are certificates of participation, \$0.5 million are general obligation bonds, \$0.4 million are special obligation bonds and \$0.8 million are compensated absences.

The City's governmental and business-type activities debt is detailed below (dollars in thousands):

	Outstanding Long-Term Debt Obligations		
	June 30		
	2013	2012	Percent of Increase (Decrease)
Governmental activities:			
General obligation bonds payable	\$ 455	\$ 670	(32.1) %
Special obligation bonds	395	435	(9.2)
Certificates of participation	5,806	6,561	(11.5)
Unamortized premium, discount and deferred amount on refunding	(289)	(330)	(12.4)
Total bonds and notes payable	<u>6,367</u>	<u>7,336</u>	<u>(13.2)</u>
Compensated absences	881	825	6.8
Total governmental activities	<u>7,248</u>	<u>8,161</u>	<u>(11.2)</u>
Business-type activities:			
Certificates of participation	389	459	(15.3)
Compensated absences	32	28	14.3
Unamortized discount and deferred amount on refunding	(35)	(44)	(20.5)
Total business-type activities	<u>386</u>	<u>443</u>	<u>(12.9)</u>
	<u><u>\$ 7,634</u></u>	<u><u>\$ 8,604</u></u>	<u><u>(11.3) %</u></u>

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The City's authorized debt limit for fiscal year 2013 was \$59.7 million.

Additional information on the City's long-term debt can be found in Note 4, page 42-44.

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

GENERAL FUND BUDGETARY HIGHLIGHTS

The final budget for the City's General Fund expenditures represents an increase of \$1.7 million from an original budget. This increase was due to the City Council approved a one time transfer from fund reserve to fund some capital improvement projects including street, curbs and sidewalks construction and repair.

Revenues were originally budgeted at \$26.2 million. This number was revised during the 2013 budget process to \$26.3 million. These changes were due to an increase in sales tax as a result of the early stage of economic recovery.

A comparison of the actual performance of the General Fund on a budgetary basis to the final budget indicates that total revenues came in \$0.4 million better than anticipated at year end. The General Fund ended the year with an operating budget deficit of \$0.4 million due primarily to an adjustment of unexpected decline in the value of the assets held for resale by \$1.7 million and the cost containment efforts made by the City.

BOND RATINGS

The City maintains an AA rating from Standard and Poor's Corporation for its voter approved general obligation credit and AA- for its revenue bonds.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City has endured nearly three years of budget tightening and cost containment but has emerged with a budget that meets the needs of our community and sets our spending and staffing to affordable and sustainable levels while maintaining a level of service quality that is acceptable to our citizens.

Strong fiscal stewardship and economic development through the years, and engaged workforce stressing efficiency, quality and customer service along with targeting resources to core municipal services will continue to help the City get through these difficult times.

FY 2013 revenue ended the year slightly above adopted budget with the amendment during the fiscal year. Overall, the General Fund showed a potential growth in sales tax revenue over FY 2012. Adding to sales tax revised budget was approximately \$470,000. However, property taxes revenue was less than what originally budget by approximately \$120,000. Additionally, the City received expectedly to be one time collection of unpaid business license fees. This increase was a result overall internal audit performed by Finance and Community Development staff. Another significant increase was general and building inspection. All other revenues performed as originally adopted due to their stable nature.

The City continues to focus on providing the highest level of services, and capital investments. FY 2014 Budget delivers the outcomes identified by the City Council based on the city-wide priorities include Safe and Caring Community, Improved Mobility, Quality Neighborhood, Responsive Government, Sustainable Environment and Economic Growth. The budget provides adequate funding for Public Safety, Public Works and Parks while maintaining the efficiencies and cost savings in all departments.

CITY OF UNIVERSITY CITY, MISSOURI

Management's Discussion and Analysis (continued)

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:

City of University City
Department of Finance
6801 Delmar Boulevard
University City, Missouri 63130

Basic Financial Statements

CITY OF UNIVERSITY CITY, MISSOURI

STATEMENT OF NET POSITION
JUNE 30, 2013

	Primary Government			Component Units	
	Governmental Activities		Business-Type Activities	IDA	LCRA
ASSETS					
Cash and investments	\$ 21,652,674	\$ 3,032,120	\$ 24,684,794	\$ 2,369	\$ 20,181
Receivables (net of allowance for uncollectibles):					
Taxes	2,805,640	-	2,805,640	-	-
Grants	1,868,576	-	1,868,576	-	-
Court	133,499	-	133,499	-	-
Other	1,278,976	89,097	1,368,073	-	-
Internal balances	842,215	(842,215)	-	-	-
Due from fiduciary fund	2,016,982	-	2,016,982	-	-
Inventory	57,770	-	57,770	-	-
Prepaid items	688,765	-	688,765	-	-
Other assets	27,555	-	27,555	-	-
Bond issue costs	114,713	5,524	120,237	-	-
Cash and investments - restricted	646,877	50,053	696,930	-	-
Net pension asset	1,551,515	-	1,551,515	-	-
Assets held for resale	1,403,094	-	1,403,094	-	-
Capital assets:					
Land and construction in progress	12,338,343	183,396	12,521,739	-	-
Other capital assets, net of accumulated depreciation	32,517,357	2,571,679	35,089,036	-	-
Total Assets	79,944,551	5,089,654	85,034,205	2,369	20,181
LIABILITIES					
Accounts payable	932,862	124,861	1,057,723	-	23,233
Accrued expenses	956,175	58,180	1,014,355	-	-
Accrued interest payable	40,664	1,778	42,442	-	-
Unearned revenue	27,883	1,032,915	1,060,798	-	-
Deposits	316,358	-	316,358	-	-
Noncurrent liabilities:					
Due within one year	1,857,364	93,355	1,950,719	-	-
Due in more than one year	5,390,789	292,574	5,683,363	-	-
Due in more than one year- net OPEB obligation	175,295	-	175,295	-	-
Total Liabilities	9,697,390	1,603,663	11,301,053	-	23,233
NET POSITION					
Net investment in capital assets	38,488,518	2,400,801	40,889,319	-	-
Restricted for:					
Library	1,071,180	-	1,071,180	-	-
Special business districts	221,041	-	221,041	-	-
Sewer lateral	1,178,687	-	1,178,687	-	-
Economic development	1,726,156	-	1,726,156	-	-
Police and fire pension	81,063	-	81,063	-	-
Debt services	888,932	50,053	938,985	-	-
Unrestricted	26,591,584	1,035,137	27,626,721	2,369	(3,052)
Total Net Position	\$ 70,247,161	\$ 3,485,991	\$ 73,733,152	\$ 2,369	\$ (3,052)

CITY OF UNIVERSITY CITY, MISSOURI

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

FUNCTIONS/PROGRAMS	Program Revenues				Net Revenues (Expenses) And Changes In Net Position				
					Primary Government			Component Units	
	Expenses	Charges for Services	Operating Grants and Contribution	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	IDA	LCRA
Primary Government:									
Governmental Activities									
General government	\$ 9,107,968	\$ 1,179,520	\$ 59,539	\$ -	\$ (7,868,909)	\$ -	\$ (7,868,909)	\$ -	\$ -
Public safety	12,201,709	1,745,231	322,271	1,724,184	(8,410,023)	-	(8,410,023)	-	-
Public works and parks	6,092,742	1,004,472	2,064,491	257,668	(2,766,111)	-	(2,766,111)	-	-
Culture and recreation	3,892,536	1,687,734	118,925	82,696	(2,003,181)	-	(2,003,181)	-	-
Interest and fiscal charges	178,323	-	-	-	(178,323)	-	(178,323)	-	-
Total Governmental Activities	31,473,278	5,616,957	2,565,226	2,064,548	(21,226,547)	-	(21,226,547)	-	-
Business-type Activities									
Parking facility	154,193	229,247	-	-	-	75,054	75,054	-	-
Sanitation	2,429,752	2,562,336	-	-	-	132,584	132,584	-	-
Total Business-type Activities	2,583,945	2,791,583	-	-	-	207,638	207,638	-	-
Total Primary Government	\$ 34,057,223	\$ 8,408,540	\$ 2,565,226	\$ 2,064,548	(21,226,547)	207,638	(21,018,909)	-	-
Component Units									
IDA	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-
LCRA	21,846	-	-	-	-	-	-	-	(21,846)
Total Component Units	\$ 21,846	\$ -	\$ -	\$ -	-	-	-	-	(21,846)
General Revenues									
Taxes:									
Property taxes levied for:									
General purposes					3,406,453	-	3,406,453	-	-
Debt service					203,788	-	203,788	-	-
Police and fire pension					944,857	-	944,857	-	-
Library					1,506,930	-	1,506,930	-	-
Special business districts					128,936	-	128,936	-	-
Sales and use taxes levied for:									
General purposes					4,621,182	-	4,621,182	-	-
Parks and stormwater					1,186,356	-	1,186,356	-	-
Capital improvement					2,243,300	-	2,243,300	-	-
Economic development					593,217	-	593,217	-	-
Fire services					593,179	-	593,179	-	-
Gross receipts taxes					6,736,547	-	6,736,547	-	-
Miscellaneous taxes					179,786	-	179,786	-	-
Local use tax					442,489	-	442,489	-	-
Investment income					49,900	114	50,014	-	-
Other					124,142	-	124,142	-	-
Total General Revenues					22,961,062	114	22,961,176	-	-
CHANGE IN NET POSITION					1,734,515	207,752	1,942,267		(21,846)
NET POSITION, JULY 1					68,512,646	3,278,239	71,790,885	2,369	18,794
NET POSITION, JUNE 30					\$ 70,247,161	\$ 3,485,991	\$ 73,733,152	\$ 2,369	\$ (3,052)

CITY OF UNIVERSITY CITY, MISSOURI

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2013

	General	Grants	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 16,332,401	\$ -	\$ 5,214,873	\$ 21,547,274
Receivables				
Taxes	2,507,363	-	298,277	2,805,640
Grants	14,167	1,854,409	-	1,868,576
Court	133,499	-	-	133,499
Other	1,231,112	3,900	29,347	1,264,359
Due from other funds	4,343,078	21,999	56,176	4,421,253
Cash and investments - restricted	646,877	-	-	646,877
Prepaid items	617,075	-	71,690	688,765
Other	27,555	-	-	27,555
Assets held for resale	1,403,094	-	-	1,403,094
Total Assets	\$ 27,256,221	\$ 1,880,308	\$ 5,670,363	\$ 34,806,892
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 533,341	\$ 303,221	\$ 67,193	\$ 903,755
Accrued liabilities	727,600	-	1,048	728,648
Due to other funds	1,569,529	1,800,295	462,457	3,832,281
Deposits	314,639	-	1,719	316,358
Deferred revenue	1,336,693	484,395	197,114	2,018,202
Total Liabilities	4,481,802	2,587,911	729,531	7,799,244
Fund Balances				
Nonspendable	2,047,724	-	71,690	2,119,414
Restricted for:				
Library	-	-	1,071,180	1,071,180
Special business districts	-	-	221,041	221,041
Sewer lateral	-	-	1,178,687	1,178,687
Economic development	-	-	1,726,156	1,726,156
Debt services	646,877	-	226,828	873,705
Committed	1,053,460	-	-	1,053,460
Assigned for:				
CALOP	-	-	445,250	445,250
Encumbrances	1,691,254	-	-	1,691,254
Unassigned	17,335,104	(707,603)	-	16,627,501
Total Fund Balances	22,774,419	(707,603)	4,940,832	27,007,648
Total Liabilities and Fund Balances	\$ 27,256,221	\$ 1,880,308	\$ 5,670,363	\$ 34,806,892

CITY OF UNIVERSITY CITY, MISSOURI

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2013**

Total Fund Balances - Governmental Funds	\$ 27,007,648
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>	
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 \$68,509,972 and the accumulated depreciation is \$24,771,137.	43,738,835
Property taxes assessed by the City, but not collected as of year end, are deferred within the fund financial statements. However, revenue for this amount is recognized in the government-wide statements.	477,797
Net pension assets are not financial resources and, therefore, are not reported in the governmental funds.	1,551,515
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.	1,512,522
The Internal Service Fund is used by the City to charge for services provided by the Central Garage Department to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the statement of net position.	3,293,144
<p>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:</p>	
Accrued interest payable	(40,664)
Accrued compensated absences	(865,872)
Net OPEB obligation	(175,295)
Bonds, notes payable, and capital lease outstanding	(6,367,182)
Bond issuance cost	<u>114,713</u>
Total Net Position of Governmental Activities	<u><u>\$ 70,247,161</u></u>

CITY OF UNIVERSITY CITY, MISSOURI

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	General	Grants	Other Governmental Funds	Total Governmental Funds
REVENUES				
General taxes	\$ 19,234,087	\$ -	\$ 3,360,754	\$ 22,594,841
Charges for services	2,574,646	-	564,954	3,139,600
Intergovernmental	1,992,462	2,224,870	99,174	4,316,506
Licenses, permits, fines, and fees	2,713,012	-	104,746	2,817,758
Investment income	38,477	-	9,122	47,599
Special assessment	92,829	-	-	92,829
Other	87,691	-	115,989	203,680
Total Revenues	26,733,204	2,224,870	4,254,739	33,212,813
EXPENDITURES				
Current:				
General government	6,283,089	278,018	1,860,276	8,421,383
Public safety	11,757,684	-	-	11,757,684
Public works and parks	4,414,627	-	-	4,414,627
Culture and recreation	1,624,233	-	1,732,669	3,356,902
Capital outlay	2,159,454	2,237,598	370,217	4,767,269
Debt Service:				
Principal	794,700	-	215,000	1,009,700
Interest and fiscal charges	94,660	-	22,725	117,385
Total Expenditures	27,128,447	2,515,616	4,200,887	33,844,950
REVENUES (UNDER) OVER EXPENDITURES				
	(395,243)	(290,746)	53,852	(632,137)
OTHER FINANCING SOURCES (USES)				
Transfers in	4,000	-	-	4,000
Transfers out	-	-	(4,000)	(4,000)
Total Other Financing Sources (Uses)	4,000	-	(4,000)	-
NET CHANGE IN FUND BALANCES				
	(391,243)	(290,746)	49,852	(632,137)
FUND BALANCES, JULY 1				
	23,165,662	(416,857)	4,890,980	27,639,785
FUND BALANCES, JUNE 30	\$ 22,774,419	\$ (707,603)	\$ 4,940,832	\$ 27,007,648

CITY OF UNIVERSITY CITY, MISSOURI

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Net Change In Fund Balances - Governmental Funds	\$ (632,137)
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets are allocated over estimated useful lives and reported as depreciation expense.

Capital asset purchases	1,022,412
Additions to construction in progress	3,575,311
Depreciation expense	<u>(2,853,202)</u>

1,744,521

Revenues in the statement of activities that do not provide current financial resources are reported as deferred revenue in the governmental funds. The net effect of these differences is as follows:

Property taxes	13,464
Ambulance and other	<u>(18,484)</u>

(5,020)

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

Repayment bonds payable and other debt	1,009,700
Amortization of bond issuance cost, (premiums) and discounts on debt issues	<u>(59,861)</u>

949,839

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 bonds	(1,077)
Accrued compensated absence liability	(57,976)
Net pension asset	(157,442)
Net other post employment benefit obligation	<u>(64,794)</u>

(281,289)

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

(41,399)

Change In Net Position of Governmental Activities	\$ <u>1,734,515</u>
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CITY OF UNIVERSITY CITY, MISSOURI

STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2013

Business-Type Activities - Enterprise Funds						
Major Enterprise Funds						
	Parking Garage	Solid Waste	Total Enterprise Funds	Governmental Activities - Internal Service Fund		
ASSETS						
Current Assets						
Cash and investments	\$ 261,460	\$ 2,770,660	\$ 3,032,120	\$ 105,400		
Receivables:						
Other	8,740	80,357	89,097	14,617		
Due from other funds	-	105,232	105,232	2,292,224		
Inventory	-	-	-	57,770		
Total Current Assets	270,200	2,956,249	3,226,449	2,470,011		
Noncurrent Assets						
Bond issue costs	5,524	-	5,524	-		
Cash and investments - restricted	50,053	-	50,053	-		
Capital assets, net of accumulated depreciation	1,928,286	826,789	2,755,075	1,116,865		
Total Noncurrent Assets	1,983,863	826,789	2,810,652	1,116,865		
Total Assets	2,254,063	3,783,038	6,037,101	3,586,876		
LIABILITIES AND NET ASSETS						
Current Liabilities						
Accounts payable	3,251	121,610	124,861	29,107		
Accrued expenses	-	58,180	58,180	227,527		
Accrued interest payable	1,778	-	1,778	-		
Due to other funds	67,964	879,483	947,447	21,999		
Unearned revenue	-	1,032,915	1,032,915	-		
Certificates of participation - current	61,700	-	61,700	-		
Accrued compensated absences	-	31,655	31,655	15,099		
Total Current Liabilities	134,693	2,123,843	2,258,536	293,732		
Noncurrent Liabilities						
Certificates of participation	292,574	-	292,574	-		
Total Liabilities	427,267	2,123,843	2,551,110	293,732		
Net Position						
Net investment in capital assets	1,574,012	826,789	2,400,801	1,116,865		
Restricted for debt service	50,053	-	50,053	-		
Unrestricted	202,731	832,406	1,035,137	2,176,279		
Total Net Position	\$ 1,826,796	\$ 1,659,195	\$ 3,485,991	\$ 3,293,144		

CITY OF UNIVERSITY CITY, MISSOURI

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Business-Type Activities - Enterprise Funds					
Major Enterprise Funds					
	Parking Garage	Solid Waste	Total Enterprise Funds	Governmental Activities - Internal Service Fund	
OPERATING REVENUES					
Charges for services, net	\$ 229,247	\$ 2,562,336	\$ 2,791,583	\$ 1,570,459	
OPERATING EXPENSES					
Personal services	-	912,121	912,121	431,991	
Contractual services	73,318	1,255,538	1,328,856	172,090	
Depreciation and amortization	45,750	153,155	198,905	228,080	
Utilities	16,052	3,423	19,475	31,202	
Supplies	9,668	93,295	102,963	25,755	
Materials	-	12,220	12,220	665,871	
Total Operating Expenses	144,788	2,429,752	2,574,540	1,554,989	
OPERATING INCOME	84,459	132,584	217,043	15,470	
NONOPERATING REVENUES (EXPENSES)					
Investment income (expense)	114	-	114	4,898	
Loss on sale of asset	-	-	-	(61,767)	
Interest expense	(9,405)	-	(9,405)	-	
Total Nonoperating Revenues (Expenses)	(9,291)	-	(9,291)	(56,869)	
CHANGE IN NET POSITION	75,168	132,584	207,752	(41,399)	
NET POSITION, JULY 1	1,751,628	1,526,611	3,278,239	3,334,543	
NET POSITION, JUNE 30	\$ 1,826,796	\$ 1,659,195	\$ 3,485,991	\$ 3,293,144	

CITY OF UNIVERSITY CITY, MISSOURI

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund	
	Major Enterprise Funds					
	Parking Garage	Solid Waste	Total Enterprise Funds	Internal Service Fund		
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS						
Cash Flows From Operating Activities:						
Receipts from customers and users	\$ 229,611	\$ 3,003,612	\$ 3,233,223	\$ 1,572,913		
Payments to suppliers	(95,958)	(1,287,341)	(1,383,299)	(797,333)		
Payments to employees	-	(901,600)	(901,600)	(405,432)		
Miscellaneous revenue	-	18,341	18,341	-		
Net Cash Provided By Operating Activities	133,653	833,012	966,665	370,148		
Cash Flows From Noncapital Financing Activities:						
(Repayments of) advances on internal balances	(147,177)	3,251	(143,926)	(1,581,317)		
Net Cash (Used In) Provided By Noncapital Financing Activities	(147,177)	3,251	(143,926)	(1,581,317)		
Cash Flows From Capital and Related Financing Activities:						
Acquisition and construction of capital assets	-	(183,396)	(183,396)	(382,923)		
Proceeds from sale of capital assets	-	-	-	47,095		
Principal payments on certificates of participation	(70,300)	-	(70,300)	-		
Interest paid on certificates of participation	(2,333)	-	(2,333)	-		
Net Cash Used In Capital and Related Financing Activities	(72,633)	(183,396)	(256,029)	(335,828)		
Cash Flows From Investing Activities:						
Proceeds from investments	(114)	-	(114)	-		
Interest income	114	-	114	4,898		
Net Cash Provided By Interest Activities	-	-	-	4,898		
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(86,157)	652,867	566,710	(1,542,099)		
CASH AND CASH EQUIVALENTS, JULY 1	347,617	2,117,793	2,465,410	1,647,499		
CASH AND CASH EQUIVALENTS, JUNE 30	\$ 261,460	\$ 2,770,660	\$ 3,032,120	\$ 105,400		
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES						
Operating income	\$ 84,459	\$ 132,584	\$ 217,043	\$ 15,470		
Adjustments to reconcile operating income to net cash provided by operating activities:						
Depreciation and amortization	45,750	153,155	198,905	228,080		
(Increase) decrease in assets:						
Service receivables	364	(48,397)	(48,033)	2,454		
Inventory and prepaid items	-	8,343	8,343	136,470		
Increase (decrease) in liabilities:						
Accounts payable	3,080	68,794	71,874	(38,885)		
Accrued expenses	-	10,520	10,520	26,559		
Other liabilities	-	508,013	508,013	-		
Total Adjustments	49,194	700,428	749,622	354,678		
Net Cash Provided By Operating Activities	\$ 133,653	\$ 833,012	\$ 966,665	\$ 370,148		

CITY OF UNIVERSITY CITY, MISSOURI

**STATEMENT OF FIDUCIARY NET POSITION -
PENSION TRUST FUNDS
JUNE 30, 2013**

ASSETS:

Cash and investments:	
Common stock	\$ 22,040,099
U.S. government securities	3,701,954
Corporate bonds	7,385,163
Mutual Funds	5,301,447
Cash and money market accounts	<u>3,468,740</u>
Total Cash And Investments	41,897,403
Interest receivable	147,505
Other receivable	<u>76,498</u>
Total Assets	<u>42,121,406</u>

LIABILITIES:

Accounts payable	21,723
Due to other funds	2,016,982
Deferred revenue	691,940
Other liabilities	<u>19,336</u>
Total Liabilities	<u>2,749,981</u>

NET POSITION:

Restricted for pension benefits	<u>\$ 39,371,425</u>
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CITY OF UNIVERSITY CITY, MISSOURI

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
PENSION TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

ADDITIONS:

Contributions:

Employee	\$ 199,406
Employer	<u>1,482,883</u>
Total Contributions	<u>1,682,289</u>

Investment income

Net appreciation in fair value of investments and interest and dividends	<u>3,732,015</u>
Total Additions	<u>5,414,304</u>

DEDUCTIONS:

Benefits	3,013,701
Refund of contributions	72,820
Administrative	<u>637,497</u>
Total Deductions	<u>3,724,018</u>

CHANGE IN NET POSITION 1,690,286

NET POSITION, JULY 1 37,681,139

NET POSITION, JUNE 30 \$ 39,371,425

CITY OF UNIVERSITY CITY, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

JUNE 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of University City, Missouri (the "City") was incorporated on September 6, 1906 and established a Council-Manager form of government. The City's major operations include police and fire protection, street maintenance and improvements, parks and recreation, certain social services, and general administrative services.

The accounting and financial reporting policies of the City conform to U.S. generally accepted accounting principles as applicable to governmental entities. The following is a summary of the more significant policies:

A. The Financial Reporting Entity

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable or closely related.

The City's financial reporting entity consists of the City (the primary government) and its component units. The component units discussed below are included in the City's reporting entity. There are no separate financial statements prepared for the City's component units.

Blended Component Units

The following component units are legally separate from the City; however, their governing bodies are substantively the same as the City's and, consequently, they are, in substance, the same as the primary government. As such, the balances and transactions of these component units are blended into the accompanying basic financial statements and reported in a manner similar to the balances and transactions of the City itself.

University City Loop Special Business District (LSBD) and Parkview Gardens Special Business District (PGSBD) -- The LSBD and PGSBD were created by Ordinance of the City Council, organized and existing under the laws of the State of Missouri. The LSBD was established to promote retail trade activities and enhance the environment of an area within the City referred to as the Loop. The PGSBD was established to provide a mechanism for property owners to enhance their environment.

The City Council is responsible for imposing business license fees for the LSBD and for levying dedicated taxes to provide funding for both entities. Additionally, the City Council has the sole discretion as to how the revenues of these entities are to be utilized. The LSBD and PGSBD are presented as governmental fund types.

Discretely Presented Component Units

The discretely presented component unit columns in the basic financial statements include the financial data of the City's other component units. They are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the City. The following entities are discretely presented in the basic financial statements as governmental fund types:

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

Industrial Development Authority (IDA) - The IDA is a not-for-profit corporation *Industrial Development Corporations Act*. It is designed to develop, advance, encourage, and promote commercial industrial and manufacturing facilities in the City. The Mayor, with consent of the City Council, appoints the IDA Board of Directors. The City provides the IDA financial and administrative support.

Land Clearance for Redevelopment Authority (LCRA) - The LCRA was created by Ordinance of the City Council, as provided under the laws of the State of Missouri, and is administered by a Board of Commissioners appointed by the Mayor and City Manager with the advice and consent of the City Council. It was established to redevelop and improve deteriorated areas of the City. As required by State Statute, certain activities of the LCRA are required to be approved or presented to the City's governing body.

B. 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 and its component units. 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

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

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

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

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

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

The City reports the following major governmental funds:

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

Grants Fund - The Grants Fund is used to account for revenues and expenditures related to grants awarded by the Federal government, State of Missouri, St. Louis County and local grantors. Resources received by the City from other government are accounted for within applicable programs based on the purpose and requirements of each grant. Revenues are recognized on an accounting basis consistent with the Fund's measurement objective. Revenues related to expenditure-driven grants are recognized to the extent expenditures are incurred and revenues are available. Any excess or deficiency of grant revenues received compared to expenditures incurred is recorded as deferred revenue or amounts receivable from grantors. At June 30, 2013, the Grants Fund reported a negative \$707,603 fund balance as a result of revenue that could not be recognized since it was not yet available and grant match funds not yet transferred from the general fund.

The City reports the following major proprietary enterprise funds:

Parking Facility - The Parking Facility Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises--where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Solid Waste Fund - The City established this fund to account for revenues and expenditures related to solid waste management.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

Additionally, the City reports the following fund types:

Internal Service Fund - The Internal Service Fund is used to account for services provided to other departments of the City by the Fleet Maintenance Department. Charges for services are allocated to various City departments on a cost recovery basis.

Pension Trust Funds - The Police and Firemen's Retirement Fund is used to account for the accumulation of resources for pension benefit payments to police and fire personnel.

The Non-Uniformed Employees' Retirement Fund is used to account for the accumulation of resources for pension benefit payments to non-uniformed personnel.

The Pension Trust Funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical.

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 contribution, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a Proprietary Fund's principal ongoing operations. The principal operating revenues of the Parking Facility Enterprise Fund, the Solid Waste Enterprise Fund and of the City's Internal Service Fund are charges for sales and services. Operating expenses for Enterprise Funds and Internal Service Funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental fund types and the discretely presented component units. Encumbrances outstanding at year-end do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. For the budgetary purposes, encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase.

E. Cash, Cash Equivalents, and Investments

The City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, requires that all investments be reported in the financial statements at fair value. Fair value is established as readily determinable current market value for equity and debt securities.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

Missouri State Statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. government agencies, securities of the State of Missouri, and of local governments in Missouri with populations greater than 400,000. Deposits in financial institutions in excess of federally insured amounts must be collateralized by securities pledged to the City by those same institutions. The collateral is required to be held by the City or by the trust department of a financial institution other than the pledging bank.

The Pension Trust Funds are authorized to invest in obligations of the U.S. government or its agencies, other marketable equity and nonequity securities (not to exceed 5% of the trust fund in anyone security), and other investments as approved by the Pension Trust Funds' Board of Trustees.

F. Allowance

Receivables are shown net of an allowance for uncollectible of \$2,731,097 including certain taxes, refuse fees, ambulance fees, and solid waste fees among others.

G. Due To/From Other Funds

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from", are considered "available spendable resources", and are subject to elimination upon consolidation.

H. Inventory

Purchases of materials and supplies in the governmental fund types are charged to expenditures when purchased. Amounts of inventories in such funds are not significant. For the proprietary fund type, inventory is valued at cost (first-in, first-out) and the expense is recognized when inventories are consumed in operations.

I. Restricted Assets

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

J. Capital Assets

Capital assets which include property, equipment, and infrastructure (e.g., roads, bridges, sidewalks, and similar items) are reported in the financial statements where applicable. Capital assets are defined by the City as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Infrastructure acquired prior to the implementation of GASB Statement No. 34 has been reported.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

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

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

<u>Assets</u>	<u>Years</u>
Buildings	25 - 50
Improvements other than buildings	5 - 20
Equipment	3 - 25
Infrastructure	5 - 35

K. Compensated Absences

City employees generally earn vacation at the rate of 1 1/4 working days per month or 15 days per year. Regular full-time employees having completed 5 years of service are allowed vacation leave at the rate of 1 1/3, working days per month or 16 days per year. Regular full-time employees having completed 10 years of service are allowed vacation leave at the rate of 1 1/2, working days per month or 18 days per year. Regular full-time employees having completed 20 years of service are allowed vacation leave at the rate of 2 working days per month or 24 days per year. Regular full-time employees who are separated from service are compensated for vacation accrued up to the date of separation. The entire compensated absences are accrued when incurred in the government-wide financial statements. For governmental funds, the expenditure for compensated absences is recorded in the fund when the employees who have accumulated unpaid leave are paid. Therefore, current portion of the liability is not reported in the governmental funds. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

L. Deferred Revenue

Deferred revenue is composed primarily of delinquent property tax, grant revenue, and special assessments which are measurable but not available and, therefore, not recognized as revenue in the accompanying governmental funds financial statements.

M. Long-term Obligations

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

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (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.

N. Governmental Fund Balances

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

Nonspendable - This consists of the governmental fund balances that are not in spendable form or legally or contractually required to be maintained intact. The City's nonspendable fund balance consists of prepaid items, inventory and assets held for resale.

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

Committed - This consists of the governmental fund balances that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the City Council, the City's highest level of decision-making authority. The City has the following committed fund balances as of June 30, 2013:

Purpose	Amount
Wilson Avenue flood buyout	\$ 88,966
Borrowed from reserves for fire station	674,494
New fire station	200,000
City hall fire escape	<u>90,000</u>
 Total	 <u>\$ 1,053,460</u>

Assigned - This consists of the governmental fund balances that are intended to be used for specific purposes by a) City Council or b) City Manager. The City's assigned fund balance includes contractual obligations (encumbrances) and amounts accounted for in nonmajor special revenue and capital projects funds for intended purposes.

Unassigned - This consists of the governmental funds that do not meet the definition of "nonspendable," "restricted," "committed," or "assigned."

The City's policy is to maintain unassigned fund balance in the General Fund which represents at least 17% of annual expenditures.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

O. Net Position

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

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

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

Unrestricted - This consists of net position that do not meet the definition of "restricted" or "net investment in capital assets."

P. Use of Restricted Resources

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

Q. Property Taxes

The City's property taxes are levied each September based on the assessed valuation for all real and personal property located in the City as of the previous January 1. Taxes are billed on November 1 and due and payable on or before December 31. Liens are placed on property for delinquent taxes on January 1 following the due date.

The St. Louis County Assessment Board establishes assessed values.

For 2012, the City's tax rate levied per \$100 of assessed valuation was as follows:

Fund	Real Estate		Personal Property		Total
	Residential	Commercial			
General	\$ 0.5610	\$ 0.5780	\$ 0.6800	\$ 1.8190	
Police & Fire Pension	0.1580	0.1640	0.1950	0.5170	
Debt Service	0.0340	0.0340	0.0340	0.1020	
	\$ 0.7530	\$ 0.7760	\$ 0.9090	\$ 2.4380	

In addition, the University City Library District levied a tax rate per \$100 of assessed valuation of \$0.248 for residential, \$0.254 for commercial and \$0.280 for personal property.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

R. Interfund Transactions

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

Transfers - Legally authorized transfers are reported when incurred as transfers in by the recipient fund and as transfers out by the disbursing fund.

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

S. 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.

T. Adoption of New Accounting Standards

For the fiscal year ended June 30, 2013 the City adopted GASB issued Statement No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34." This Statement modifies certain requirements for inclusion of component units in the financial reporting entity. This Statement also amends the criteria for reporting component units as if they were part of the primary government (that is, blending) in certain circumstances. This Statement also clarifies the reporting of equity interests in legally separate organizations. It requires a primary government to report its equity interest in a component unit as an asset.

For the fiscal year ended June 30, 2013 the City adopted GASB Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements." The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict or contradict with GASB pronouncements.

For the fiscal year ended June 30, 2013 the City adopted GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position." The objective of this Statement is to provide guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. It alleviates uncertainty about reporting those financial statement elements by providing guidance where none previously existed.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

2. CASH AND INVESTMENTS

A. Deposits

The City is governed by the deposit and investment limitations of state law. It is the policy of the City to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds. Statutes require the City to invest in obligations of the U.S. Treasury, agencies and instrumentalities. The Pension Trust Fund is authorized to invest in corporate stocks, bonds and other investments as allowed by state law.

The deposits and investments held at June 30, 2013, and reported at fair value, are as follows:

Type	Carrying Value
Deposits:	
Demand deposits	\$ 20,625,423
Cash on hand	3,946
	<u><u>20,629,369</u></u>
Investments:	
Money Market Mutual Funds	1,584,518
Common Stock	22,040,099
Corporate Bonds	8,876,716
U.S. Treasury Notes	3,010,076
U.S. Treasury and Agency Obligations	5,859,452
Mutual funds	<u>5,301,447</u>
	<u><u>46,672,308</u></u>
Total Deposits and Investments	<u><u>\$ 67,301,677</u></u>
Reconciliation to the Financial Statements:	
Statement of Net Position:	
Primary Government:	
Cash and Investments	\$ 24,684,794
Restricted Cash and Investments	696,930
Discretely presented component units	22,550
Statement of Fiduciary Net Position:	
Pension Trust Fund:	
Cash and Investments	<u>41,897,403</u>
	<u><u>\$ 67,301,677</u></u>

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

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

As of June 30, 2013, the City's bank balances were entirely insured or collateralized with securities held by the City's or by its agent in the City's name. As of June 30, 2013, the discretely presented component units' bank balances were entirely insured or collateralized with securities by the discretely presented component units or by their agents in the discretely presented component units' names.

B. Investments

As of June 30, 2013, the City had the following investments:

Investments	Maturities						Credit Risk
	Fair Market Value	No Maturity	Less Than One Year	1-5 Years	6-10 Years	More Than 10 Years	
Primary Government							
U.S. Treasury Obligations	\$ 5,167,574	\$ -	\$ 5,167,574	\$ -	\$ -	\$ -	N/A
Corporate Bonds	1,491,553	-	496,741	994,812	-	-	AAA
Total Primary Government	\$ 6,659,127	\$ -	\$ 5,664,315	\$ 994,812	\$ -	\$ -	-
Fiduciary Funds							
Common Stock	\$ 22,040,099	\$ 22,040,099	\$ -	\$ -	\$ -	\$ -	N/A
Mutual Funds	5,301,447	5,301,447	-	-	-	-	Not rated
Government Securities							
U.S. Treasury Notes	3,010,076	3,010,076	-	-	-	-	N/A
U.S. Agency Obligations	691,878	691,878	-	-	-	-	N/A
Money Market Mutual Funds	1,584,518	1,584,518	-	-	-	-	Not rated
Corporate Bonds	90,936	-	3,023	26,430	-	61,483	AAA
Corporate Bonds	461,016	-	-	137,850	262,705	60,461	AA
Corporate Bonds	4,152,255	-	-	1,434,609	2,490,126	227,520	A
Corporate Bonds	2,680,956	-	-	1,162,999	1,517,957	-	BBB
Total Fiduciary Funds	\$ 40,013,181	\$ 32,628,018	\$ 3,023	\$ 2,761,888	\$ 4,270,788	\$ 349,464	
Grand Total Investments	\$ 46,672,308	\$ 32,628,018	\$ 5,667,338	\$ 3,756,700	\$ 4,270,788	\$ 349,464	

Investments Policies

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

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. In accordance with its investment policy, the City minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing primarily in shorter term securities.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. In accordance with its investment policy, the City minimizes concentration of credit risk by not investing more than 5% of the City's total investments in any single issuer.

Custodial Credit Risk - For investments, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. In accordance with its policy, the City addresses custodial risk by diversifying the investment portfolio.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

3. CAPITAL ASSETS

Capital asset activity was as follows:

	For the Year Ended June 30, 2013			
	Balance July 1, 2012	Transfers and Additions	Transfers and Deletions	Balance June 30, 2013
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 3,744,712	\$ -	\$ -	\$ 3,744,712
Construction in Progress	7,171,236	3,575,311	2,152,916	8,593,631
Total Capital Assets, Not Being Depreciated	<u>10,915,948</u>	<u>3,575,311</u>	<u>2,152,916</u>	<u>12,338,343</u>
Capital Assets Being Depreciated:				
Buildings	18,476,453	-	-	18,476,453
Improvements other than buildings	3,388,508	448,047	-	3,836,555
Equipment	11,589,182	527,696	336,023	11,780,855
Infrastructure	23,520,630	2,582,509	-	26,103,139
Total Capital Assets, Being Depreciated	<u>56,974,773</u>	<u>3,558,252</u>	<u>336,023</u>	<u>60,197,002</u>
Less - Accumulated Depreciation For:				
Buildings	5,911,789	629,655	-	6,541,444
Improvements other than buildings	1,227,593	248,930	-	1,476,523
Equipment	7,305,726	749,411	227,160	7,827,977
Infrastructure	10,380,415	1,453,286	-	11,833,701
Total Accumulated Depreciation	<u>24,825,523</u>	<u>3,081,282</u>	<u>227,160</u>	<u>27,679,645</u>
Total Capital Assets, Being Depreciated, Net	<u>32,149,250</u>	<u>476,970</u>	<u>108,863</u>	<u>32,517,357</u>
Governmental Activities, Capital Assets, Net	<u>\$ 43,065,198</u>	<u>\$ 4,052,281</u>	<u>\$ 2,261,779</u>	<u>\$ 44,855,700</u>
Business-type Activities:				
Parking Facility:				
Capital Assets Being Depreciated:				
Parking facilities	\$ 2,615,761	\$ -	\$ -	\$ 2,615,761
Equipment	27,085	-	-	27,085
Improvements other than buildings	5,361	-	-	5,361
Total Capital Assets, Being Depreciated	<u>2,648,207</u>	<u>-</u>	<u>-</u>	<u>2,648,207</u>
Less - Accumulated Depreciation For:				
Parking facilities	658,361	43,501	-	701,862
Equipment	13,937	1,712	-	15,649
Improvements other than buildings	1,873	537	-	2,410
Total Accumulated Depreciation	<u>674,171</u>	<u>45,750</u>	<u>-</u>	<u>719,921</u>
Parking Facility, Capital Assets, Net	<u>\$ 1,974,036</u>	<u>\$ (45,750)</u>	<u>\$ -</u>	<u>\$ 1,928,286</u>

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

For the Year Ended June 30, 2013				
	Balance July 1, 2012	Transfers and Additions	Transfers and Deletions	Balance June 30, 2013
Solid Waste:				
Capital Assets Not Being Depreciated:				
Construction in Progress	\$ -	\$ 183,396	\$ -	\$ 183,396
Total Capital Assets, Not Being Depreciated	- -	183,396	- -	183,396
Capital Assets Being Depreciated:				
Buildings	208,618	- -	- -	208,618
Equipment	2,725,836	- -	- -	2,725,836
Total Capital Assets, Being Depreciated	2,934,454	- -	- -	2,934,454
Less - Accumulated Depreciation For:				
Buildings	160,222	5,638	- -	165,860
Equipment	1,977,684	147,517	- -	2,125,201
Total Accumulated Depreciation	2,137,906	153,155	- -	2,291,061
Total Capital Assets, Being Depreciated, Net	796,548	(153,155)	- -	643,393
Solid Waste, Capital Assets, Net	\$ 796,548	\$ 30,241	\$ -	\$ 826,789
Total Business-type Activities, Capital Assets, Net	\$ 2,770,584	\$ (15,509)	\$ -	\$ 2,755,075

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

	For The Year Ended June 30, 2013
Governmental Activities	
General Government	\$ 592,719
Public Safety	268,132
Highways and streets, including depreciation of infrastructure assets	1,520,089
Culture and Recreation	472,262
Capital assets held by the City's Internal Service Funds are charged to the various functions based on their usage of assets	228,080
Total Governmental Activities	\$ 3,081,282
Business-Type Activities	
Parking Facility	\$ 45,750
Sanitation	153,155
Total Business-Type Activities	\$ 198,905

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

4. LONG-TERM DEBT

Changes in Long-term Liabilities

Long-term liability activity was as follows:

For the Year Ended June 30, 2013						
	Balance June 30, 2012	Additions	Reductions	Balance June 30, 2013	Amounts Due Within One Year	
Governmental Activities						
General Obligation Bonds, Series 2005	\$ 670,000	\$ -	\$ 215,000	\$ 455,000	\$ 225,000	
Special Obligation Bonds, Series 2005	435,000	-	40,000	395,000	45,000	
Certificates of Participation, Series 2012	6,561,000	-	754,700	5,806,300	803,300	
Total bonds and notes	7,666,000	-	1,009,700	6,656,300	1,073,300	
Compensated Absences	824,637	1,035,773	979,439	880,971	784,064	
	<u>\$ 8,490,637</u>	<u>\$ 1,035,773</u>	<u>\$ 1,989,139</u>	<u>7,537,271</u>	<u>\$ 1,857,364</u>	
Add: Unamortized premium					4,870	
Less: Unamortized discount and deferred amount on refunding					<u>(293,988)</u>	
Total Governmental Activities					<u>\$ 7,248,153</u>	
Business-Type Activities						
Certificates of Participation, Series 2012	\$ 459,000	\$ -	\$ 70,300	\$ 388,700	\$ 61,700	
Compensated Absences	28,392	40,813	37,550	31,655	31,655	
	<u>\$ 487,392</u>	<u>\$ 40,813</u>	<u>\$ 107,850</u>	<u>420,355</u>	<u>\$ 93,355</u>	
Less: Unamortized discount and deferred amount on refunding					<u>(34,426)</u>	
Total Business-Type Activities					<u>\$ 385,929</u>	

Compensated absences are generally liquidated by the General Fund, Internal Service Fund and Enterprise – Solid Waste Fund. Bonds payable are liquidated by the appropriate related fund.

General Obligation Bonds

In June 2005, the City issued \$2,000,000 of general obligation bonds, Series 2005 to fund the costs of renovating and improving City Hall. The 1/2¢ capital improvement sales tax is used to fund the debt service payments. The bonds bear interest at rates ranging from 2.95% to 4.75%.

Special Obligation Bonds

In July 2005, the City issued \$700,000 of special obligation bonds payable for park improvements. The bonds bear interest at rates ranging from 3.5% to 4.5%. The ½ % park and stormwater sales tax is used to fund the debt service payments and is accounted for in the General Fund.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

Certificates of Participation

In 2003 the City issued \$6,345,000 Series 2003 Certificates of Participation to refund \$1,140,000 of outstanding Series 1997 Certificates of Participation and to provide \$5,205,000 for park improvements. The Certificates bear interest at rates ranging from 2.0% to 4.1%. Interest payments are due each August 1 and February 1, while principal is due each February.

In 2004, the City issued \$6,245,000 Series 2004 Certificates of Participation for capital improvements. The Certificates bear interest at rates ranging from 2.5% to 4.6%.

In 2012, the City issued \$7,020,000 Series 2012 Certificates of Participation to current refund \$3,530,000 outstanding Series 2003 Certificates of Participation and advance refund \$3,815,000 outstanding Series 2004 Certificates of Participation. The Certificates bear interest at rates ranging from .55% to 1.9%. \$459,000 of the Series 2012 COPS were liquidated by the Enterprise – Parking Garage Fund, and the remaining balances were liquidated by the General Fund.

The City used the Series 2012 net proceeds along with other resources to purchase U.S. government securities for the advance refund transaction. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the Series 2004 Certificates of Participation. As a result, that portion of the debt was considered defeased, and the City removed the liability from its accounts. The principal of the defeased bonds was called on February 1, 2013.

The annual principal and interest requirements on long-term liabilities outstanding as of June 30, 2013 are as follows:

For the Years Ended June 30	Governmental Activities							
	General Obligation		Special Obligation		Certificates of Participation			
	Principal	Interest	Principal	Interest	Principal	Interest	Total	
2014	\$ 225,000	\$ 15,245	\$ 45,000	\$ 15,072	\$ 803,300	\$ 71,543	\$ 1,175,160	
2015	230,000	7,820	45,000	13,498	809,000	66,344	1,171,662	
2016	-	-	45,000	11,877	814,000	59,870	930,747	
2017	-	-	50,000	10,213	828,000	52,136	940,349	
2018	-	-	50,000	8,338	739,000	42,616	839,954	
2019-2020	-	-	160,000	10,600	1,813,000	53,445	2,037,045	
Total	\$ 455,000	\$ 23,065	\$ 395,000	\$ 69,598	\$ 5,806,300	\$ 345,954	\$ 7,094,917	

For the Years Ended June 30	Business-Type Activities		
	Principal	Interest	Total
2014	\$ 61,700	\$ 4,320	\$ 66,020
2015	66,000	3,896	69,896
2016	66,000	3,370	69,370
2017	67,000	2,744	69,744
2018	51,000	1,972	52,972
2019	77,000	1,282	78,282
Total	\$ 388,700	\$ 17,584	\$ 406,284

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

In accordance with the issuance of the Certificates and the related trust indenture, the trustee established and maintained accounts that are included with cash and investments restricted in the basic financial statements.

Legal Debt Margin

Under the statutes of the State of Missouri, the limit of bonded indebtedness is 10% of the most recent assessed valuation. This does not include an additional debt limit of 10% assessed valuation available for street improvements or waterworks and electric plants as provided under the statutes of the State of Missouri. The computation is as follows:

Assessed valuation - 2012 tax year	<u>\$ 596,932,447</u>
Debt limit - 10% of assessed valuation	<u>59,693,245</u>
 Amount of debt applicable to debt limit:	
Total general obligation bonded debt	455,000
Less: Amount available in debt service fund	<u>(226,828)</u>
 Bond indebtedness applicable to debt limit	 <u>228,172</u>
 Legal debt margin	 <u><u>\$ 59,465,073</u></u>

5. EMPLOYEE RETIREMENT BENEFIT PLANS

The City maintains two single-employer defined benefit pension plans. The Plans and plan provisions are established by ordinances of the City in accordance with Missouri State Statutes. Contribution requirements are established by City Ordinance. The Plans do not issue separate stand-alone financial reports. The City's total payroll for the year ended June 30, 2013 was \$14,150,579. Net pension obligations are generally liquidated by the General Fund. All administrative costs to maintain the Plan are paid by a portion of the City's contribution and the earnings from its investments. The combined total of the actuarial accrued liability and actuarial value of assets for the Plans are as follows:

	Non-Uniformed Employees	Uniformed Employees	Total
	January 1, 2013	January 1, 2013	
Actuarial value of assets	\$ 17,276,702	\$ 26,000,177	\$ 43,276,879
Actuarial accrued liability	<u>22,061,500</u>	<u>32,543,955</u>	<u>54,605,455</u>
 Assets In Excess of Accrued Liability (Unfunded AAL)	 <u>\$ (4,784,798)</u>	<u>\$ (6,543,778)</u>	<u>\$ (11,328,576)</u>

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

A. Non-Uniformed Employees' Retirement Fund

Plan Description and Provisions

The City sponsors and administers a single-employer defined benefit pension plan (the Plan) which covers substantially all full-time employees not covered under the Police and Firemen's Retirement Fund. Current membership in the Plan is as follows:

<u>Group</u>	<u>January 1, 2013</u>
Retirees and beneficiaries currently receiving benefits	61
Vested terminated employees	16
Active employees:	
Fully vested	72
Nonvested	<u>63</u>
Total	<u>212</u>

Employees become eligible to participate in the Plan upon full-time employment. Employees are required to contribute 3% of annual salary to the Plan. Employees contributed \$199,406 to their investment accounts for the year ended June 30, 2013. All benefits vest after 10 years of credited service in the form of a life annuity payable monthly. Employees attaining the age of 65 or the age of 62 with 30 years of credited service are entitled to the normal retirement benefit. The Plan permits early retirement at the completion of 20 years of credited service and attainment of age 55. Benefits and refunds of the postemployment benefit plan are recognized when due and payable in accordance with the terms of the plan.

Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2013
Actuarial cost method	Entry age (normal)
Amortization method	Level dollar
Amortization period for UAAL - open	30 years
Asset valuation method	Expected actuarial value, plus 20% of the difference between expected and actual values

Actuarial Assumptions:

Investment rate of return	6.5%
Projected salary increases	3%
Inflation rate	N/A
Post-retirement benefit increases	N/A

Annual Pension Cost

Current year annual pension costs for the Plan are shown in the table below. Annual required contributions were made by the Plan. There is no net pension obligation for the Plan. Unless otherwise indicated, information is provided as of the latest actuarial valuation, January 1, 2013.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

Pension Plan

Valuation For The Actuarial Years Ended June 30	Annual Pension Cost	Percentage Contributed	Net Pension Obligation (Asset)
2013	\$ 663,518	104.2%	\$ (761,133)
2012	597,437	89.9%	(732,711)
2011	570,871	204.1%	(793,161)

Valuation For The Actuarial Years Ended June 30	Net Pension Obligation (Asset)		Interest on Net Pension Obligation (Asset)	Adjustment To Annual Required Contribution	Annual Pension Cost	Actual Contributions	Net Pension Obligation (Asset) End of Year
	Beginning of Year	Annual Required Contribution					
2013	\$ (732,711)	\$ 654,738	\$ (47,626)	\$ (56,406)	\$ 663,518	\$ 691,940	\$ (761,133)
2012	(793,161)	588,904	(51,555)	(60,088)	597,437	536,987	(732,711)
2011	(199,107)	568,943	(12,942)	(14,870)	570,871	1,164,925	(793,161)

Funded Status and Funding Progress

As of January 1, 2013, the most recent actuarial valuation, the plan was 78.3% funded. The actuarial accrued liability for benefits was \$22.1 million, and the actuarial value of assets was \$17.3 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$4.8 million. The covered payroll was \$6.2 million, and the ratio of the UAAL to the covered payroll was 77.6%.

Historical trend information about the Plan is presented as required supplementary 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).

B. City of University City Police and Firemen's Retirement Fund

Plan Description and Provisions

Under City Ordinance, the City established a single-employer defined benefit pension plan, City of University City Police and Firemen's Retirement Fund (the Plan), that provides pension, disability, and death benefits. Current membership in the Plan is as follows:

Group	January 1, 2012
Retirees and beneficiaries currently receiving benefits	91
Vested terminated employees	7
Active employees:	
Fully vested	58
Nonvested	<u>56</u>
Total	<u>212</u>

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

Each employee who is employed by the City as a police officer or firefighter must participate in the Plan on the date the employee becomes a police officer or firefighter. Employees are not required to contribute to the defined benefit portion of the Plan. Employees who retire after the attainment of age 50 and 20 years of service are entitled to retirement benefits in the form of a life annuity payable monthly. Benefits and refunds of the postemployment benefit plan are recognized when due and payable in accordance with the terms of the plan.

Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2013
Actuarial cost method	Entry age (normal)
Amortization method	Level Dollar
Amortization period - for UAAL - open	30 years
Asset valuation method	Expected actuarial value, plus 20% of the difference between expected and actual values

Actuarial assumptions:

Investment rate of return	6.5%
Projected salary increases	3%
Inflation rate	N/A
Post-retirement benefit increases	N/A

Annual Pension Cost

Current year annual pension costs for the Plan are shown in the table below. Annual required contributions were made by the Plan. There is no net pension obligation for the Plan. Unless otherwise indicated, information is provided as of the latest actuarial valuation, January 1, 2013.

Pension Plan

Valuation For The Actuarial Years Ended		Annual Pension Cost	Percentage Contributed	Net Pension Obligation
	June 30			
	2013	\$ 1,132,644	83.6%	\$ (790,382)
	2012	967,971	97.2%	(976,246)
	2011	827,335	120.9%	(1,002,939)

Valuation For The Actuarial Years Ended	Beginning of Year	Net Pension Obligation (Asset)		Interest on Net Pension Obligation (Asset)	Adjustment To Annual Required Contribution	Annual Pension Cost	Actual Contri- butions	Net Pension Obligation (Asset) End of Year
		Annual Required Contribution	(Asset)					
2013	\$ (976,246)	\$ 1,068,653	\$ (63,456)	\$ (127,447)	\$ 1,132,644	\$ 946,780	\$ (790,382)	
2012	(1,002,939)	910,703	(65,191)	(122,459)	967,971	941,278	(976,246)	
2011	(830,274)	785,759	(53,968)	(95,544)	827,335	1,000,000	(1,002,939)	

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

Funded Status and Funding Progress

As of January 1, 2013, the most recent actuarial valuation, the plan was 79.9% funded. The actuarial accrued liability for benefits was \$32.5 million, and the actuarial value of assets was \$26.0 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$6.5 million. The covered payroll was \$7.98 million, and the ratio of the UAAL to the covered payroll was 82.0%.

Historical trend information about the Plan is presented as required supplementary 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 PERS.

Effective July 1, 2001, all member contributions began to be deposited in the member's individual investment account and a transfer was made from the defined benefit portion of the fund into the member's individual investment accounts. The amount of the transfer equaled 1) all prior contributions accumulated at 7% plus 2) the actuarial present value of a member's accrued benefits in excess of his accumulated contributions at the time the member completed ten years of service, less 3) the member's pre-1988 contributions. Employees are required to contribute 5% of their salary. The individual investment accounts are invested at the member's direction and are vested 100%. Employees contributed \$384,917 to their investment accounts for the year ended June 30, 2013.

The condensed statement of fiduciary net position is as follows:

	<u>June 30, 2013</u>		
	Police and Firemen's Retirement Fund	Non-Uniformed Employees' Retirement Fund	Total
ASSETS			
Cash and investments:			
Common stock	\$ 12,505,310	\$ 9,534,789	\$ 22,040,099
U.S. government securities	2,115,111	1,586,843	3,701,954
Corporate bonds	4,239,135	3,146,028	7,385,163
Mutual funds	3,403,514	1,897,933	5,301,447
Cash and money market accounts	2,448,919	1,019,821	3,468,740
Total Cash and Investments	<u>24,711,989</u>	<u>17,185,414</u>	<u>41,897,403</u>
Interest Receivable	83,516	63,989	147,505
Other receivable	-	76,498	76,498
Total Assets	<u>24,795,505</u>	<u>17,325,901</u>	<u>42,121,406</u>
LIABILITIES			
Accounts payable	5,412	16,311	21,723
Due to other funds	1,433,149	583,833	2,016,982
Deferred revenue	-	691,940	691,940
Other liabilities	-	19,336	19,336
Total Liabilities	<u>1,438,561</u>	<u>1,311,420</u>	<u>2,749,981</u>
NET POSITION			
Restricted for pension benefits	<u>\$ 23,356,944</u>	<u>\$ 16,014,481</u>	<u>\$ 39,371,425</u>

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

The condensed statement of changes in fiduciary net position is as follows:

For The Year Ended June 30, 2013			
	Police and Firemen's Retirement Fund	Non-Uniformed Employees' Retirement Fund	Total
ADDITIONS			
Contributions:			
Employee	\$ -	\$ 199,406	\$ 199,406
Employer	945,896	536,987	1,482,883
Total Contributions	<u>945,896</u>	<u>736,393</u>	<u>1,682,289</u>
Investment Income:			
Net appreciation in fair value of investments and interest and dividends	2,211,374	1,520,641	3,732,015
Total Additions	<u>3,157,270</u>	<u>2,257,034</u>	<u>5,414,304</u>
DEDUCTIONS			
Benefits	1,927,874	1,085,827	3,013,701
Refund of contributions	-	72,820	72,820
Administrative	509,541	127,956	637,497
Total Deductions	<u>2,437,415</u>	<u>1,286,603</u>	<u>3,724,018</u>
CHANGE IN NET POSITION	719,855	970,431	1,690,286
NET POSITION, JULY 1	22,637,089	15,044,050	37,681,139
NET POSITION, JUNE 30	<u>\$ 23,356,944</u>	<u>\$ 16,014,481</u>	<u>\$ 39,371,425</u>

6. POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The City provides healthcare benefits to employees who are eligible to retire once they have attained age 55 plus 20 years of service and their spouses and police who are eligible to retire once they have attained age 50 plus 20 years of service. Employees and spouses must be on the plan at time of retirement to be eligible to participate in the plan after retirement. Medical and prescription drug benefits are available to retirees in the City's insurance plan. Retirees must contribute \$500.47/\$1,451.35 per month for single/family coverage. Retirees who retire after age 62 with 30 years of service contribute \$75.07 per month for self-coverage and \$500.47 per month for spouse coverage. Coverage stops at age 65. No life insurance coverage is provided. The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities. The City's annual OPEB cost for the current year and the related information are as follows:

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

For The	
Year Ended	
June 30,	
2013	
Annual required contributions	\$ 86,078
Interest on net OPEB obligation	4,420
Adjustment to ARC	<u>(6,508)</u>
Annual OPEB Cost	<u>83,990</u>
Contributions made	<u>(19,196)</u>
Increase in Net OPEB Obligations	<u>64,794</u>
Net OPEB obligation at June 30, 2012	<u>110,501</u>
Net OPEB Obligation Expected at June 30, 2013	<u><u>\$ 175,295</u></u>

The net OPEB obligation is generally liquidated by the General Fund. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011, 2012 and 2013 are as follows:

Fiscal Year Ended June 30,	Annual Required OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB (Asset) Obligation
2011	\$ 78,041	66.9%	\$ 52,159
2012	\$ 85,154	31.5%	\$ 110,501
2013	\$ 83,990	22.9%	\$ 175,295

The Plan 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.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as it is understood by the employer and the plan members) and include the type of benefits provided by at the time of each valuation and historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial calculations of the OPEB plan reflect a long-term perspective.

Significant actuarial assumptions used in the valuation are as follows:

Valuation method	Projected unit credit
Latest valuation date	January 1, 2013
Discount rate	4% per annum, compounded annually
Amortization - open	15 years for initial unfunded actuarial accrued liability
Payroll inflation	N/A
Mortality	RP2000 Blended Mortality Table
Medical premium rates	9% initial rate; 4.5% ultimate rate

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

Funded Status and Funding Progress

As of January 1, 2013, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$448,173, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$448,173. The covered payroll (annual payroll of active employees covered by the plan) was \$14.2 million, and the ratio of the UAAL to the covered payroll was 3.2%. Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. The latest actuarial valuation was dated January 1, 2013. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

7. DUE FROM AND DUE TO OTHER FUNDS

Interfund assets and liabilities balances are as follows:

All of these interfund balances are generally due to either timing differences between the various funds or negative cash balances. All interfund balances are expected to be repaid during the fiscal year ending June 30, 2013.

June 30, 2013		
Receivable	Payable	Amount
Major Governmental Funds:		
General	Police and Firemen's Retirement	\$ 1,426,540
General	Non-Uniform Employees Retirement	583,600
General	Nonmajor fund - Debt Service	39,876
General	Nonmajor fund - Sewer Lateral	4,707
General	Enterprise - Parking Garage	67,964
General	Enterprise - Solid Waste	2,222
General	Nonmajor - Library	411,436
General	Nonmajor fund - CALOP	6,438
General	Major fund - Grant	1,800,295
Grants	Internal Service	21,999
		4,365,077
Nonmajor Governmental Funds:		
Economic Development Sales Tax	General	13,581
Loop Special Business District	General	24,367
Parkview Gardens Special		
Business District	General	11,500
Library	Police and Firemen's Retirement	6,609
Library	Non-Uniform Employees Retirement	119
		56,176
Major Enterprise Funds:		
Enterprise - Solid Waste	General	105,118
Enterprise - Solid Waste	Non-Uniform Employee's Retirement	114
		105,232
Internal Service Fund:		
Internal Service	General Fund	1,414,963
Internal Service	Enterprise - Solid Waste	877,261
		2,292,224
Total		\$ 6,818,709

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

8. INTERFUND TRANSFERS

Individual fund transfers are as follows:

<u>Transfers From</u>	<u>Transfers To</u>	For The Year Ended June 30, 2013
Library - Major Fund	General - Major Fund	<u>\$ 4,000</u>

Interfund transfers were used to move revenues from the fund that ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them, or reimburse other funds for certain expenditures.

9. 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 medical, workers' compensation and general liability matters (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 by each entity to cover estimated claims payable and reserves for claims. 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. The trust has contracted with an insurance agent to handle all administrative matters, including processing of claims filed.

The City also purchases commercial insurance to cover risks related to travel, public official liability, earthquakes, flooding, and employee blanket bonds. Settled claims resulting from these risks have not exceeded coverage in any of the past three years.

10. COMMITMENTS AND CONTINGENCIES

Commitments

The City has two operating leases for certain office equipment. Payments related to these leases for the year ended June 30, 2013 totaled \$54,307. Future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	
2014	\$ 56,890
2015	32,726
Total	<u>\$ 89,616</u>

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

Contingencies

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 these legal proceedings, it is the opinion of management that they will not have a material effect on the City's financial position.

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.

11. RESTRICTED NET POSITION

The government-wide statement of net position reports \$5,217,112 of restricted net position, of which \$4,328,180 is restricted by enabling legislation.

12. ENCUMBRANCES

The following encumbrances were outstanding as of June 30, 2013:

Fund	Amount
General	\$ 1,691,254
Grant - Major Fund	916,383
Nonmajor Special Revenue Funds	237,724
Total	<u>\$ 2,845,361</u>

13. CONDUIT DEBT

On November 1, 2003, the City issued \$5,800,000 principal amount of Industrial Development Revenue Bonds (Winco Redevelopment Corporation, Inc. Project) Series 2003, for the purpose of providing funds to pay the costs of acquiring, constructing, furnishing and equipping an approximately 79,500 square foot manufacturing facility, an approximately 5,930 square foot building attached to the new manufacturing building, and the purchase and installation

manufacturing equipment, all on land located in the City and deemed to be in the public interest. These bonds are secured by the property financed and are payable solely by the company. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State of Missouri, nor any political subdivision thereof are obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements.

At June 30, 2013, \$2,571,728 of these Industrial Revenue Bonds remain outstanding.

CITY OF UNIVERSITY CITY, MISSOURI

Notes to Basic Financial Statements (Continued)

14 RECENT ACCOUNTING PRONOUNCEMENTS

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

In April, 2012, the GASB issued Statement No. 65, "Items Previously Reported as Assets and Liabilities." The objective of this Statement is to either (a) properly classify certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or (b) recognize certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues). This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term deferred in financial statement presentations. The requirements in this Statement are effective for periods beginning after December 15, 2012.

In March, 2012, the GASB issues Statement No. 66, "Technical Correction – 2012 – an amendment of GASB Statements No. 10 and No. 62." The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54 and No. 62. The requirements in this Statement are effective for periods beginning after December 15, 2012.

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

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

Required Supplementary Information

CITY OF UNIVERSITY CITY, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			Variance With Final Budget - Positive (Negative)	
	Original	Final	Actual		
REVENUES					
General Taxes					
Current real estate taxes	\$ 2,986,185	\$ 2,986,185	\$ 2,867,555	\$ (118,630)	
Delinquent real estate taxes	90,000	90,000	85,634	(4,366)	
Current personal property taxes	340,025	340,025	360,863	20,838	
Delinquent personal property taxes	47,000	47,000	29,844	(17,156)	
Railroad and utility taxes	61,200	61,200	66,258	5,058	
Interest and penalties	1,000	1,000	214	(786)	
Intangible property	6,000	6,000	665	(5,335)	
Sales tax	8,066,200	8,166,200	8,644,018	477,818	
Gross receipts tax:					
Electric	2,507,020	2,507,020	2,576,165	69,145	
Gas	1,759,500	1,759,500	1,620,736	(138,764)	
Water	434,300	434,300	515,477	81,177	
Telephone	1,929,100	1,929,100	1,779,385	(149,715)	
Cable television	331,650	331,650	244,784	(86,866)	
Local option use tax	383,250	383,250	442,489	59,239	
Total General Taxes	18,942,430	19,042,430	19,234,087	191,657	
Charges for services	2,603,100	2,603,100	2,574,646	(28,454)	
Intergovernmental					
Gasoline and vehicle sales taxes	1,277,000	1,277,000	1,262,128	(14,872)	
Road and bridge tax	627,300	627,300	620,856	(6,444)	
Cigarette tax	104,500	104,500	109,478	4,978	
Total Intergovernmental	2,008,800	2,008,800	1,992,462	(16,338)	
Licenses, Permits, Fines, and Fees					
Business licenses	428,400	428,400	500,113	71,713	
Motor vehicle licenses	141,400	141,400	140,611	(789)	
Animal licenses	4,500	4,500	3,457	(1,043)	
Liquor licenses	30,500	30,500	34,764	4,264	
General and building inspections	661,550	661,550	982,310	320,760	
Excavation inspection fees	21,000	21,000	22,162	1,162	
Parking meter collections	445,000	445,000	433,197	(11,803)	
Fines	505,000	505,000	440,765	(64,235)	
Court costs	150,000	150,000	120,242	(29,758)	
Miscellaneous court costs	1,500	1,500	6,730	5,230	
Bond forfeiture	20,000	20,000	18,544	(1,456)	
Police training	14,000	14,000	9,982	(4,018)	
Drug vice and liquor investigating	6,000	6,000	135	(5,865)	
Total Licenses, Permits, Fines, and Fees	2,428,850	2,428,850	2,713,012	284,162	
Investment income	100,380	100,380	37,664	(62,716)	
Other	85,300	85,300	87,691	2,391	
Total Revenues	26,168,860	26,268,860	26,639,562	370,702	

CITY OF UNIVERSITY CITY, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Variance With Final Budget - Positive (Negative)
	Original	Final	Actual
EXPENDITURES			
General Government			
Legislative Services:			
Personal services	99,508	94,508	92,164
Contractual services	92,385	92,385	89,824
Commodities	8,380	8,380	4,656
Capital outlay	-	5,000	5,000
Total Legislative Services	<u>200,273</u>	<u>200,273</u>	<u>191,644</u>
Human Resources:			
Personal services	101,900	91,400	72,418
Contractual services	47,435	44,935	29,796
Commodities	11,300	14,300	11,623
Total Human Resources	<u>160,635</u>	<u>150,635</u>	<u>113,837</u>
General Administration:			
Personal services	383,850	358,850	278,647
Contractual services	355,400	345,400	233,267
Commodities	5,000	5,000	3,282
Total General Administration	<u>744,250</u>	<u>709,250</u>	<u>515,196</u>
Information Technology			
Contractual services	525,400	494,400	474,008
Commodities	66,300	2,300	17,873
Capital outlay	80,500	310,500	309,364
Total Information Technology	<u>672,200</u>	<u>807,200</u>	<u>801,245</u>
Municipal Court:			
Personal services	250,600	250,600	233,538
Contractual services	87,000	87,000	72,043
Commodities	3,000	3,000	1,817
Total Municipal Court	<u>340,600</u>	<u>340,600</u>	<u>307,398</u>
Finance Operations:			
Personal services	627,400	627,400	554,140
Contractual services	162,400	168,900	137,202
Commodities	36,100	29,600	22,160
Total Finance Operations	<u>825,900</u>	<u>825,900</u>	<u>713,502</u>
Maintenance of City Property:			
Personal services	265,900	265,900	268,959
Contractual services	315,850	380,850	386,963
Commodities	29,000	29,000	19,057
Capital outlay	40,000	40,000	19,873
Total Maintenance of City Property	<u>650,750</u>	<u>715,750</u>	<u>694,852</u>

CITY OF UNIVERSITY CITY, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Actual	
Community Development:				
Personal services	1,334,000	1,365,000	1,350,359	14,641
Contractual services	244,900	213,900	144,356	69,544
Commodities	182,000	182,000	11,585	170,415
Capital outlay	-	199,000	186,034	12,966
Total Community Development	1,760,900	1,959,900	1,692,334	267,566
Total General Government	5,355,508	5,709,508	5,030,008	679,500
Public Safety				
Police Department:				
Personal services	6,743,200	6,681,200	6,768,875	(87,675)
Contractual services	778,354	849,354	795,469	53,885
Commodities	114,230	114,230	84,197	30,033
Capital outlay	-	87,000	86,785	215
Total Police Department	7,635,784	7,731,784	7,735,326	(3,542)
Fire Department:				
Personal services	3,681,300	3,658,800	3,570,727	88,073
Contractual services	469,895	445,895	380,201	65,694
Commodities	140,271	161,771	157,107	4,664
Capital outlay	7,000	12,000	41,968	(29,968)
Total Fire Department	4,298,466	4,278,466	4,150,003	128,463
Total Public Safety	11,934,250	12,010,250	11,885,329	124,921
Public Works and Parks				
Engineering:				
Personal services	569,500	569,500	492,127	77,373
Contractual services	114,695	114,695	122,498	(7,803)
Commodities	15,580	15,580	4,274	11,306
Total Engineering	699,775	699,775	618,899	80,876
Street Maintenance:				
Personal services	766,450	716,450	664,262	52,188
Contractual services	1,263,280	1,233,280	1,110,035	123,245
Commodities	183,220	183,220	118,528	64,692
Capital outlay	926,066	2,255,566	1,834,385	421,181
Total Street Maintenance	3,139,016	4,388,516	3,727,210	661,306
Park Maintenance:				
Personal services	1,125,100	1,175,100	1,158,694	16,406
Contractual services	521,629	570,629	512,843	57,786
Commodities	82,585	82,585	45,397	37,188
Capital outlay	20,000	20,000	11,405	8,595
Total Park Maintenance	1,749,314	1,848,314	1,728,339	119,975

CITY OF UNIVERSITY CITY, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			Variance With Final Budget - Positive (Negative)
	Original	Final	Actual	
Golf Course:				
Personal services	200,100	140,850	94,079	46,771
Contractual services	97,020	97,020	69,138	27,882
Commodities	57,875	57,875	45,766	12,109
Capital outlay	7,000	8,950	8,949	1
Total Golf Course	361,995	304,695	217,932	86,763
Total Public Works and Parks	5,950,100	7,241,300	6,292,380	948,920
Culture and Recreation				
Golf Course:				
Personal services	62,600	123,400	124,373	(973)
Contractual services	56,190	69,690	69,020	670
Commodities	55,900	73,900	66,962	6,938
Total Golf Course	174,690	266,990	260,355	6,635
Community Center:				
Personal services	106,500	130,100	129,171	929
Contractual services	27,970	34,470	34,233	237
Commodities	2,500	6,500	6,151	349
Total Community Center	136,970	171,070	169,555	1,515
Aquatics:				
Personal services	174,200	180,200	179,772	428
Contractual services	73,810	103,810	102,852	958
Commodities	63,059	43,059	40,929	2,130
Total Aquatics	311,069	327,069	323,553	3,516
Recreation Facility:				
Personal services	603,100	516,100	502,020	14,080
Contractual services	348,521	350,421	336,464	13,957
Commodities	63,177	58,177	42,987	15,190
Capital outlay	24,500	29,500	29,030	470
Total Recreation Facility	1,039,298	954,198	910,501	43,697
Total Culture and Recreation	1,662,027	1,719,327	1,663,964	55,363

CITY OF UNIVERSITY CITY, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND - BUDGET BASIS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Variance With
	Original	Final	Final Budget -
			Positive
			(Negative)
Debt Service			
Principal	700,000	700,000	794,700
Interest and fiscal charges	184,000	119,000	94,660
Total Debt Service	884,000	819,000	(70,360)
Total Expenditures	25,785,885	27,499,385	25,761,041
REVENUES OVER (UNDER) EXPENDITURES	382,975	(1,230,525)	878,521
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	4,000
NET CHANGE IN FUND BALANCE	\$ 382,975	\$ (1,230,525)	\$ 882,521
	<u>\$ 382,975</u>	<u>\$ (1,230,525)</u>	<u>\$ 882,521</u>
ADJUSTMENT TO RECONCILE TO			
GAAP BASIS			
Current year encumbrances			1,691,254
Prior year encumbrances			(1,301,134)
Non budgetary activity			<u>(1,663,884)</u>
Total Adjustment To Reconcile			
To GAAP Basis			<u>(1,273,764)</u>
NET CHANGE IN FUND BALANCE -			
GAAP BASIS			(391,243)
FUND BALANCE, JULY 1			<u>23,165,662</u>
FUND BALANCE, JUNE 30			<u>\$ 22,774,419</u>

CITY OF UNIVERSITY CITY, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL -
GRANTS FUND - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts				Variance With Final Budget -
	Original	Final	Actual		Positive (Negative)
REVENUES					
Intergovernmental	\$ 4,703,200	\$ 4,010,301	\$ 2,858,882	\$ (1,151,419)	
EXPENDITURES					
General government:					
Personal services	25,000	25,000	59,777	(34,777)	
Contractual services	-	62,160	109,356	(47,196)	
Commodities	202,281	152,831	59,252	93,579	
Capital outlay	3,683,340	3,897,311	2,909,114	988,197	
Total Expenditures	3,910,621	4,137,302	3,137,499	999,803	
NET CHANGE IN FUND BALANCE	\$ 792,579	\$ (127,001)	\$ (278,617)	\$ (151,616)	
ADJUSTMENT TO RECONCILE TO GAAP BASIS					
Current year encumbrances			916,383		
Prior year encumbrances			(294,500)		
Non budgetary activity			(634,012)		
Total Adjustment To Reconcile To GAAP Basis			(12,129)		
NET CHANGE IN FUND BALANCE - GAAP BASIS			(290,746)		
FUND BALANCE, JULY 1			(416,857)		
FUND BALANCE, JUNE 30			\$ (707,603)		

CITY OF UNIVERSITY CITY, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION NOTES TO BUDGETARY COMPARISON INFORMATION JUNE 30, 2013

Explanation of Budgetary Process

The City Council follows the procedures outlined below in establishing the budgetary data reflected in the basic financial statements:

- a. City department directors prepare departmental operating budgets and the Director of Finance makes revenue projections on or before December 31.
- b. Departmental meetings are conducted during the month of January with the City Manager and the Director of Finance to allow the departments to support their budgets.
- c. Preliminary budget summaries of revenues and expenditures/expenses are prepared for review by the City Manager.
- d. Public budget meetings are held for citizen's input in October, December and January.
- e. Final budget decisions are made by the City Manager by mid-February.
- f. A proposed budget is submitted to the City Council by the end of February.
- g. A City Council budget study session is held during March and April.
- h. A public hearing to obtain taxpayer comments on the budget is held by the City Council during the month of May.
- i. Prior to July 1, the budget is legally enacted. Projected expenditures cannot exceed estimated revenues plus fund balances at the beginning of the year.
- j. Budgetary control is exercised by the City Council at the department and fund levels. This is the legal level of control. All unexpended appropriations lapse at year-end.

Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles, except that encumbered amounts are treated as revenues and expenditures for budgetary purposes and the change in fair value of assets held for resale is not budgeted.

The budgeted amounts included in the basic financial statements are as originally adopted or amended by the City Council, pursuant to State Statutes. The City Manager may approve the transfer of any unencumbered appropriation balance or portion thereof from one classification of expenditures to another within a department and fund under \$25,000. At the request of the City Manager, the City Council may, by resolution, transfer any unencumbered appropriation balance or portion thereof from one office, department, or agency to another. No transfer shall be made of specified fixed appropriations. The City Council adopts annual budgets for the General Fund, Grants Fund, Solid Waste Fund, CALOP Fund, LOOP SBD Fund, Parkview Gardens SBD Fund, Sewer Lateral Fund, Economic Development Fund, Library Fund, and Debt Service Fund.

For the year ended June 30, 2013, actual expenditures exceeded those budgeted in the Library Fund and the Loop SBD Fund.

CITY OF UNIVERSITY CITY, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
NON-UNIFORMED EMPLOYEES RETIREMENT SYSTEM
JUNE 30, 2013**

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
	(a)	(b)	(b-a)	(a/b)	(c)	((b-a)/c)
2004	\$ 14,263,167	\$ 13,679,105	\$ (584,062)	104.3%	\$ 7,134,736	8.2%
2005	14,611,908	14,259,596	(352,312)	102.5%	7,309,807	4.8%
2006	15,033,711	16,004,905	971,194	93.9%	7,558,899	12.8%
2007	15,866,169	18,839,339	2,973,170	84.2%	7,550,679	39.4%
2008	16,666,460	19,079,621	2,413,161	87.4%	7,170,649	33.7%
2009	16,286,201	20,096,937	3,810,736	81.0%	7,044,829	54.1%
2010	16,606,524	20,803,095	4,196,571	79.8%	7,005,280	59.9%
2011	17,009,021	20,602,237	3,593,216	82.6%	6,378,689	56.3%
2012	17,114,841	22,115,047	5,000,206	77.4%	6,339,796	78.9%
2013	17,276,702	22,061,500	4,784,798	78.3%	6,165,610	77.6%

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution	Actual Contribution*	Percentage Contributed
2005	\$ -	\$ -	-
2006	189,262	216,300	114.3%
2007	437,974	591,603	135.1%
2008	500,477	562,138	112.3%
2009	524,594	481,184	91.7%
2010	591,057	592,681	100.3%
2011	568,943	1,164,925	204.8%
2012	588,904	536,987	91.2%
2013	654,738	691,940	105.7%

* Includes receivable contributions

CITY OF UNIVERSITY CITY, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION
POLICE AND FIREFIGHTER EMPLOYEES RETIREMENT SYSTEM
JUNE 30, 2013

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial			UAAL as a Percentage of		
		Accrued Liability (AAL) (b)	Entry Age	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll ((b-a)/c)	
2004	\$ 31,169,025	\$ 22,979,435		\$ (8,189,590)	135.6%	\$ 6,704,838	-122.1%
2005	30,959,774	25,847,033		(5,112,741)	119.8%	7,504,292	-68.1%
2006	30,243,209	27,145,396		(3,097,813)	111.4%	7,386,015	-41.9%
2007	29,758,856	28,556,549		(1,202,307)	104.2%	7,568,116	-15.9%
2008	30,236,680	28,645,117		(1,591,563)	105.6%	7,330,136	-21.7%
2009	29,228,531	29,741,267		512,736	98.3%	7,222,540	7.1%
2010	28,348,148	30,673,101		2,324,953	92.4%	7,354,865	31.6%
2011	27,560,836	30,114,105		2,553,269	91.5%	7,676,313	33.3%
2012	26,498,027	31,227,437		4,729,410	84.9%	7,976,133	59.3%
2013	26,000,177	32,543,955		6,543,778	79.9%	7,984,969	82.0%

Schedule of Employer Contributions

Year Ended June 30	Annual Required Contribution	Actual Contribution*	Percentage Contributed
2006	\$ -	\$ -	0.0%
2007	252,338	35	0.0%
2008	466,478	943,642	202.3%
2009	535,107	929,028	173.6%
2010	700,319	939,475	134.1%
2011	785,759	1,000,000	127.3%
2012	910,703	941,278	103.4%
2013	1,068,653	946,780	88.6%

* Includes receivable contributions

CITY OF UNIVERSITY CITY, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT BENEFIT PLAN
JUNE 30, 2013**

Schedule of Funding Process

Fiscal Year	Actuarial Valuation Date	Unfunded				Funded Ratio (1)/(2)	Covered Payroll	UAAL as a Percentage of Covered Payroll			
		Actuarial Value of Assets (1)	Accrued Liability (UAAL) (1)-(2)								
			Accrued Liability (2)	(UAAL) (1)-(2)							
2011	1/1/2011	\$ -	\$ 595,265	\$ 595,265	0%	\$ 14,055,002	4.2%				
2012	1/1/2011	-	595,265	595,265	0%	14,315,929	4.2%				
2013	1/1/2013	-	448,173	448,173	0%	14,150,579	3.2%				

Schedule of Employer Contribution

For The Year Ended June 30		Annual Required Contribution	Actual Contribution	Percentage Contributed
2011		\$ 78,041	\$ 52,180	66.9%
2012		86,078	26,812	31.1%
2013		86,078	19,196	22.3%

Other Supplementary Information

CITY OF UNIVERSITY CITY, MISSOURI

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The 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 of specified purposes.

Committee for Access and Local Origination Programming (CALOP) -- This fund was established to account for revenues and expenditures for studies of the educational and cultural programming needs of the City and encouraging the development of programs to meet those needs.

University City Loop Special Business District -- The City has established this fund to account for revenues and expenditures related to promoting retail trade activities and enhancing the environment of a Special Business District (SBD) of the City, referred to as the Loop.

Parkview Gardens Special Business District -- The City established this fund in fiscal 1997 to account for revenues and expenditures related to enhancing the environment of a SBD of the City.

Sewer Lateral -- The City established this fund to account for revenues and expenditures related to sewer lateral repairs.

Economic Development -- The City established this fund to promote economic development through economic sales tax.

Pension Tax -- The City established this fund to account for revenues and expenditures related to taxes for the pension plan.

Library Fund -- The City established this fund to account for revenues received for the University City Public Library.

Debt Service Fund

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

CITY OF UNIVERSITY CITY, MISSOURI

**COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013**

	Special Revenue											
			Parkview Gardens SBD		Sewer Lateral		Economic Development		Pension Tax		Debt Service	
	CALOP	Loop SBD	CALOP	Loop SBD	CALOP	Loop SBD	CALOP	Loop SBD	CALOP	Loop SBD	CALOP	Loop SBD
ASSETS												
Cash and investments:	\$ 453,529	\$ 101,972	\$ 83,202	\$ 1,201,014	\$ 1,629,456	\$ -	\$ 1,484,045	\$ 261,655	\$ 5,214,873			
Receivables:						85,774	81,063	116,213	15,227	298,277		
Taxes	-	-	-	-	-							
Other	-	-	-	8,277	-		-	16,021	5,049	29,347		
Due from other funds	-	24,367	11,500	-	13,581	-	6,728	-	-	56,176		
Prepaid items	-	-	-	-	-	-	71,690	-	-	71,690		
TOTAL ASSETS	\$ 453,529	\$ 126,339	\$ 94,702	\$ 1,209,291	\$ 1,728,811	\$ 81,063	\$ 1,694,697	\$ 281,931	\$ 5,670,363			
LIABILITIES AND FUND BALANCES												
LIABILITIES												
Accounts payable	\$ 122	\$ -	\$ -	\$ 25,897	\$ 2,655	\$ -	\$ 38,519	\$ -	\$ 67,193			
Accrued liabilities	-	-	-	-	-	-	1,048	-	-	1,048		
Due to other funds	6,438	-	-	4,707	-	-	411,436	39,876	-	462,457		
Deposits	1,719	-	-	-	-	-	-	-	-	1,719		
Deferred revenue	-	-	-	-	-	81,063	100,824	15,227	-	197,114		
TOTAL LIABILITIES	8,279	-	-	30,604	2,655	81,063	551,827	55,103	729,531			
FUND BALANCES												
Nonspendable	-	-	-	-	-	-	-	71,690	-	71,690		
Restricted for:												
Special business districts	-	126,339	94,702	-	-	-	-	-	-	221,041		
Sewer lateral	-	-	-	1,178,687	-	-	-	-	-	1,178,687		
Economic development	-	-	-	-	1,726,156	-	-	-	-	1,726,156		
Library	-	-	-	-	-	-	1,071,180	-	-	1,071,180		
Debt service	-	-	-	-	-	-	-	226,828	-	226,828		
Assigned	445,250	-	-	-	-	-	-	-	-	445,250		
TOTAL FUND BALANCES	445,250	126,339	94,702	1,178,687	1,726,156	-	1,142,870	226,828	4,940,832			
TOTAL LIABILITIES AND FUND BALANCE	\$ 453,529	\$ 126,339	\$ 94,702	\$ 1,209,291	\$ 1,728,811	\$ 81,063	\$ 1,694,697	\$ 281,931	\$ 5,670,363			

CITY OF UNIVERSITY CITY, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Special Revenue											
	CALOP	Loop SBD		Parkview Gardens SBD		Sewer Lateral	Economic Development	Pension Tax	Library	Debt Service	Total	
		Loop	SBD	Parkview	Gardens							
REVENUES												
General taxes:												
Current real estate taxes	\$	-	\$ 40,001	\$ 88,935	\$	-	\$ 809,996	\$ 1,262,869	\$ 173,002	\$ 2,374,803		
Delinquent real estate taxes	-	-	-	-	-	-	23,808	38,496	6,750	69,054		
Current personal property taxes	-	-	-	-	-	-	103,483	145,174	18,043	266,700		
Delinquent personal property taxes	-	-	-	-	-	-	8,549	17,842	1,799	28,190		
Railroad and utility taxes	-	-	-	-	-	-	-	24,221	4,378	28,599		
Interest and penalties	-	-	-	-	-	-	60	111	20	191		
Sales tax	-	-	-	-	-	593,217	-	-	-	593,217		
Total General taxes	-	40,001	88,935	-	-	593,217	945,896	1,488,713	203,992	3,360,754		
Charges for services	-	-	-	564,954	-	-	-	-	-	564,954		
Intergovernmental	-	-	-	-	-	-	-	99,174	-	99,174		
Licenses, permits, fines and fees	-	34,263	-	-	-	-	-	70,483	-	104,746		
Investment income	-	-	-	2,670	-	1,250	-	5,202	-	9,122		
Other	3,375	54,539	-	-	-	-	-	58,075	-	115,989		
TOTAL REVENUES	3,375	128,803	88,935	567,624	594,467	945,896	1,721,647	203,992	4,254,739			
EXPENDITURES												
Current:												
General government	18,640	99,856	85,402	614,109	96,373	945,896	-	-	-	1,860,276		
Culture and recreation	-	-	-	-	-	-	-	1,732,669	-	1,732,669		
Capital outlay	-	-	-	-	354,956	-	-	15,261	-	370,217		
Debt services:												
Principal	-	-	-	-	-	-	-	-	215,000	215,000		
Interest and fiscal charges	-	-	-	-	-	-	-	-	22,725	22,725		
TOTAL EXPENDITURES	18,640	99,856	85,402	614,109	451,329	945,896	1,747,930	237,725	4,200,887			
REVENUES OVER EXPENDITURES	(15,265)	28,947	3,533	(46,485)	143,138	-	(26,283)	(33,733)	53,852			
OTHER FINANCING USES												
Transfers out	-	-	-	-	-	-	-	(4,000)	-	(4,000)		
NET CHANGE IN FUND BALANCES	(15,265)	28,947	3,533	(46,485)	143,138	-	(30,283)	(33,733)	49,852			
FUND BALANCE, JULY 1	460,515	97,392	91,169	1,225,172	1,583,018	-	1,173,153	260,561	4,890,980			
FUND BALANCES, JUNE 30	\$ 445,250	\$ 126,339	\$ 94,702	\$ 1,178,687	\$ 1,726,156	\$ -	\$ 1,142,870	\$ 226,828	\$ 4,940,832			

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL -
CALOP SPECIAL REVENUE FUND - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Final Budgeted Amounts	Actual	Variance With Final Budget - Positive (Negative)
REVENUES			
Other	\$ -	\$ 3,375	\$ 3,375
Total Revenues	-	3,375	3,375
EXPENDITURES			
General government:			
Contractual services	81,500	6,093	75,407
Total Expenditures	81,500	6,093	75,407
NET CHANGE IN FUND BALANCE	\$ (81,500)	(2,718)	\$ 78,782
ADJUSTMENT TO RECONCILE TO GAAP BASIS			
Current year encumbrances		29,239	
Prior year encumbrances		<u>(41,786)</u>	
Total Adjustment To Reconcile To GAAP Basis		<u>(12,547)</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS		(15,265)	
FUND BALANCE, JULY 1		<u>460,515</u>	
FUND BALANCE, JUNE 30		<u>\$ 445,250</u>	

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL -
LOOP SBD SPECIAL REVENUE FUND – BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Final Budgeted Amounts	Actual	Variance With Final Budget - Positive (Negative)
REVENUES			
General taxes:			
Current real estate taxes	\$ 38,000	\$ 40,001	\$ 2,001
Licenses, permits, fines, and fees	15,000	34,263	19,263
Other	24,000	54,539	30,539
Total Revenues	77,000	128,803	51,803
EXPENDITURES			
General government:			
Contractual services	69,900	90,758	(20,858)
Commodities	6,500	9,098	(2,598)
Total Expenditures	76,400	99,856	(23,456)
NET CHANGE IN FUND BALANCE	\$ 600	28,947	\$ 28,347
FUND BALANCE, JULY 1		97,392	
FUND BALANCE, JUNE 30		\$ 126,339	

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL -
PARKVIEW GARDENS SBD SPECIAL REVENUE FUND - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Final Budgeted Amounts	Actual	Variance With Final Budget - Positive (Negative)
REVENUES			
General taxes:			
Current real estate taxes	\$ 85,000	\$ 88,935	\$ 3,935
Total Revenues	<u>85,000</u>	<u>88,935</u>	<u>3,935</u>
EXPENDITURES			
General government:			
Contractual services	59,000	55,087	3,913
Commodities	36,000	30,315	5,685
Total Expenditures	<u>95,000</u>	<u>85,402</u>	<u>9,598</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (10,000)</u></u>	<u><u>3,533</u></u>	<u><u>\$ 13,533</u></u>
FUND BALANCE, JULY 1			<u><u>91,169</u></u>
FUND BALANCE, JUNE 30			<u><u>\$ 94,702</u></u>

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL -
SEWER LATERAL SPECIAL REVENUE FUND - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Final Budgeted Amounts	Actual	Variance With Final Budget - Positive (Negative)
REVENUES			
Charges for services	\$ 580,000	\$ 564,954	\$ (15,046)
Investment income	5,000	2,670	(2,330)
Total Revenues	585,000	567,624	(17,376)
EXPENDITURES			
General government:			
Personal services	56,800	42,512	14,288
Contractual services	624,900	621,495	3,405
Commodities	1,075	-	1,075
Total Expenditures	682,775	664,007	18,768
NET CHANGE IN FUND BALANCE	\$ (97,775)	(96,383)	\$ 1,392
ADJUSTMENT TO RECONCILE TO GAAP BASIS			
Current year encumbrances		90,816	
Prior year encumbrances		(40,918)	
Total Adjustment To Reconcile To GAAP Basis		49,898	
NET CHANGE IN FUND BALANCE - GAAP BASIS		(46,485)	
FUND BALANCE, JULY 1		1,225,172	
FUND BALANCE, JUNE 30		\$ 1,178,687	

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL -
ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Final Budgeted Amounts	Actual	Variance With Final Budget - Positive (Negative)
REVENUES			
General taxes:			
Sales tax	\$ 540,000	\$ 593,217	\$ 53,217
Investment income	1,000	1,250	250
Total Revenues	541,000	594,467	53,467
EXPENDITURES			
General government:			
Personal services	81,500	52,232	29,268
Contractual services	18,500	44,141	(25,641)
Capital outlay	1,142,720	360,406	782,314
Total Expenditures	1,242,720	456,779	785,941
NET CHANGE IN FUND BALANCE	\$ (701,720)	137,688	\$ 839,408
ADJUSTMENT TO RECONCILE TO GAAP BASIS			
Current year encumbrances		116,950	
Prior year encumbrances		(111,500)	
Total Adjustment To Reconcile To GAAP Basis		5,450	
NET CHANGE IN FUND BALANCE - GAAP BASIS		143,138	
FUND BALANCE, JULY 1		1,583,018	
FUND BALANCE, JUNE 30		\$ 1,726,156	

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL -
LIBRARY SPECIAL REVENUE FUND - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Final Budgeted Amounts	Actual	Variance With Final Budget - Positive (Negative)
REVENUES			
General taxes:			
Current real estate taxes	\$ 1,250,000	\$ 1,262,869	\$ 12,869
Delinquent real estate taxes	35,000	38,496	3,496
Current personal property taxes	140,000	145,174	5,174
Delinquent personal property taxes	15,000	17,842	2,842
Railroad and other utilities	20,000	24,221	4,221
Interest and penalties	100	111	11
Total General Taxes	<u>1,460,100</u>	<u>1,488,713</u>	<u>28,613</u>
Intergovernmental:			
Grants	68,000	99,174	31,174
Licenses, permits, fines, and fees:			
Fines on delinquent books	65,000	70,483	5,483
Investment income	5,000	5,202	202
Other	52,000	58,075	6,075
Total Revenues	<u>1,650,100</u>	<u>1,721,647</u>	<u>71,547</u>
EXPENDITURES			
Culture and recreation:			
Personal services	1,210,600	1,182,240	28,360
Contractual services	220,700	231,962	(11,262)
Commodities	283,800	319,186	(35,386)
Capital outlay	32,110	15,261	16,849
Total Expenditures	<u>1,747,210</u>	<u>1,748,649</u>	<u>(1,439)</u>
REVENUES OVER (UNDER) EXPENDITURES			
	(97,110)	(27,002)	70,108
OTHER FINANCING USES			
Transfers out	(4,000)	(4,000)	-
NET CHANGE IN FUND BALANCE	<u><u>\$ (101,110)</u></u>	<u><u>(31,002)</u></u>	<u><u>\$ 70,108</u></u>
ADJUSTMENT TO RECONCILE TO GAAP BASIS			
Current year encumbrances			719
Total Adjustment to Reconcile To GAAP Basis			<u>719</u>
NET CHANGE IN FUND BALANCE - GAAP BASIS		(30,283)	
FUND BALANCE, JULY 1		<u>1,173,153</u>	
FUND BALANCE, JUNE 30	<u><u>\$ 1,142,870</u></u>		

CITY OF UNIVERSITY CITY, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL -
DEBT SERVICE FUND - BUDGET BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Final Budgeted Amounts	Actual	Variance With Final Budget - Positive (Negative)
REVENUES			
General taxes:			
Current real estate taxes	\$ 275,000	\$ 173,002	\$ (101,998)
Delinquent real estate taxes	7,500	6,750	(750)
Current personal property taxes	28,000	18,043	(9,957)
Delinquent personal property taxes	3,500	1,799	(1,701)
Railroad and utility taxes	5,000	4,378	(622)
Interest and penalties	-	20	20
Total General taxes	<u>319,000</u>	<u>203,992</u>	<u>(115,008)</u>
Investment income	1,000	-	(1,000)
Total Revenues	<u>320,000</u>	<u>203,992</u>	<u>(116,008)</u>
EXPENDITURES			
Debt service:			
Principal	215,000	215,000	-
Interest and fiscal charges	23,500	22,725	775
Total Expenditures	<u>238,500</u>	<u>237,725</u>	<u>775</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ 81,500</u></u>	<u><u>(33,733)</u></u>	<u><u>\$ (115,233)</u></u>
FUND BALANCE, JULY 1		<u><u>260,561</u></u>	
FUND BALANCE, JUNE 30		<u><u>\$ 226,828</u></u>	

SECTION III - STATISTICAL SECTION

CITY OF UNIVERSITY CITY, MISSOURI

STATISTICAL INFORMATION

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

	Pages
Financial Trends	75 - 80
These five (5) schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	81 - 89
These five (5) schedules contain information to help the reader assess the City's most significant local revenue sources.	
Debt Capacity	90 - 93
These four (4) schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	94 - 95
These two (2) schedules provide demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	96 - 100
These three (3) schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

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

CITY OF UNIVERSITY CITY, MISSOURI

**NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)
(amounts expressed in thousands)**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011*	2012	2013
Governmental Activities										
Net investment in capital assets	\$ 20,333	\$ 24,254	\$ 28,843	\$ 26,794	\$ 29,945	\$ 31,239	\$ 31,244	\$ 30,787	\$ 35,729	\$ 38,489
Restricted	838	7,765	1,459	2,146	7,103	7,640	8,626	8,890	5,196	5,167
Unrestricted	8,598	2,307	8,228	12,192	13,495	16,005	19,029	23,076	27,588	26,591
Total Governmental Activities Net Position	\$ 29,769	\$ 34,326	\$ 38,530	\$ 41,132	\$ 50,543	\$ 54,884	\$ 58,899	\$ 62,753	\$ 68,513	\$ 70,247
Business-type Activities										
Net investment in capital assets	\$ 1,198	\$ 1,227	\$ 1,264	\$ 1,291	\$ 1,360	\$ 1,341	\$ 1,396	\$ 1,897	\$ 2,355	\$ 2,401
Restricted	111	116	110	116	122	122	124	125	50	50
Unrestricted	52	78	105	148	134	197	176	1,111	873	1,035
Total Business-type Activities Net Position	\$ 1,361	\$ 1,421	\$ 1,479	\$ 1,555	\$ 1,616	\$ 1,660	\$ 1,696	\$ 3,133	\$ 3,278	\$ 3,486
Primary Government										
Net investment in capital assets	\$ 21,531	\$ 25,481	\$ 30,107	\$ 28,085	\$ 31,305	\$ 32,580	\$ 32,640	\$ 32,684	\$ 38,084	\$ 40,890
Restricted	949	7,881	1,569	2,262	7,225	7,762	8,750	9,015	5,246	5,217
Unrestricted	8,650	2,385	8,333	12,340	13,629	16,202	19,205	24,187	28,461	27,626
Total Primary Government Net Position	\$ 31,130	\$ 35,747	\$ 40,009	\$ 42,687	\$ 52,159	\$ 56,544	\$ 60,595	\$ 65,886	\$ 71,791	\$ 73,733

Notes:

* In 2011, the City changed accounting for the Solid Waste (Sanitation) Fund from a Government Fund to an Enterprise Fund.

CITY OF UNIVERSITY CITY, MISSOURI

CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
(Accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011*	2012	2013
Expenses										
Governmental Activities:										
General government	\$ 4,580	\$ 3,788	\$ 5,034	\$ 4,034	\$ 5,736	\$ 6,841	\$ 6,951	\$ 7,245	\$ 7,946	\$ 9,108
Public safety	10,341	10,751	11,563	13,100	11,169	10,804	12,433	10,902	11,753	12,202
Public works and parks	2,725	3,683	3,990	4,817	1,945	4,226	4,128	3,972	4,468	6,093
Sanitation	2,285	2,126	2,158	2,223	2,559	2,648	2,363	-	-	-
Culture and recreation	4,875	5,448	5,829	5,701	5,604	5,825	5,568	5,796	5,462	3,893
Interest and fiscal charges	231	545	599	515	481	454	440	476	319	178
Total Governmental Activities Expenses	25,037	26,341	29,174	30,390	27,494	30,798	31,883	28,391	29,948	31,474
Business-type Activities:										
Parking facility	128	148	151	149	173	174	178	175	198	154
Sanitation	-	-	-	-	-	-	-	2,389	2,172	2,430
Total Business-type Activities Expenses	128	148	151	149	173	174	178	2,564	2,370	2,584
Total Primary Government Expenses	\$ 25,165	\$ 26,489	\$ 29,325	\$ 30,539	\$ 27,667	\$ 30,972	\$ 32,061	\$ 30,955	\$ 32,318	\$ 34,058
Program Revenues										
Governmental Activities:										
Charges for services	\$ 955	\$ 726	\$ 694	\$ 691	\$ 707	\$ 603	\$ 837	\$ 900	\$ 1,166	\$ 1,180
General government	1,318	1,359	1,464	1,544	1,638	1,895	2,090	1,796	1,743	1,745
Public safety	72	702	700	656	664	564	571	663	717	1,004
Highways and streets	2,738	2,835	2,769	2,770	3,404	3,614	3,133	-	-	-
Sanitation	539	666	883	1,104	1,290	1,411	1,667	1,674	1,707	1,688
Culture and recreation	2,473	2,799	2,512	2,898	2,429	2,286	3,187	2,832	3,429	2,565
Operating grants and contributions	1,537	866	2,124	695	928	1,535	882	901	4,009	2,065
Total Governmental Activities Program Revenues	9,632	9,953	11,146	10,358	11,060	11,908	12,367	8,766	12,771	10,247

Notes:

* In 2011, the City changes accounting for the Solid Waste (Sanitation) fund from a Government Fund to an Enterprise Fund.

CITY OF UNIVERSITY CITY, MISSOURI

CHANGES IN NET POSITION, LAST TEN FISCAL YEARS (CONTINUED)
(Accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011*	2012	2013
Business-type Activities:										
Parking facility	192	203	206	221	232	214	214	214	210	229
Sanitation	-	-	-	-	-	-	-	2,980	2,249	2,563
Total Business-type Activities Program Revenues	192	203	206	221	232	214	214	3,194	2,459	2,792
Total Primary Government Program Revenues	\$ 9,824	\$ 10,156	\$ 11,352	\$ 10,579	\$ 11,292	\$ 12,122	\$ 12,581	\$ 11,960	\$ 15,230	\$ 13,039
Net Revenue (Expenses):										
Governmental activities	\$ (15,405)	\$ (16,388)	\$ (18,028)	\$ (20,032)	\$ (16,434)	\$ (18,890)	\$ (19,516)	\$ (19,625)	\$ (17,177)	\$ (21,227)
Business-type activities	64	55	55	72	59	40	36	630	89	208
Total Primary Government Net Expense	\$ (15,341)	\$ (16,333)	\$ (17,973)	\$ (19,960)	\$ (16,375)	\$ (18,850)	\$ (19,480)	\$ (18,995)	\$ (17,088)	\$ (21,019)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes	\$ 18,689	\$ 19,004	\$ 19,973	\$ 20,771	\$ 24,128	\$ 21,822	\$ 22,297	\$ 23,514	\$ 22,150	\$ 22,345
Local use tax	996	1,025	990	763	750	723	679	486	381	442
Investment Income	65	401	406	493	449	371	182	128	133	50
Gain on sale of assets	-	-	17	-	-	-	126	30	-	-
Miscellaneous	487	515	845	536	518	297	438	126	329	124
Transfers	-	-	-	-	-	-	-	-	(56)	-
Total Governmental Activities	20,237	20,945	22,231	22,563	25,845	23,213	23,722	24,284	22,937	22,961
Business-type Activities:										
Investment income	2	5	3	4	2	4	-	2	-	-
Transfers	-	-	-	-	-	-	-	-	56	-
Total Business-type Activities	2	5	3	4	2	4	-	2	56	-
Total Primary Government	\$ 20,239	\$ 20,950	\$ 22,234	\$ 22,567	\$ 25,847	\$ 23,217	\$ 23,722	\$ 24,286	\$ 22,993	\$ 22,961
Change in Net Position										
Governmental activities	\$ 4,832	\$ 4,557	\$ 4,204	\$ 2,531	\$ 9,411	\$ 4,323	\$ 4,206	\$ 4,659	\$ 5,760	\$ 1,734
Business-type activities	66	60	58	76	61	44	36	632	145	208
Total Primary Government	\$ 4,898	\$ 4,617	\$ 4,262	\$ 2,607	\$ 9,472	\$ 4,367	\$ 4,242	\$ 5,291	\$ 5,905	\$ 1,942

Notes:

* In 2011, the City changes accounting for the Solid Waste (Sanitation) fund from a Government Fund to an Enterprise Fund.

CITY OF UNIVERSITY CITY, MISSOURI

GENERAL GOVERNMENT TAX REVENUES BY SOURCE
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Sales and Local Use		Gross Receipts Tax	Miscellaneous Tax		Total
	Property Tax	Tax				
2004	\$ 4,709	\$ 8,923	\$ 4,717	\$ 340	\$	18,689
2005	4,869	9,153	4,670	312		19,004
2006	5,247	9,293	5,133	300		19,973
2007	5,559	9,700	5,218	294		20,771
2008	5,633	10,162	8,038	293		24,126
2009	5,622	9,543	6,360	297		21,822
2010	5,871	9,095	7,043	288		22,297
2011	6,349	9,323	7,336	506		23,514
2012	5,852	9,518	6,533	247		22,150
2013	6,192	9,236	6,737	180		22,345

CITY OF UNIVERSITY CITY, MISSOURI

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011*	2012	2013
General Fund:										
Reserved	\$ 1,373	\$ 2,159	\$ 1,988	\$ 1,702	\$ 3,260	\$ 3,487	\$ 2,359	\$ -	\$ -	\$ -
Unreserved	5,083	4,690	4,538	4,325	7,257	7,805	11,342	-	-	-
Nonspendable	-	-	-	-	-	-	-	690	1,104	2,048
Committed	-	-	-	-	-	-	-	2,390	2,323	1,053
Restricted	-	-	-	-	-	-	-	-	650	647
Assigned	-	-	-	-	-	-	-	1,177	1,259	1,691
Unassigned	-	-	-	-	-	-	-	12,973	17,829	17,335
Total General Fund	\$ 6,456	\$ 6,849	\$ 6,526	\$ 6,027	\$ 10,517	\$ 11,292	\$ 13,701	\$ 17,230	\$ 23,165	\$ 22,774
 All Other Governmental Funds:										
Reserved	\$ 665	\$ 1,301	\$ 1,604	\$ 2,426	\$ 2,719	\$ 3,932	\$ 5,495	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue fund	2,635	3,151	3,623	3,434	4,224	3,853	3,122	-	-	-
Capital projects fund	3,051	5,804	(328)	6	71	94	162	-	-	-
Debt service funds	-	3	(130)	68	132	159	213	-	-	-
Nonspendable	-	-	-	-	-	-	-	47	64	72
Restricted	-	-	-	-	-	-	-	8,719	4,367	4,424
Assigned	-	-	-	-	-	-	-	675	461	445
Unassigned	-	-	-	-	-	-	-	(508)	(417)	(708)
Total All Other Governmental Funds	\$ 6,351	\$ 10,259	\$ 4,769	\$ 5,934	\$ 7,146	\$ 8,038	\$ 8,992	\$ 8,933	\$ 4,475	\$ 4,233

* GASB 54 was implemented in 2011.

CITY OF UNIVERSITY CITY, MISSOURI

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
General taxes	\$ 18,397	\$ 18,814	\$ 19,692	\$ 20,531	\$ 24,761	\$ 22,435	\$ 22,599	\$ 23,103	\$ 22,314	\$ 22,595
Charges for services	4,491	4,814	5,208	5,333	6,024	6,407	6,488	3,303	3,429	3,140
Intergovernmental	4,151	3,801	4,766	3,726	3,468	3,945	3,344	3,543	6,762	4,317
Licenses, permits, fines and fees	2,225	2,452	2,285	2,168	2,146	2,203	2,577	2,553	2,729	2,818
Investment Income	42	349	344	402	379	348	168	117	124	47
Special assessments	-	-	-	-	-	288	521	150	203	92
Miscellaneous	526	548	941	609	579	615	464	118	280	204
Total Revenues	29,832	30,778	33,236	32,769	37,357	36,241	36,161	32,887	35,841	33,213
Expenditures										
General government	4,496	4,613	4,954	5,421	6,803	6,923	6,807	6,635	7,055	8,421
Public safety	10,113	10,746	11,079	11,267	10,879	10,725	11,098	11,011	11,388	11,758
Highways and streets	4,868	3,941	4,317	3,162	1,346	2,941	2,997	2,778	2,769	4,415
Sanitation	2,259	2,120	2,171	2,263	2,494	2,006	2,440	-	-	-
Culture and recreation	4,438	4,592	4,778	5,043	4,889	5,328	5,452	5,276	4,801	3,357
Capital outlay	5,190	6,960	10,713	3,165	4,077	4,561	2,768	1,863	6,530	4,767
Debt service										
Principal	907	1,060	1,226	1,262	790	786	820	845	1,132	1,010
Interest and fiscal charges	172	433	553	521	461	434	416	460	687	117
Bond issuance costs	152	269	21	-	-	-	-	-	125	-
Total Expenditures	32,595	34,734	39,812	32,104	31,739	33,704	32,798	28,868	34,487	33,845
Excess of Revenues										
Over (Under) Expenditures	(2,763)	(3,956)	(6,576)	665	5,618	2,537	3,363	4,019	1,354	(632)
Other Financing Sources (Uses)										
Transfers in	248	-	-	273	-	44	338	4	4,312	4
Transfers out	(249)	-	-	(273)	-	(44)	(338)	(4)	(4,314)	(4)
Issuance of certificates of participation	-	8,245	-	-	-	-	-	-	-	-
Issuance on special obligation bonds	-	-	700	-	-	-	-	-	-	-
Premiums on debt issue	-	12	-	-	-	-	-	-	-	-
Premiums on special obligation bonds	-	-	6	-	-	-	-	-	-	-
Refunding on bond issuance	-	-	-	-	-	-	-	-	6,561	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	(6,436)	-
Proceeds from certificates of participation	5,205	-	-	-	-	-	-	-	-	-
Proceeds from capital lease	-	-	57	-	14	-	-	-	-	-
Total Other Financing Sources (Uses)	5,204	8,257	763	-	14	-	-	-	123	-
Net Change in Fund Balances	\$ 2,441	\$ 4,301	\$ (5,813)	\$ 665	\$ 5,632	\$ 2,537	\$ 3,363	\$ 4,019	\$ 1,477	\$ (632)

Debt service as a percentage of noncapital expenditures **4.9%** **6.7%** **6.2%** **6.0%** **4.5%** **4.2%** **4.1%** **4.7%** **6.3%** **3.9%**

CITY OF UNIVERSITY CITY, MISSOURI

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year Ended June 30	Real Property ¹	Personal Property	Railroad and Utilities ²	Total Taxable Assessed Value	Total Direct Tax Rate ³	Estimated Actual Taxable Value	Assessed Value as a Percentage of Estimated Actual Taxable Value
2004	386,345	63,992	7,122	457,459	(see table below)	2,166,855	21.11%
2005	387,731	60,800	7,609	456,140	(see table below)	2,167,365	21.05%
2006	468,756	63,352	7,881	539,989	(see table below)	2,594,407	20.81%
2007	474,395	64,458	7,969	546,822	(see table below)	2,627,047	20.82%
2008	560,796	65,229	8,078	634,103	(see table below)	3,054,891	20.76%
2009	534,918	60,788	8,324	604,030	(see table below)	3,059,619	19.74%
2010	537,172	52,639	8,474	598,285	(see table below)	2,911,594	20.55%
2011	537,029	53,033	8,474	598,536	(see table below)	2,885,607	20.74%
2012	532,495	53,577	9,129	595,201	(see table below)	2,886,720	20.62%
2013	530,263	57,676	8,993	596,932	(see table below)	2,887,085	20.68%

Total Direct Tax Rate				
Ended June 30	Residential	Commercial	Personal Property	Agricultural
2004	0.929	0.944	0.985	0.000
2005	0.958	1.029	1.002	0.000
2006	0.845	0.950	1.015	0.000
2007	0.906	1.014	1.077	0.000
2008	0.927	1.033	1.236	0.000
2009	0.922	1.069	1.229	0.000
2010	0.987	1.114	1.211	0.000
2011	0.761	0.866	0.923	0.000
2012	0.753	0.892	0.909	0.000
2013	0.753	0.776	0.909	0.000

¹Assessments are based on January 1st valuations. Assessed valuations are determined and certified by the Assessor of St. Louis County.

²Railroad and Utilities are State Assessed. Locally assessed are included in Real and Personal. Laclede Gas Company and St. Louis County Water Company are included with personal assessments as they are local concerns.

³All property taxes prior to 1983 are collected by the Director of Finance of University City. All property taxes levied in 1983 and after and taxes on railroads and other utilities are payable at the office of the St. Louis County Director of Revenue.

Sources:

St. Louis County Department of Revenue

2013 Internet Source: <http://revenue.stlouisco.com/pdfs>

2012 Internet Source: <http://revenue.stlouisco.com/collection/yourtaxrates.aspx>

CITY OF UNIVERSITY CITY, MISSOURI

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(per \$100 assessed valuation)

	2004				2005			
	Residential	Commercial	Personal	Agricultural	Residential	Commercial	Personal	Agricultural
City of University City	0.9290	0.9440	0.9850	0.9850	0.9580	1.0290	1.0020	0.0000
St. Louis County	0.5800	0.5800	0.5800	0.5800	0.5800	0.5800	0.5800	0.5800
University City School District	4.9244	5.0089	5.2751	5.2751	4.9945	5.3007	5.2751	0.0000
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Metropolitan St. Louis Sewer District	0.0690	0.0690	0.0690	0.0069	0.0690	0.0690	0.0690	0.0690
Metropolitan Zoological Park and Museum District	0.2260	0.2260	0.2260	0.2260	0.2756	0.2756	0.2756	0.2756
St. Louis Community College	0.2312	0.2312	0.2312	0.2312	0.2368	0.2368	0.2368	0.2368
Sheltered Workshop	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850	0.0850
Special School District	0.8330	0.8530	0.8640	0.8640	0.9051	0.9051	0.9051	0.9051
MSD/University City Storm Sewer	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0700	0.0000
Black Creek	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0000
MSD/University City Sewer Improvement	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
MSD/Deer Creek Subdistrict	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.6000

Note: All property taxes prior to 1983 are collected by the University City Finance Director. All property taxes levied in 1983 and after and taxes on railroads and other utilities are payable at the office of the St. Louis County Director of Revenue. Said taxes are due and payable by December 31.

Source:

St. Louis County Assessor's Office

CITY OF UNIVERSITY CITY, MISSOURI

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (CONTINUED)
LAST TEN FISCAL YEARS
(per \$100 assessed valuation)

	2006				2007			
	Residential	Commercial	Personal	Agricultural	Residential	Commercial	Personal	Agricultural
City of University City	0.8450	0.9500	1.0150	0.0000	0.9060	1.0140	1.0770	0.0000
St. Louis County	0.5580	0.5580	0.5580	0.5580	0.5580	0.5580	0.5580	0.5580
University City School District	4.4208	5.6000	5.2751	0.0000	4.4261	5.3583	5.2751	0.0000
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Metropolitan St. Louis Sewer District	0.0686	0.0686	0.0686	0.0686	0.0687	0.0687	0.0687	0.0687
Metropolitan Zoological Park and Museum District	0.2654	0.2654	0.2654	0.2654	0.2611	0.2611	0.2611	0.2611
St. Louis Community College	0.2231	0.2231	0.2231	0.2231	0.2233	0.2233	0.2233	0.2233
Sheltered Workshop	0.0820	0.0850	0.0850	0.0850	0.0820	0.0850	0.0850	0.0850
Special School District	0.8399	0.8399	0.8399	0.8399	0.8235	0.8235	0.8235	0.8235
MSD/University City Storm Sewer	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Black Creek	0.0600	0.0600	0.0600	0.0000	0.0600	0.0600	0.0600	0.0000
MSD/University City Sewer Improvement	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
MSD/Deer Creek Subdistrict	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600	0.0600

Note: All property taxes prior to 1983 are collected by the University City Finance Director. All property taxes levied in 1983 and after and taxes on railroads and other utilities are payable at the office of the St. Louis County Director of Revenue. Said taxes are due and payable by December 31.

Source:

St. Louis County Assessor's Office

CITY OF UNIVERSITY CITY, MISSOURI

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (CONTINUED)
LAST TEN FISCAL YEARS
(per \$100 assessed valuation)

	2008				2009			
	Residential	Commercial	Personal	Agricultural	Residential	Commercial	Personal	Agricultural
City of University City	0.9270	1.0330	1.2360	0.0000	0.9220	1.0690	1.2290	0.0000
St. Louis County	0.5580	0.5580	0.5580	0.5580	0.5580	0.5580	0.5580	0.5580
University City School District	4.0331	4.2340	5.2751	0.0000	4.0477	4.3440	5.2751	0.0000
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Metropolitan St. Louis Sewer District	0.0667	0.0667	0.0667	0.0667	0.0000	0.0000	0.0000	0.0000
Metropolitan Zoological Park and Museum District	0.2330	0.2330	0.2330	0.2330	0.2344	0.2344	0.2344	0.2344
St. Louis Community College	0.2003	0.2003	0.2003	0.2003	0.2013	0.2013	0.2013	0.2013
Sheltered Workshop	0.0700	0.0790	0.0850	0.0850	0.6900	0.0810	0.0900	0.0900
Special School District	0.9084	0.9084	0.9084	0.9084	0.9184	0.9184	0.9184	0.9184
MSD/University City Storm Sewer	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Black Creek	0.0600	0.0600	0.0600	0.0000	0.0000	0.0000	0.0000	0.0000
MSD/University City Sewer Improvement	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
MSD/Deer Creek Subdistrict	0.0600	0.0600	0.0600	0.0600	0.0000	0.0000	0.0000	0.0000

Note: All property taxes prior to 1983 are collected by the University City Finance Director. All property taxes levied in 1983 and after and taxes on railroads and other utilities are payable at the office of the St. Louis County Director of Revenue. Said taxes are due and payable by December 31.

Source:

St. Louis County Assessor's Office

CITY OF UNIVERSITY CITY, MISSOURI

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (CONTINUED)
LAST TEN FISCAL YEARS
(per \$100 assessed valuation)

	2010			2011			
	Residential	Commercial	Personal	Residential	Commercial	Personal	Agricultural
City of University City	0.9870	1.1140	1.2110	0.7610	0.8660	0.9230	0.0000
St. Louis County	0.5230	0.5230	0.5230	0.5230	0.5230	0.5230	0.5230
University City School District	4.2099	4.4159	5.2751	4.6618	4.9747	5.7264	0.0000
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Metropolitan St. Louis Sewer District	0.0000	0.0000	0.0000	0.0790	0.0790	0.0790	0.0790
Metropolitan Zoological Park and Museum District	0.2493	0.2493	0.2493	0.2546	0.2546	0.2546	0.2546
St. Louis Community College	0.2136	0.2136	0.2136	0.2179	0.2179	0.2179	0.2179
Sheltered Workshop	0.0740	0.0740	0.0740	0.0790	0.0850	0.0900	0.0870
Special School District	0.9384	0.9384	0.9384	0.9950	0.9950	0.9950	0.9950
MSD/University City Storm Sewer	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Black Creek	0.0000	0.0000	0.0000	0.0830	0.0920	0.0950	0.0000
MSD/University City Sewer Improvement	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
MSD/Deer Creek Subdistrict	0.0000	0.0000	0.0000	0.0810	0.0820	0.0930	0.0760
Mississippi River Anti Pollution				0.0000	0.0000	0.0000	0.0000
Roads and Bridges				0.1050	0.1050	0.1050	0.1050
University City Library				0.2380	0.2800	0.2800	0.0000

Note: All property taxes prior to 1983 are collected by the University City Finance Director. All property taxes levied in 1983 and after and taxes on railroads and other utilities are payable at the office of the St. Louis County Director of Revenue. Said taxes are due and payable by December 31.

Source:

St. Louis County Assessor's Office

CITY OF UNIVERSITY CITY, MISSOURI

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (CONTINUED)
LAST TEN FISCAL YEARS
(per \$100 assessed valuation)

	2012				2013			
	Residential	Commercial	Personal	Agricultural	Residential	Commercial	Personal	Agricultural
City of University City	0.7530	0.8920	0.9090	0.0000	0.7530	0.7760	0.9090	0.0000
St. Louis County	0.5230	0.5230	0.5230	0.5230	0.5230	0.5230	0.5230	0.5230
University City School District	4.7110	5.2122	5.7264	0.0000	4.8154	5.3256	5.8603	0.0000
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Metropolitan St. Louis Sewer District	0.0818	0.0818	0.0818	0.0818	0.0635	0.0635	0.0635	0.0635
Metropolitan Zoological Park and Museum District	0.2671	0.2671	0.2671	0.2671	0.2684	0.2684	0.2684	0.2684
St. Louis Community College	0.2200	0.2200	0.2200	0.2200	0.2200	0.2200	0.2200	0.2200
Sheltered Workshop	0.0840	0.0900	0.0900	0.0900	0.0840	0.0900	0.0900	0.0900
Special School District	1.0125	1.0125	1.0125	1.0125	1.0123	1.0123	1.0123	1.0123
MSD/University City Storm Sewer	0.0000	0.0000	0.0000	0.0000	0.0850	0.0940	0.0940	0.0000
Black Creek	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
MSD/University City Sewer Improvement	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
MSD/Deer Creek Subdistrict	0.0840	0.0820	0.0930	0.0790	0.0840	0.0830	0.0930	0.0790
Mississippi River Anti Pollution	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Roads and Bridges	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050
University City Library	0.2410	0.2800	0.2800	0.0000	0.2480	0.2540	0.2800	0.0000

Note: All property taxes prior to 1983 are collected by the University City Finance Director. All property taxes levied in 1983 and after and taxes on railroads and other utilities are payable at the office of the St. Louis County Director of Revenue. Said taxes are due and payable by December 31.

Source:

St. Louis County Assessor's Office

2012 Internet Source: www.revenue.stlouisco.com/Collection/yourtaxrates.aspx

2013 Internet Source: www.revenue.stlouisco.com/Collection/yourtaxrates.aspx

CITY OF UNIVERSITY CITY, MISSOURI

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
JUNE 30, 2013
(amounts expressed in thousands)

2013

Rank	Taxpayer	Type of Business	Taxable Assessed Value	Percentage of Total Taxable Assessed Value¹
1	McKnight Place Partnership I LLP	Apartments	\$ 6,263	1.05%
2	Wyncrest Holdings	Apartments	4,706	0.79%
3	McKnight Place Partnership II LLP	Apartments	1,938	0.32%
4	MCW RD University City Square LLC	Retail Outlet	1,890	0.32%
5	U City Lions LLC A Missouri Liability	Retail/Office Space	1,657	0.28%
6	Six Fortune LLC	Management Consultants	1,447	0.24%
7	McKnight Place Extended Care LLC	Apartments	1,278	0.21%
8	Mansions on the Plaza LP	Apartments	1,235	0.21%
9	Deutsch Family Investments LLC	Property Investment	1,175	0.20%
10	POE Delmar F Jr Trustee	Property Investment	1,128	0.19%
Total			\$ 22,717	3.81%

2004

Rank	Taxpayer	Type of Business	Taxable Assessed Value	Percentage of Total Taxable Assessed Value¹
1	Ameren UE	Utilities	\$ 6,299,968	1.38%
2	McKnight Place Partnership LLP	Apartments	5,874,220	1.29%
3	Wyncrest Holdings	Apartments	4,197,530	0.92%
4	SM Properties	Apartments	1,705,280	0.37%
5	Park Chung HWE Etal J/T	Retail Outlet	1,370,460	0.30%
6	University Terrace Associates LP	Apartments	1,292,830	0.28%
	Deutsch Family Investments LLC/			
7	Charles Deutsch & Company	Residential Property	1,291,070	0.28%
8	Delmar F Poe Jr	Residential Property	1,194,540	0.26%
9	Southwestern Bell	Telecommunications	1,147,848	0.25%
10	Brentmoor Retirement Community LLC	Retirement Village	1,144,980	0.25%
Total			\$ 25,518,726	5.58%

¹See the schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

Sources:

St. Louis County Department of Revenue Collection Division.

2013 Internet Source: www.revenue/stlouisco.com/pdfs/2013/

City of University City Comprehensive Annual Financial Report, June 30, 2004

CITY OF UNIVERSITY CITY, MISSOURI

PROPERTY TAX LEVIES AND COLLECTIONS *
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year Ended June 30	Collected within the Fiscal Year of the Levy				Total Collections to Date			
	Total Tax Levy for Fiscal Year	Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy		
2004	\$ 4,190	\$ 3,965	94.6%	\$ 224	\$ 4,189	100.0%		
2005	4,311	3,774	87.5%	536	4,310	100.0%		
2006	4,597	4,413	96.0%	181	4,594	99.9%		
2007	4,987	4,126	82.7%	859	4,985	100.0%		
2008	6,020	5,692	94.6%	293	5,985	99.4%		
2009	6,032	5,716	94.8%	277	5,993	99.4%		
2010*	5,985	5,770	96.4%	139	5,909	98.7%		
2011	6,144	5,851	95.2%	121	5,972	97.2%		
2012	6,351	6,062	95.4%	289	6,351	100.0%		
2013	6,368	6,083	95.5%	-	6,083	95.5%		

*Amounts reflected do not include collections on railroads, intangible personal property, and other utilities.
First year bi-annual assessments.

Sources:

St. Louis County

www.revenue.stlouisco.com/pdfs/2013

City of University City Finance Department

CITY OF UNIVERSITY CITY, MISSOURI

SALES TAX RATES, DIRECT AND OVERLAPPING LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	City Direct Rate	St. Louis County	State of Missouri
2004	1.250%	1.850%	4.225%
2005	1.250%	1.850%	4.225%
2006	1.250%	1.850%	4.225%
2007	1.250%	1.850%	4.225%
2008	1.500%	1.850%	4.225%
2009	1.500%	2.100%	4.225%
2010	1.500%	2.700%	4.225%
2011	1.500%	2.700%	4.225%
2012	1.500%	2.700%	4.225%
2013	1.500%	2.700%	4.225%

Sales and Local Use Tax

Fiscal Year Ended June 30	Total Sales Tax Rate at Beginning of Year	Sales Tax Collections (expressed in millions)¹
2004	7.325	8,923
2005	7.325	9,153
2006	7.325	9,293
2007	7.325	9,700
2008	7.575	10,162
2009	7.825	9,543
2010	8.425	9,095
2011	8.425	9,332
2012	8.425	9,518
2013	8.425	9,237

The City levies a sales tax of one-half percent (0.50%) for the purpose of parks and stormwater, one-half percent (0.50%) for the purpose of capital improvements, one-quarter (0.25%) for the purpose of fire services, and one-quarter (0.25%) for the purpose of economic development.

Additionally, the City receives a portion of 1% sales tax (included in the rates shown above) levied by St. Louis County.

St. Louis County added .25% for Children's Fund in 2009

St. Louis County added .100% for E-911 Communication and .500% for Metro Link in 2010.

Loop Trolley Transportation Development District added 1.00%

CITY OF UNIVERSITY CITY, MISSOURI

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities						Business-type Activities			Percentage of Personal Income ¹		
	Tax Increment Revenue	General Obligation Bonds	Special Obligation Bonds	Certificates of Participation	Notes Payable	Capital Lease	Certificates of Participation	Total Primary Government				
	Anticipation Note								Income ¹	Per Capita ¹		
2004	\$ 1,398	\$ -	\$ -	\$ 5,205	\$ -	\$ -	\$ 1,140	\$ 7,743	0.78%	\$ 209		
2005	948	2,000	-	10,840	-	-	1,065	14,853	1.49%	401		
2006	498	1,810	655	10,315	-	41	990	14,309	1.43%	387		
2007	-	1,635	620	9,780	-	22	915	12,972	1.30%	351		
2008	-	1,455	585	9,230	-	11	835	12,116	1.21%	327		
2009	-	1,270	550	8,665	-	5	755	11,245	1.13%	304		
2010	-	1,075	515	8,080	-	-	670	10,340	1.04%	279		
2011	-	875	475	7,475	-	-	585	9,410	0.77%	269		
2012	-	670	435	6,561	-	-	459	8,125	0.66%	232		
2013	-	455	395	5,806	-	-	389	7,045	0.58%	201		

¹Personal income and population data can be found in the Schedule of Demographic and Economic Statistics.

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

CITY OF UNIVERSITY CITY, MISSOURI

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**
(amounts expressed in thousands, except per capita amount)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt			Total	Percentage of Estimated Actual Taxable Value of		
		Service Fund	Total	Property¹		Per Capita²		
2004	\$ -	\$ -	\$ -	0.00%	\$ -			
2005	2,000	3	1,997	92.16%		54		
2006	1,810	-	1,810	69.78%		49		
2007	1,635	68	1,567	59.65%		42		
2008	1,455	132	1,323	43.25%		36		
2009	1,270	159	1,111	38.15%		30		
2010	1,075	213	862	29.67%		23		
2011	875	299	576	19.83%		16		
2012	670	261	409	14.08%		11		
2013	455	227	228	7.90%		7		

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

¹See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property.

²Population data can be found in the Schedule of Demographics and Economic Statistics.

Source:

City of University City Comprehensive Annual Financial Reports, 2004-2013

CITY OF UNIVERSITY CITY, MISSOURI

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2013
(amounts expressed in thousands)

<u>Governmental Unit</u>	Debt Outstanding	Estimated Percentage Applicable*	Estimate Share of Overlapping Debt
St. Louis County	\$ 113,260	2.64%	\$ 2,995
School District of University City	<u>74,680</u>	98.83%	<u>73,805</u>
Subtotal, overlapping debt	187,940		76,800
University City direct debt	<u>6,656</u>	100.00%	<u>6,656</u>
Total Direct and Overlapping Debt	<u><u>\$ 194,596</u></u>		<u><u>\$ 83,456</u></u>

* Based on January 1, 2012 assessed valuations.

The estimated percentage applicable was calculated based on the City's and School District of University City's assessed value as a portion of St. Louis County's assessed value.

Sources:

St. Louis County Division of Fiscal Management

<http://www.stlouisco.com/YourGovernment/CountyDepartments/FiscalManagement#dltop>

St. Louis County Department of Revenue

www.revenue.stlouisco.com/pdfs

City of University City Finance Department

CITY OF UNIVERSITY CITY, MISSOURI

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt limit	\$ 45,746	\$ 45,614	\$ 53,999	\$ 54,682	\$ 63,410	\$ 60,403	\$ 59,965	\$ 59,854	\$ 59,520	\$ 59,693
Total net debt applicable to limit	-	1,997	1,810	1,567	1,323	1,111	862	576	409	228
Legal debt margin	\$ 45,746	\$ 43,617	\$ 52,189	\$ 53,115	\$ 62,087	\$ 59,292	\$ 59,103	\$ 59,278	\$ 59,111	\$ 59,465
Total net debt applicable to limit as a percentage of debt limit	0.00%	4.38%	3.35%	2.87%	2.09%	1.84%	1.44%	0.96%	0.69%	0.38%

Legal Debt Margin Calculation for Fiscal Year 2013

Assessed Value	\$ 596,932
Add back: exempt real property	<u>-</u>
Total Assessed Value	<u>\$ 596,932</u>
Debt limit (10% of total assessed value)*	59,693
Debt applicable to limit:	
General obligation bonds	455
Amount available for repayment	<u>(227)</u>
Total net debt applicable to limit	<u>228</u>
Legal Debt Margin	<u>\$ 59,465</u>

*Under Article VI Section 26(b) and 26(c) of the Missouri Constitution, the City, by vote of the qualified electors thereof, may incur general obligation bonded indebtedness for City purposes in an amount to exceed 10% of the assessed valuation of taxable tangible property within the City as ascertained by the last completed assessment for State or County purposes. Under Section 26(d) of said Article VI, the City may incur general obligation indebtedness not exceeding in the aggregate an additional 10% of the aforesaid assessed valuation for the purpose of acquiring rights-of-way, construction, extending and improving the streets and avenues and acquiring right-of-way, construction and improving sanitary or storm sewer systems, and under Section 26(e) of said Article VI, additional general obligation indebtedness may be incurred for purchasing or constructing waterworks, electric, or other light plants to be owned exclusively by the City, provided that the general obligation indebtedness of the City shall not exceed 20% of the assessed valuation.

CITY OF UNIVERSITY CITY, MISSOURI

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year			Per Capita		Education Level %		Education Level %		Public School Enrollment ²	Unemployment Rate ³		
			Personal		High School Graduate		Bachelor's Degree or Higher Age 25+ ¹					
	Population ¹	Personal Income ¹	Income ¹	Median Age ¹	Age 25+ ¹	Higher Age 25+ ¹						
2004	37,428	1,006,850,628	26,901	35.4	87.4%	45.0%	3,981	6.2%				
2005	37,428	1,006,850,628	26,901	35.4	87.4%	45.0%	3,608	5.7%				
2006	37,428	1,006,850,628	26,901	35.4	87.4%	45.0%	3,515	5.2%				
2007	37,428	1,006,850,628	26,901	35.4	87.4%	45.0%	3,495	5.3%				
2008	37,428	1,006,850,628	26,901	35.4	87.4%	45.0%	3,262	5.4%				
2009	37,428	1,006,850,628	26,901	35.4	87.4%	45.0%	3,135	7.1%				
2010	37,428	1,006,850,628	26,901	35.4	87.4%	45.0%	3,141	8.4%				
2011	35,371	1,223,624,374	34,594	36.3	91.0%	49.3%	3,160	8.6%				
2012	35,371	1,223,624,374	34,594	36.3	91.0%	49.3%	3,160	7.2%				
2013	35,371	1,223,624,374	34,594	36.3	91.0%	49.3%	3,155	6.0%				

Sources:

¹U.S. Census Bureau 2010

²City of University City School District, 2012-2013

³Missouri Economic Research and Information Center, Missouri Department of Economic Development

CITY OF UNIVERSITY CITY, MISSOURI

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO *

2013

2005*

Employer	Employees ¹	Rank	Type of Business	Percentage of Total City		Employer	Employees ¹	Rank	Type of Business	Percentage of Total City Employment ²
				Employment ²	Employment ²					
City of University City ³	452		Local Government	5.01%		University City School District	570	1	School District	9.72%
University City School District	396		School District	4.39%		City of University City ³	424	2	Local Government	7.23%
Gatesworth Community	230		Retirement/Independent Living/Nursing Community	2.55%		Gatesworth Community	300	3	Retirement/Independent Living/Nursing Community	5.11%
Winco Window Company Inc	120		Manufacturer - Commercial Aluminum Windows	1.33%		Winco Windo Company Inc	200	4	Manufacter - Commerical Aluminum Windows	3.41%
McKnight Place Extended Care	125		Retirement/Independent Living/Nursing Community	1.38%		Universal Sewing Supply Inc.	83	5	Wholesale Distributor	1.41%
Schnucks Supermarket	110		Supermarket/Grocer	1.22%		Value City	61	6	Department Store/Retail	1.04%
Wiese Planning & Engineering	120		Industrial Truck Sales & Leasing	1.33%		Food for Less	35	7	Supermarket/Grocer	0.60%
U City Forest Manor LLC	70		Nursing Facility	0.78%						
Fitz's Bottling Company	60		Restaurant	0.66%						
Blueberry Hill	75		Restaurant	0.83%						
McKnight Place Assisted Living	76		Retirement/Independent Living/Nursing Community	0.84%						
McDonald's	58		Fast Food Establishment	0.64%						
Cicero's	65		Restaurant	0.72%						
Walgreens	60		Convenience Store/Pharmacy	0.66%						
Good Shepherd	62		Child Welfare Agency	0.69%						
Cintas	125		Document Management	1.38%						

*2005 is the oldest data available.

Sources:

¹Results of survey conducted by University City staff, February 2005 and June 2013. Survey consists of businesses who agreed to be included.

²Total City Employment Source: 9,028

³City of University City total represents full-time, part-time and seasonal staff employed at fiscal year end June 30, 2013.

N/A=Not Applicable

CITY OF UNIVERSITY CITY, MISSOURI

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

Function	Full-time Employees									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Legislative Services	1.0	0.5	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Human Resources	2.0	1.5	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0
General Administration	3.0	3.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Information Technology	-	0.5	1.0	2.0	2.0	2.0	2.0	2.0	-	-
Municipal Court	4.0	4.0	4.0	4.0	4.0	3.0	3.0	3.0	3.0	3.0
Financial Operations	13.0	13.0	13.0	13.0	13.0	9.0	8.9	11.0	10.0	10.0
Facilities Maintenance	5.0	5.0	5.0	5.0	4.0	4.0	4.0	4.0	7.0	7.0
Public Relations	1.0	1.0	1.0	1.0	1.0	-	-	-	-	-
Community Development	18.0	20.0	19.0	19.0	19.0	22.0	21.0	22.0	20.0	20.0
Public Safety										
Police										
Officers	82.0	82.0	79.0	79.0	77.0	75.0	73.0	76.0	76.0	76.0
Civilians	21.0	22.0	22.0	22.0	19.0	17.0	17.0	17.0	18.0	18.0
Fire										
Firefighters and Officers	48.0	48.0	47.0	47.0	44.0	44.0	44.0	44.0	43.0	44.0
Civilians	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Highway and Streets										
Engineering	14.0	15.0	15.0	15.0	9.8	8.6	9.1	10.0	8.0	8.0
Street Maintenance	14.7	16.1	15.0	16.0	13.5	13.0	13.0	13.0	-	-
Streets, Parks, and Forestry Maintenance	-	-	-	-	-	-	-	-	30.0	30.0
Street Lighting	0.5	-	-	-	-	-	-	-	-	-
Sanitation	18.0	18.0	18.0	17.0	11.0	13.9	14.1	11.0	11.0	11.0
Culture and Recreation										
Maintenance, Administration and Forestry	22.3	23.0	23.0	23.0	22.0	22.0	22.0	22.0	-	-
Golf Course	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	1.0	1.0
Golf Course Maintenance	-	-	-	-	-	-	-	-	1.0	1.0
Recreation	0.8	2.8	3.0	3.0	-	-	-	-	-	-
Community Center	1.8	1.3	1.0	1.0	1.6	1.7	1.7	1.0	1.0	1.0
Aquatics	1.0	0.2	-	-	0.2	0.2	0.2	-	-	-
Centennial Commons	2.0	3.7	4.0	6.0	5.2	5.1	7.0	6.0	4.0	4.0
Library	17.0	19.0	17.0	17.0	17.0	17.0	16.0	16.0	16.0	16.0
Internal Service										
Fleet Maintenance	10.0	10.0	10.0	10.0	6.0	6.0	6.0	6.0	6.0	6.0
Total	304.1	314.1	307.0	310.0	279.3	273.5	271.9	274.0	261.0	262.0

Sources:

City of University City Annual Budget Reports, 2004-2013

City of University City Human Resources Office, 2013

CITY OF UNIVERSITY CITY, MISSOURI

OPERATING INDICATORS BY FUNCTION LAST TEN FISCAL YEARS

Function	Fiscal Year End June 30									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Finance										
Business licenses issued	834	843	873	824	894	855	850	635	652	825
Community Development										
Zoning applications processed	39	62	55	51	31	30	24	34	29	46
Construction permits issued	4,406	5,603	4,937	4,701	4,688	4,905	4,614	3,760	4,299	5,097
Occupancy permits issued	4,075	4,628	3,852	4,355	3,479	2,789	2,983	3,410	3,847	3,806
Property inspections (existing structures)	10,204	11,027	12,003	15,638	9,845	9,745	10,129	15,844	6,698	10,764
Construction inspections	N/A	N/A	N/A	N/A	10,544	10,384	9,630	9,405	8,141	7,100
Environmental inspections	N/A	N/A	N/A	261	3,114	5,083	8,133	8,330	3,806	2,847
Vacant buildings registered	N/A	N/A	N/A	110	123	140	279	155	134	142
Public Safety										
Police										
Arrest for violations other than traffic	3,463	3,479	4,014	3,357	3,194	3,369	3,939	4,643	3,155	3,105
Number of juveniles taken into custody	495	563	467	468	422	555	626	375	252	261
Traffic violations										
Non-moving violations	10,290	11,937	10,110	12,372	9,548	10,032	11,355	18,300	22,797	9,241
Hazardous moving violations	2,512	2,767	2,300	2,912	3,285	3,304	3,327	3,146	3,562	1,635
Non-hazardous moving violations	881	327	307	1,168	1,556	2,068	1,266	1,446	2,408	804
Fire										
Total fire calls	1,565	1,513	1,487	1,901	1,877	1,973	1,890	2,166	2,026	1,961
Total ambulance calls	3,941	3,941	3,846	3,926	3,878	3,910	3,941	4,145	4,214	3,845
Total fires	255	335	201	249	185	205	188	211	231	197
Highway and Streets										
Sewer lateral repairs ¹	82	106	77	109	98	101	124	123	173	188
Right-of-way permits	383	349	393	391	363	300	285	164	275	372
Sidewalk repaired (square feet) ²	16	16	120	675	525	550	650	1,250	1,200	-
Asphalt base repairs (square yards) ³	-	-	-	-	-	-	-	-	-	900
Street sweeping (miles)	2,100	2,151	2,788	2,319	4,581	5,016	4,650	5,466	5,460	5,000
Number of street lights maintained by City	207	243	250	361	370	370	370	407	611	636

¹ Sewer Lateral Repair Program began in January 2000.

² Total sidewalk repairs performed by staff.

³ Reported total asphalt base repairs performed by staff because sidewalk repairs are contracted out.

Sources:

City of University City Annual Administrative Reports and Budget Reports 2004-2013

City of University City Departments

N/A = Not Available

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CITY OF UNIVERSITY CITY, MISSOURI

OPERATING INDICATORS BY FUNCTION (CONTINUED)
LAST TEN FISCAL YEARS

Function	Fiscal Year End June 30									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Sanitation										
Solid waste collected (tons)	18,000	14,250	11,781	13,354	11,856	10,910	10,088	11,192	11,000	12,052
Bulky items collected (tons)	675	41	78	416	270	180	203	238	195	335
Recyclables collected (tons)	1,435	1,635	1,546	4,098	2,936	2,697	2,308	2,488	2,642	2,660
Yard waste and leaves collected (tons)	N/A	N/A	N/A	N/A	5,747	7,914	8,538	6,408	5,328	7,882
Culture and Recreation										
Municipal golf course (rounds played)	32,783	30,538	32,506	28,668	23,179	26,319	30,395	26,744	31,482	29,249
Municipal swimming pool attendance	28,824	27,869	29,824	42,917	34,222	26,972	40,326	51,696	53,917	31,582
Community center attendance	35,851	41,630	38,912	36,100	34,126	35,505	40,441	33,369	32,005	25,426
Recreation facility attendance	61,616	45,683	94,384	129,447	136,902	144,014	164,274	154,957	137,363	154,503
Library patrons registered ²	29,434	30,935	27,167	33,110	35,138	32,300	37,317	39,306	39,550	41,170
Circulation of library materials, all media	393,724	415,658	430,292	438,045	447,586	494,679	488,669	514,225	475,901	451,751
Attendance at library programs for adult's and children	9,850	10,204	9,294	8,159	8,941	9,376	8,481	11,490	11,422	12,569

²Total for library patrons registered may be inflated because the database was not purged for fiscal year 2007.

Sources:

City of University City Annual Administrative Reports and Budget Reports 2004-2013

City of University City Departments

N/A = Not Available

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CITY OF UNIVERSITY CITY, MISSOURI

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function	Fiscal Year End June 30									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
City hall building	1	1	1	1	1	1	1	1	1	1
Municipal parking garage	1	1	1	1	1	1	1	1	1	1
Central garage building	1	1	1	1	1	1	1	1	1	1
Trinity building	1	1	1	1	1	1	1	1	1	1
Motor vehicles	1	1	1	1	1	1	1	-	-	-
Data network telephone system	-	-	1	1	1	1	1	1	1	1
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Motor vehicles	29	29	29	29	29	32	31	31	31	30
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Hydrants	717	722	731	733	714	714	714	714	714	714
Motor vehicles	9	9	10	10	9	10	10	10	10	10
Highways and Streets										
Paved public streets (miles)	97.2	97.2	97.2	98.4	96.6	96.6	96.6	96.6	96.6	96.6
Streetlights (city-owned)	207	243	250	361	370	370	370	407	407	407
Traffic signals (city-owned)	3	3	3	3	3	3	3	3	3	3
Miles of sewer (MSD maintained)	170	177	177	177	177	177	-	-	-	-
Vehicles, trucks and various equipment	50	50	51	55	54	41	41	43	43	43
Sanitation										
Vehicles, trucks and various equipment	25	25	25	26	26	24	20	20	20	20
Transfer station	1	1	1	1	1	1	1	1	1	1
Compactor	1	1	1	2	1	2	2	2	2	2

Sources:

City of University City Comprehensive Annual Financial Reports, 2004-2013

City of University City Departments

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CITY OF UNIVERSITY CITY, MISSOURI

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN FISCAL YEARS

Function	Fiscal Year End June 30									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Culture and Recreation										
Number of parks	17	17	17	17	18	18	18	18	18	18
Parks acreage	225	255	255	255	187	257	257	257	257	257
Tennis courts	1	1	19	19	19	19	19	19	19	19
Soccer fields	6	8	8	8	9	9	9	6	6	6
Football fields	3	2	2	2	1	1	1	1	1	1
Soccer/Football fields (combo)	N/A	N/A	N/A	N/A	3	3	3	1	1	1
Basketball courts (outdoor)	5	5	5	5	5	5	5	5	5	5
Ball diamonds	16	16	16	16	15	14	14	14	14	14
Fishing pond	2	2	2	2	2	2	2	2	2	2
Golf course (9-hole)	1	1	1	1	1	1	1	1	1	1
Swimming pools	1	1	1	1	1	1	1	1	1	1
Community center	1	1	1	1	1	1	1	1	1	1
Recreation facility	1	1	1	1	1	1	1	1	1	1
Vehicles, trucks and various equipment	24	24	24	24	25	25	25	25	25	27
Library building	1	1	1	1	1	1	1	1	1	1
Sutter Meyer historical building	-	-	-	1	1	1	1	1	1	1

Sources:

City of University City Comprehensive Annual Financial Reports, 2004-2013

City of University City Departments

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