
CITY OF KIRKWOOD, MISSOURI
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED MARCH 31, 2013



Report issued by the Finance Department

John R. Adams
Director of Finance

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City of

Introductory Section

Kirkwood



WHERE COMMUNITY AND SPIRIT MEET

September 12, 2013

To the Honorable Mayor, Members of the City Council, and Citizens of Kirkwood, Missouri:

The Comprehensive Annual Financial Report (CAFR) of the City of Kirkwood (the City), Missouri, for the fiscal year ended March 31, 2013, is hereby submitted. The City of Kirkwood's Finance Department prepared this report. The management of the City is responsible for the accuracy of the data and the completeness and fairness of the presentation of the financial statements and other information presented herein. We believe the presentation is accurate in all material respects and includes all disclosures necessary to enable the reader to gain a reasonable understanding of the City's financial activities.

This report has been prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). This association awards Certificates of Achievement for Excellence in Financial Reporting to those governments whose annual financial reports are judged to conform substantially with the high standards of public financial reporting including accounting principles generally accepted in the United States of America promulgated by the Governmental Accounting Standards Board. It is our belief that the accompanying Fiscal Year 2013 Financial Report meets these program standards, and it will be submitted to the Government Finance Officers Association for review.

PROFILE OF THE GOVERNMENT

Kirkwood is located in St. Louis County, approximately 14 miles west of the City of St. Louis. The City covers approximately 9.1 square miles and is bounded by Interstate 44 on its southern boundary and traversed by Interstate 270 near its western boundary. Together, the interstate highways provide excellent access to all parts of the St. Louis metropolitan area.

Kirkwood was the first planned suburban residential area west of the Mississippi River. The City was established in 1853, incorporated in 1865, re-incorporated as a fourth class city in 1899, and as a third class city in 1930. In 1984, the City became a home rule city as permitted under a 1971 amendment to the Missouri Constitution.

Known as "The Green Tree City," the City is an attractive suburban residential community with tree-lined streets, a vibrant downtown shopping district, and a highly

rated public school system. The City has a diverse economic base, which includes several large retailers, limited industries, and many small specialty shops. Kirkwood also is a scheduled daily stop on Amtrak's St. Louis to Kansas City route.

Missouri State Law and City ordinances require annual budgets to be prepared for the General and Special Revenue Funds on a basis that approximates generally accepted accounting principles. For the period covered by this annual financial report, budgetary control over expenditures was exercised by the City Council throughout the entire fiscal year. The City Council could amend the budget throughout the year provided total expenditures appropriations did not exceed projected revenues plus unencumbered reserves.

Appropriation transfers were made within or between departments with the approval of the Chief Administrative Officer. All budget amendments in excess of the original budget were approved by City ordinances or by transfer from an amount appropriated for contingencies. A City policy, which is not required by state statute, requires all budget amendments or transfers of \$10,000 or more be approved by ordinance. Therefore, the legal level of budgetary control is established by law at the sub object or account level.

The City's accounting system provides for internal controls to ensure that assets of the City are protected from loss, theft or misuse, and are properly accounted for. The City has designed a comprehensive set of internal controls to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived; and the valuation of costs and benefits requires estimates and judgments by management.

It is the opinion of management that the internal controls utilized are adequate and provide for the safeguarding of assets and assure proper recording of financial transactions.

FACTORS AFFECTING FINANCIAL CONDITION

The City of Kirkwood has been very fortunate to have negotiated several favorable contracts for the purchase of power. These contracts have enabled the City's Electric Fund the ability to build fund equity which is a goal of the Council. In addition the City has invested in a generation which has come online. This generation will assist Kirkwood in further stabilizing electric costs. The contracts and weather volatility of the Electric operations poses a significant challenge for department managers, City Council, and the community.

Kirkwood citizen's approved a 34 cent property tax for general government services in 2007. The City Council certified 29.6 cents of this thirty four cent authorization which brought in just over two million dollars in property tax revenues for our general fund. This dedicated property tax has stabilized the general government funding for our general fund and provided the general fund with diverse funding sources. In addition to this

citizen approved property tax, sales taxes are and will continue to be a key source of funding.

Kirkwood is authorized and has implemented a ½-cent sales tax for capital needs, including roads and operating vehicles needed for daily City operations such as dump trucks, police cars, and fire fighting apparatus. This tax, by way of a sunset provision would have expired in March 2005; however, Kirkwood citizens voted to extend this tax for an additional 15 years. In 2004 our citizens also authorized an increase in sanitation fees, allowing this service to cover its operating costs while remaining competitively priced for this region. The City Council passed an ordinance that our sanitation department will provide all commercial solid waste and recycling pickup in 2015. The implementation of commercial sanitation in addition to single stream curbside recycling will provide recycling revenues and a significant larger amount of deferred landfill costs.

The local economy is slowly improving. Sales taxes exceeded the previous fiscal years collections and we are starting to see an increase in construction permits and real estate activity. The local economy is fragile and the City continues to look for efficiencies and ways to decrease costs while providing the same level of services to our citizens and customers.

INDEPENDENT AUDIT

State statutes and the City Charter require an annual audit by independent certified public accountants. The accounting firm of Hochschild, Bloom & Company, LLP was selected by the City Council for this year's audit. The external auditors met with the City's Audit Committee at the start of fieldwork and at the conclusion of fieldwork. The Audit Committee met together and privately with the external auditors and management to ensure review and oversight. The auditor's report on the basic financial statements is included in the financial section of this report.

AWARDS AND ACKNOWLEDGEMENTS

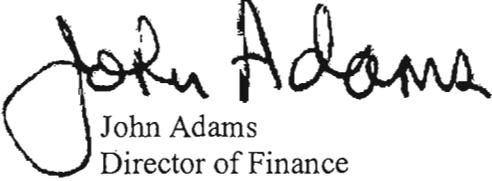
The (GFOA) awarded a Certificate of Achievement for Excellence in Financial reporting to the City of Kirkwood, Missouri, for its CAFR for the fiscal year ended March 31, 2012. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

The preparation of the CAFR was made possible by the dedicated service of the entire staff of the finance department. Each member of the department and all City employees who supplied information have our sincere appreciation for the contributions made in preparation of this report.

In closing, without the leadership, interest, and support of the Mayor, City Council and Chief Administrative Officer, preparation of this report would not have been possible.

Respectfully submitted,



John Adams
Director of Finance

CITY OF KIRKWOOD, MISSOURI

CITY OFFICIALS

MAYOR

Arthur McDonnell

COUNCIL MEMBERS

Gerry Biedenstein

Bob Sears

Nancy Luetzow

Paul Ward

Gina Jaksetic

Ignatius Yuan

COUNCIL STAFF

Elizabeth Montano

City Clerk

ADMINISTRATION

Michael Brown

Chief Administrative Officer

Georgia Ragland

Asst. Chief Administrative Officer

Elizabeth Von Behren

Public Information Officer

DEPARTMENT HEADS

John Adams

Finance Director

Kimberly Butts

Purchasing Director

Kevin Campe

Information Systems Director

Jack Plummer

Police Chief

Thomas Openlander

Fire Chief

Todd Rehg

Public Works Director

Mark Petty

Electric Director

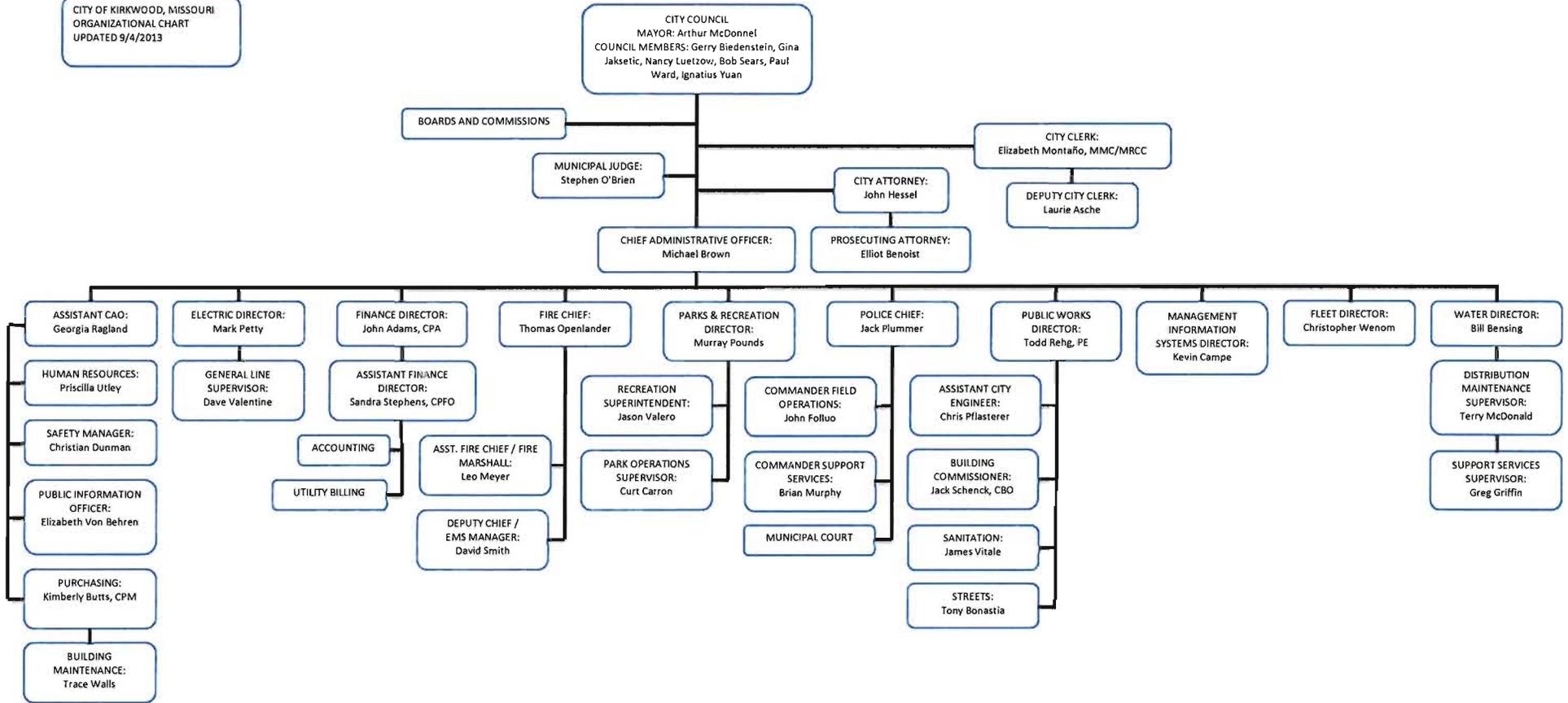
Bill Bensing

Water Director

Murray Pounds

Parks and Recreation Director

CITY OF KIRKWOOD, MISSOURI
ORGANIZATIONAL CHART
UPDATED 9/4/2013





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Kirkwood
Missouri**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

March 31, 2012

Executive Director/CEO

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City of

Financial Section

Kirkwood



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

INDEPENDENT AUDITOR'S REPORT

September 12, 2013

Honorable Mayor and Members of the City Council
CITY OF KIRKWOOD, MISSOURI

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **CITY OF KIRKWOOD, MISSOURI** (the City) as of and for the year ended March 31, 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.

Auditor's 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.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 City'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 City'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 statement.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of March 31, 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.

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with 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 other supplemental information and introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplemental information is the responsibility of management and was derived from and relates 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 other supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued a report dated September 12, 2013 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Hochschild, Bloom & Company LLP

CERTIFIED PUBLIC ACCOUNTANTS

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CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED MARCH 31, 2013

As management of the CITY OF KIRKWOOD, we offer readers of the CITY OF KIRKWOOD'S financial statements this narrative overview and analysis of the financial activities of the CITY OF KIRKWOOD for the fiscal year ended March 31, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i through iv of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets and deferred outflows of resources of the CITY OF KIRKWOOD exceeded its liabilities at the close of the most recent fiscal year by \$111,762 (*net position*). Of this amount, \$64,210 is invested in capital assets, net of related debt; \$37,537 (*unrestricted net positions*) may be used to meet the government's ongoing obligations to citizens and creditors. While \$10,015 is restricted for a specific use (see NET POSITION, page 18).
- As of the close of the current fiscal year, the CITY OF KIRKWOOD'S governmental funds reported combined ending fund balances of \$18,069, an increase of \$211 in comparison with the prior year. A total of \$6,732 is *available for spending* at the government's discretion (*unassigned fund balance*). While \$1,910 has been assigned for a specific use by the City Council (see FUND BALANCES, page 20).
- At the end of the current fiscal year, nonspendable, assigned, and unassigned fund balance for the general fund was \$8,729, or 44 percent of total general fund operating expenditures.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the CITY OF KIRKWOOD'S basic financial statements. The CITY OF KIRKWOOD'S basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the CITY OF KIRKWOOD'S finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the CITY OF KIRKWOOD'S assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CITY OF KIRKWOOD is improving or deteriorating.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

Overview of Financial Statements (continued)

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the CITY OF KIRKWOOD that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the CITY OF KIRKWOOD include general government, public safety, highways and streets, economic development, and culture and recreation. The business-type activities of the CITY OF KIRKWOOD include Water, Sanitation and an Electric Distribution operation.

The government-wide financial statements include not only the CITY OF KIRKWOOD itself (known as the *primary government*), but also a legally separate Industrial Development Authority for which the CITY OF KIRKWOOD is financially accountable. Financial information for this *component unit* is reported by the City.

The government-wide financial statements can be found on pages 18 and 19 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The CITY OF KIRKWOOD, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the CITY OF KIRKWOOD can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

Overview of Financial Statements (continued)

Governmental Funds (continued)

The CITY OF KIRKWOOD maintains 11 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, public park board, police & fire property tax pension and our two voter approved capital improvement funds which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The CITY OF KIRKWOOD adopts an annual appropriated budget for its general, public parks, and P&F property tax pension fund. A budgetary comparison statement has been provided for the general, public parks, and P&F property tax pension fund. Due to the management controls adopted, which provide for the budget to be controlled at a detail greater than the statutory level of control, the legal level of budgetary control for all governmental funds is established at the sub object level. Compliance with the legal level of budgetary control is demonstrated through the issuance of a separate report, which is available for inspection on the city's web site www.kirkwoodmo.org or at the Finance Department.

The basic governmental fund financial statements can be found on pages 20 through 23 of this report.

Proprietary Funds. The CITY OF KIRKWOOD maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The CITY OF KIRKWOOD uses enterprise funds to account for its Water, Sanitation and for its Electric Distribution operation. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the CITY OF KIRKWOOD'S various functions. The CITY OF KIRKWOOD uses internal service funds to account for the maintenance & repair of its vehicles and equipment, and for its worker's compensation program. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water distribution, Sanitation and for the Electric Distribution operation, the three of which are considered to be major funds of the CITY OF KIRKWOOD. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 24 through 27 of this report.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

Overview of Financial Statements (continued)

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the CITY OF KIRKWOOD'S own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 28 and 29 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 30 through 76 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the CITY OF KIRKWOOD'S budgetary comparisons. Required supplementary information can be found on pages 77 through 83 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, the nonmajor governmental funds budget comparisons, and internal service funds are presented in other supplementary information. Combining and individual fund statements and schedules can be found on pages 84 through 104 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the CITY OF KIRKWOOD, assets and deferred outflows of resources exceeded liabilities by \$70,977 at the close of the most recent fiscal year.

By far the largest portion of the CITY OF KIRKWOOD'S net positions (75 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) net of related debt. The CITY OF KIRKWOOD uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The second largest portion of the CITY OF KIRKWOOD'S net position is the unrestricted portion of net position (13 percent).

The following table reflects the condensed statement of net position as of March 31, 2013:

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

City of Kirkwood's Net Position

	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>	
	Activities		Activities			
	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>
Current and other assets	\$22,175	\$23,130	\$27,476	\$30,361	\$49,651	\$53,491
Capital assets	<u>58,758</u>	<u>60,247</u>	<u>20,013</u>	<u>20,167</u>	<u>78,771</u>	<u>80,414</u>
Total Assets	<u>80,933</u>	<u>83,377</u>	<u>47,489</u>	<u>50,528</u>	<u>128,422</u>	<u>133,905</u>
Total deferred outflows of resources	<u>295</u>	<u>325</u>	<u>--</u>	<u>146</u>	<u>295</u>	<u>472</u>
Long-term liabilities outstanding	12,027	10,352	9,366	9,143	21,393	19,495
Other liabilities	<u>2,378</u>	<u>2,373</u>	<u>1,297</u>	<u>746</u>	<u>3,675</u>	<u>3,119</u>
Total Liabilities	<u>14,405</u>	<u>12,725</u>	<u>10,663</u>	<u>9,889</u>	<u>25,068</u>	<u>22,614</u>
Net Position:						
Net investment in capital assets	50,014	52,963	11,237	11,247	61,251	64,210
Restricted	10,061	9,340	704	675	10,765	10,015
Unrestricted	<u>6,748</u>	<u>8,674</u>	<u>24,903</u>	<u>28,863</u>	<u>31,651</u>	<u>37,537</u>
Total Net Position	<u>\$66,823</u>	<u>\$70,977</u>	<u>\$36,844</u>	<u>\$40,785</u>	<u>\$ 103,667</u>	<u>\$111,762</u>

A portion of the CITY OF KIRKWOOD'S Governmental Activities net position (13 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net positions* \$8,674 (12 percent) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the CITY OF KIRKWOOD is able to report positive balances in all three categories of net position, for the government as a whole, business-type activities as well as for its component unit.

The CITY OF KIRKWOOD'S net position increased by \$8,095 during the current fiscal year as a result of the activity shown in the following table:

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

City of Kirkwood's Changes in Net Position

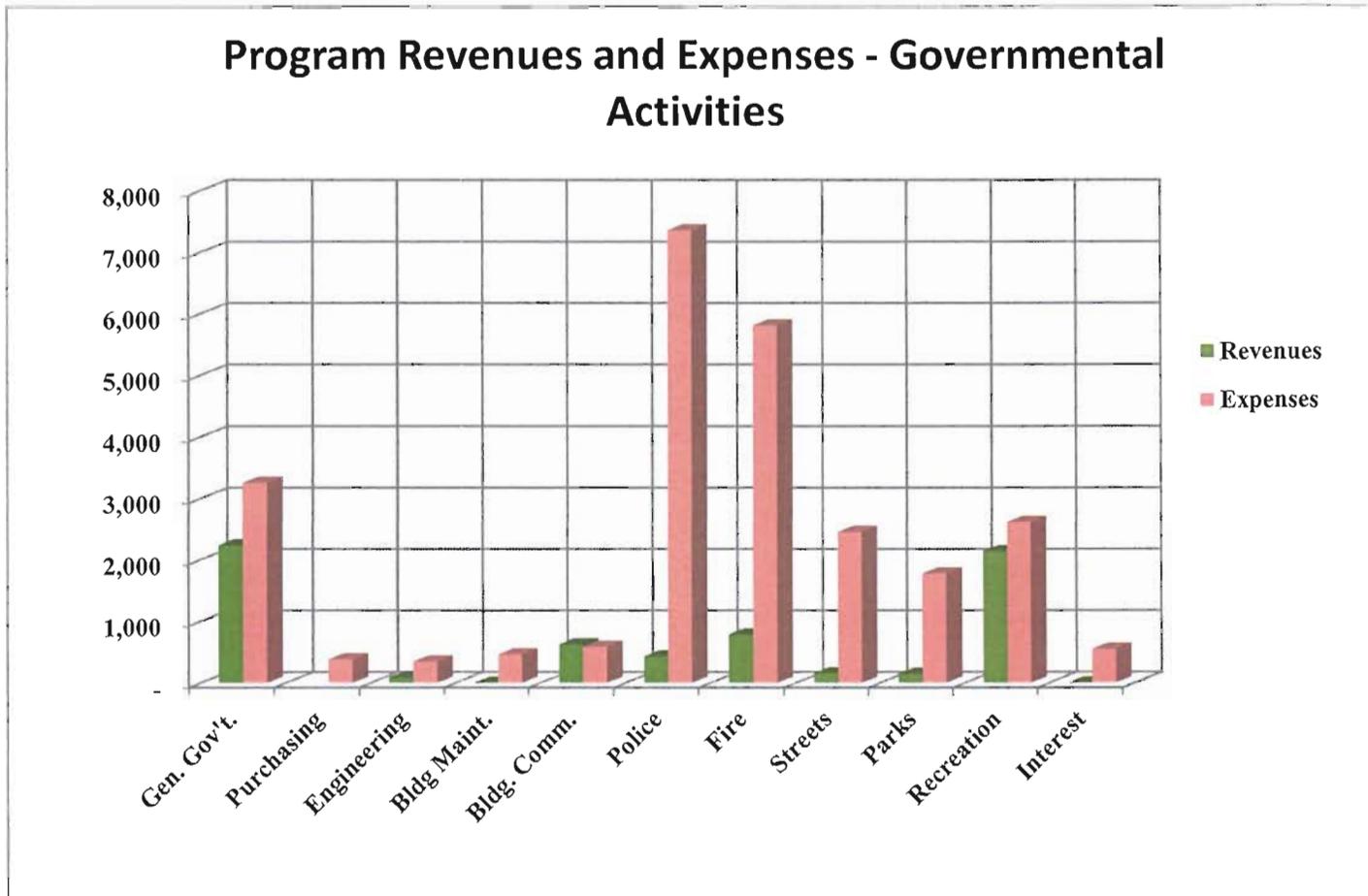
	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>	
	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>
Revenues:						
Program Revenues:						
Charges for services	\$ 5,801	\$5,841	\$ 28,559	\$29,700	\$ 34,360	\$35,541
Operating grants and contributions	398	186	176	3	574	189
Capital grants and contributions	1,143	519	108	106	1,251	625
General Revenues:						
Property taxes	4,302	4,562	--	--	4,302	4,562
Other taxes	15,823	16,454	--	--	15,823	16,454
Other revenues	<u>789</u>	<u>530</u>	<u>562</u>	<u>326</u>	<u>1,351</u>	<u>856</u>
Total Revenues	<u>28,256</u>	<u>28,092</u>	<u>29,405</u>	<u>30,135</u>	<u>57,661</u>	<u>58,227</u>
Expenses:						
General Government and finance	3,823	3,258	--	--	3,823	3,258
Purchasing	370	385	--	--	370	385
Engineering	332	348	--	--	332	348
Building maintenance	477	464	--	--	477	464
Building Commissioner	587	588	--	--	587	588
Police	7,324	7,363	--	--	7,324	7,363
Fire	5,852	5,814	--	--	5,852	5,814
Streets	2,503	2,455	--	--	2,503	2,455
Parks	1,609	1,777	--	--	1,609	1,777
Recreation	2,573	2,619	--	--	2,573	2,619
Interest on long-term debt	608	550	--	--	608	550
Electric	--	--	15,766	17,682	15,766	17,682
Water	--	--	4,011	4,215	4,011	4,215
Sanitation	--	--	<u>2,531</u>	<u>2,614</u>	<u>2,531</u>	<u>2,614</u>
Total Expenses	<u>26,058</u>	<u>25,621</u>	<u>22,308</u>	<u>24,511</u>	<u>48,366</u>	<u>50,132</u>
Increase in net position before transfers	2,198	2,471	7,097	5,624	9,295	8,095
Transfers	<u>1,081</u>	<u>1,683</u>	<u>(1,081)</u>	<u>(1,683)</u>	--	--
Increase/Decrease in net position	<u>3,279</u>	<u>4,154</u>	<u>6,016</u>	<u>3,941</u>	<u>9,295</u>	<u>8,095</u>
Net position - April 1, 2012	<u>\$ 66,823</u>		<u>\$ 36,844</u>		<u>\$ 103,667</u>	
Net position - March 31, 2013		<u>\$70,977</u>		<u>\$40,785</u>		<u>\$111,762</u>

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

Government-wide Financial Analysis (continued)

The following exhibit presents expenditures and program revenues of governmental activities:



Governmental activities and Business activities showed growth this past fiscal year.

Overall governmental revenues have remained flat with a small increase however the City is still concerned because the recovery appears to be sluggish.

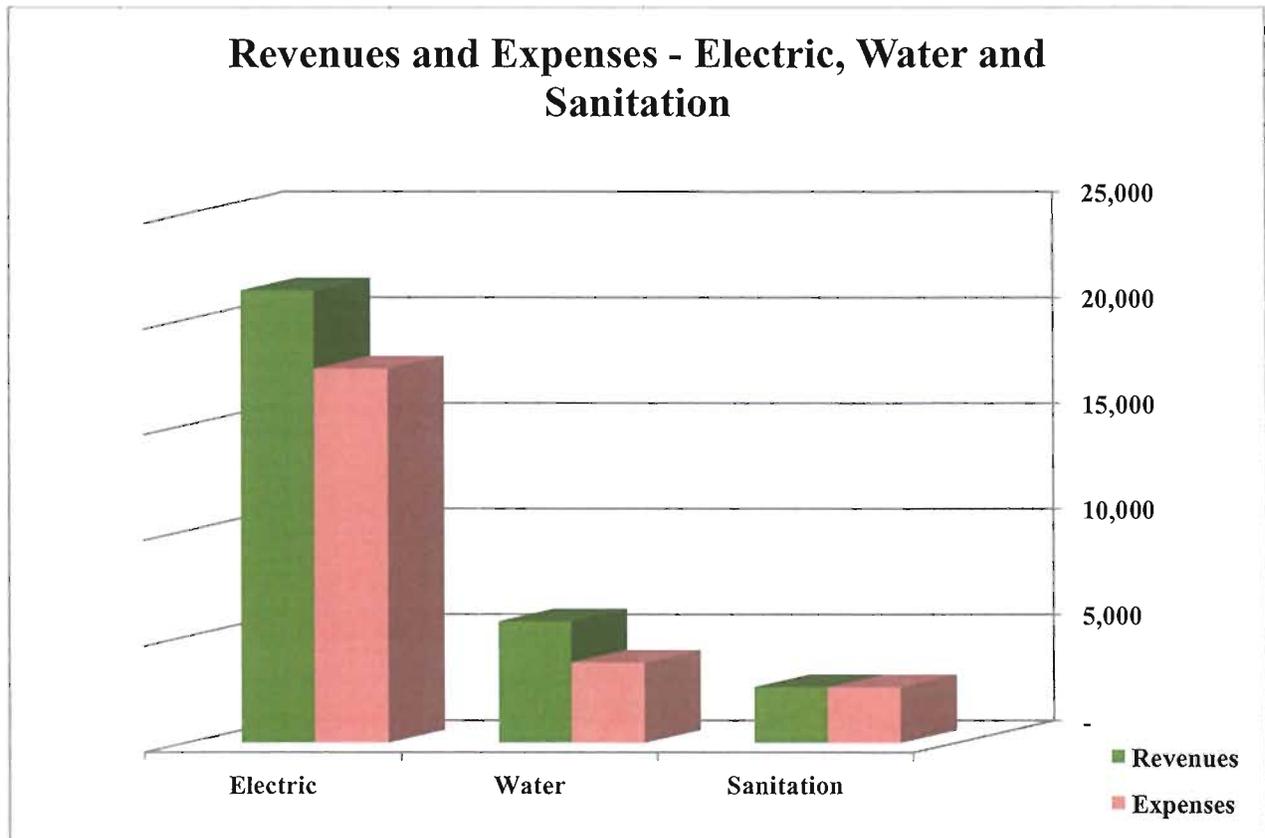
Business-type Activities. Two of our business-type activities showed a positive increase in net position except for sanitation which had a small decrease. The most notable being the electric fund which had an increase in net position of \$2,638.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

Business-type Activities (continued)

- Operational revenues for electric, water, and sanitation services increased by \$967 compared to our last fiscal year. Operating expenses compared to the last fiscal year increased by \$2,118. This primary reason for the increase in expenses are an unseasonably hot summer which increased our purchase of electricity.
- The Water Distribution System purchases 100% of its water from Missouri American Water Company. The water is delivered to Kirkwood through five separate interconnects and a long term contract with Missouri American Water system have made our system more reliable, in addition to providing the City with predictable costs.
- The Council passed an ordinance requiring all residential and commercial solid waste customers use Kirkwood sanitation by 2015. The sanitation department will gear up and feels we can provide this service primarily with the assets and costs that we currently have. One of the most important measurements of success will be our diversion rate for what we keep out of the landfill.



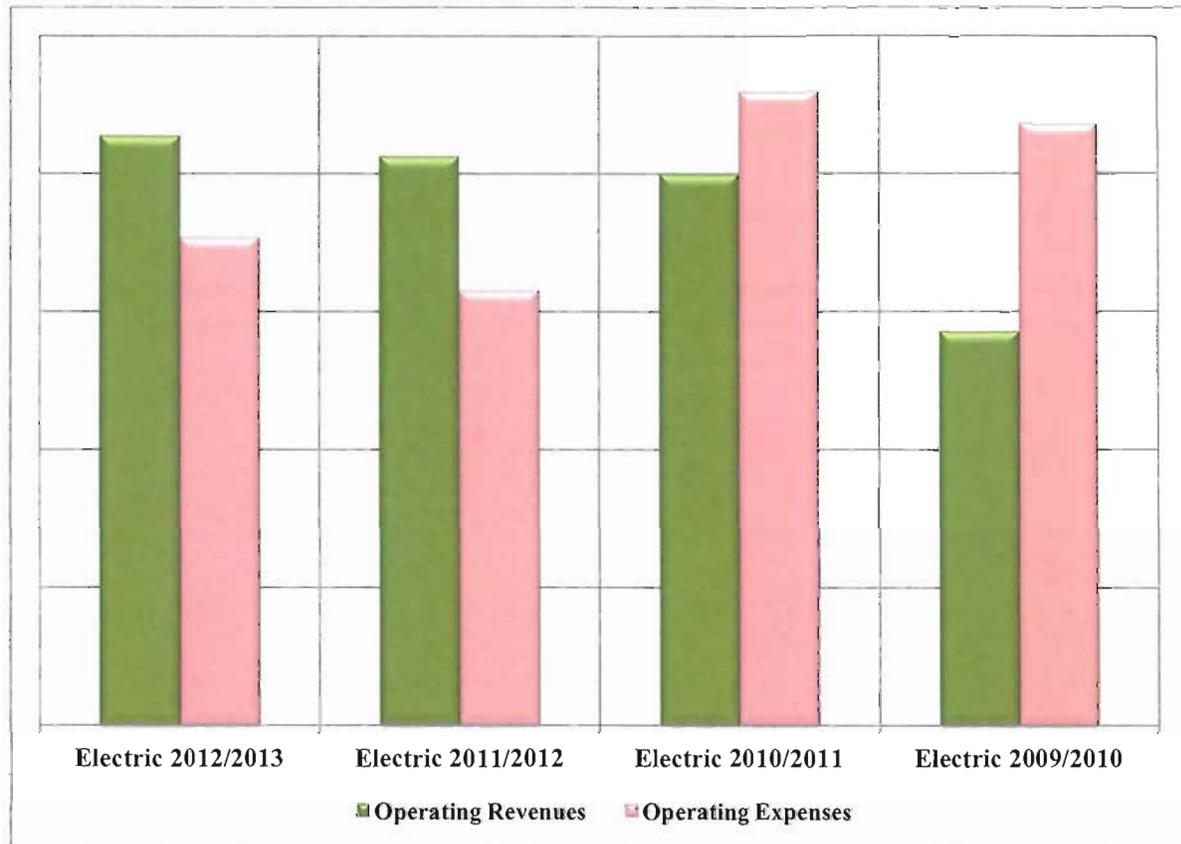
CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

Government-wide Financial Analysis (continued)

Business-type Activities (continued)

ELECTRIC FUND



Financial Analysis of the Government's Funds

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

Governmental Funds. The focus of the CITY OF KIRKWOOD'S *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the CITY OF KIRKWOOD'S financing requirements. In particular, *unrestricted fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the CITY OF KIRKWOOD'S governmental funds reported combined ending fund balance of \$18,069, an increase of \$211 in comparison with the prior year.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

Financial Analysis of the Government's Funds (continued)

Approximately (48 percent) of this total ending fund balance constitutes assigned/unassigned *fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is either nonspendable, or restricted, to indicate that it is not available for new spending because it has already been committed: 1) Nonspendable, inventory and prepaid items (\$87), 2) Restricted, legally restricted by outside parties or by law through constitutional provisions or enabling legislation (\$9,340).

The general fund is the chief operating fund of the CITY OF KIRKWOOD. At the end of the current fiscal year, fund balance of the general fund was \$8,729.

The fund balance of the CITY OF KIRKWOOD'S general fund increased by \$937 during the current fiscal year. Key factors in the increase were:

- Increases in sales taxes, property taxes, and gross receipts tax coupled with a decrease in expenditures of \$134 compared to the last fiscal year.

The fund balance of the Public Park Board increased by \$48 during the current fiscal year. Key factors in the increase were:

- Revenues and expenditures stayed consistent compared to the last fiscal year.

The fund balance of the Police & Fire property Tax Pension Fund decreased by \$146 during the current fiscal year. Key factors in the decrease were:

- City Council lowered the property tax rate and plans to continue to decrease the rate until the fund balance equals approximately one year's worth of pension contributions.

The fund balance of the Capital Improvement Fund increased by \$18 during the current fiscal year. Key factors in the increase were:

- Transfers include a dividend transfer from the Electric and Water departments to be used in the capital fund for streets.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

Financial Analysis of the Government's Funds (continued)

The fund balance of the Park & Storm Water Improvement Fund decreased by \$551 during the current fiscal year. Key factors of the decrease were:

- Spending on capital projects almost doubled this year compared to the last fiscal year.

The debt service fund has a total fund balance of \$655, all of which is reserved for the payment of debt service. The City enacted a dedicated property tax for debt service when initially approved by the voters. This annual property tax produced revenues of \$455 in the current fiscal year which, when combined with investment and other income in addition to the fund balance, is more than enough to service our general obligation debt.

Proprietary Funds. The CITY OF KIRKWOOD'S proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the Water and Sanitation funds at the end of the year amounted to \$16,763, and those for the electric distribution operation amounted to \$24,022. The total change in net position for the water fund was \$1,370, sanitation fund was (\$66) and \$2,638 in the electric fund. Other factors concerning the finances of these funds have already been addressed in the discussion of the CITY OF KIRKWOOD'S business-type activities.

General Fund Budgetary Highlights

Differences between the General Fund final budgeted expenditures and the final actual expenditures was \$1,504 with the largest variance in personnel services in the police department.

Capital Asset and Debt Administration

Capital Assets. The CITY OF KIRKWOOD'S investment in capital assets for its governmental and business-type activities as of March 31, 2013, amounts to \$80,414, net of accumulated depreciation. This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total increase in the CITY OF KIRKWOOD'S investment in capital assets for the current fiscal year was \$1,643.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

**Capital Assets
Net of Accumulated Depreciation**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>
Land	\$ 5,773	\$7,103	\$ 351	\$351	\$ 6,124	\$7,454
Buildings	26,361	25,914	310	296	26,671	26,210
Distribution system	--	--	11,194	15,024	11,194	15,024
Infrastructure	18,516	20,803	14	13	18,530	20,816
Machinery & equipment	1,978	2,439	723	651	2,701	3,090
Automotive equipment	2,937	2,593	1,441	1,291	4,378	3,884
Improvements other than buildings	--	--	158	162	158	162
Construction in progress	<u>3,193</u>	<u>1,395</u>	<u>5,822</u>	<u>2,379</u>	<u>9,015</u>	<u>3,774</u>
Total	<u>\$ 58,758</u>	<u>\$ 60,247</u>	<u>\$ 20,013</u>	<u>\$ 20,167</u>	<u>\$ 78,771</u>	<u>\$ 80,414</u>

Additional information on the CITY OF KIRKWOOD'S capital assets can be found in note 4 on pages 50 through 53 of this report.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

Long-Term Debt. At the end of the current fiscal year, the CITY OF KIRKWOOD had total debt outstanding of \$18,999. Of this amount, \$3,310 comprises debt backed by the full faith and credit of the government and \$2,364 is tax increment financing debt and public improvement notes for which the government is liable for the payment of collected incremental revenues for a period of seventeen years. If the public improvement notes are not paid off in seventeen years the debt is forgiven. The remainder of the CITY OF KIRKWOOD'S debt represents certificates of participation bonds.

City of Kirkwood's Outstanding Debt

	General Obligation					
	Governmental		Business-type		Total	
	Activities		Activities			
	2012	2013	2012	2013	2012	2013
General Obligation Bonds	\$ 3,730	\$3,310	\$ - -	\$ - -	\$3,730	\$3,310
PFA Leasehold Revenue Bonds	\$ 5,310	\$ - -	\$ - -	\$ - -	\$5,310	\$ - -
Tax Increment Certificates of Participation	\$ 2,608	\$2 364	\$ - -	\$ - -	\$2,608	\$2,364
	\$ - -	\$4,245	\$9,390	\$9,080	\$9,390	\$13,325

The CITY OF KIRKWOOD'S total debt decreased by \$2,039 during the current fiscal year due scheduled payments on the debt.

The CITY OF KIRKWOOD maintains an "AA" rating from Standard & Poor's and an "Aa" rating from Moody's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for the CITY OF KIRKWOOD is \$68,524, which is significantly in excess of the CITY OF KIRKWOOD'S outstanding general obligation debt.

Additional information on the CITY OF KIRKWOOD'S long-term debt can be found in note 6 on pages 60 through 66 of this report.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

Economic Factors and Next Year's Budgets and Rates

- Purchased power costs have decreased and are projected to stabilize in the next fiscal year. The city is investing in generating capabilities and plans on the Electric Fund continuing to make a profit in fiscal year 2013 and continuing this profitability and increase its net position in the year 2014 and beyond.
- While the economy slowly recovers the City will have to proceed with caution as reduced revenues and increasing expenditures indicate we should continue to reduce expenditures and look for more efficient ways of providing services whenever possible.
- In January 2011 the City added curbside single stream recycling to its solid waste disposal operations. The City is preparing to take over all commercial solid waste and recycling by 2015 and foresees no increase in rates to its customers with the help of grants and the significant reduction in landfill costs due to the decrease in solid waste.

All of these factors were considered in preparing the CITY OF KIRKWOOD'S budget for the 2014/2015 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the CITY OF KIRKWOOD'S finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Kirkwood, Director of Finance, 139 S. Kirkwood Road Kirkwood, Missouri 63122-4303. Budget and Comprehensive Annual Financial Report documents are available online at - <http://www.ci.kirkwood.mo.us/finance/finance.htm>.

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF NET POSITION
MARCH 31, 2013

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Industrial Development Authority
ASSETS:				
Cash and short-term investments.....	\$ 21,379,867	\$ 26,348,375	\$ 47,728,242	\$ 117,492
Receivables:				
Taxes - net of uncollectible amount of \$10,298.....	2,554,124	-	2,554,124	-
Services.....	261,687	2,163,244	2,424,931	-
Interest.....	27,335	34,758	62,093	158
Other.....	176,740	44,950	221,690	-
Internal balances.....	(1,360,000)	1,360,000	-	-
Inventories.....	76,383	409,937	486,320	-
Prepaid items.....	13,391	-	13,391	-
Capital assets:				
Nondepreciable.....	8,497,674	2,729,892	11,227,566	-
Depreciable.....	51,749,658	17,436,903	69,186,561	-
TOTAL ASSETS.....	\$ 83,376,859	\$ 50,528,059	\$ 133,904,918	\$ 117,650
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred charge on refunding.....	\$ 325,834	\$ 146,344	\$ 472,178	\$ -
TOTAL DEFERRED OUTFLOWS OF RESOURCES..	\$ 325,834	\$ 146,344	\$ 472,178	\$ -
LIABILITIES:				
Accounts payable.....	\$ 764,368	\$ 385,259	\$ 1,149,627	\$ -
Accrued interest.....	115,791	31,609	147,400	-
Other accrued liabilities.....	544,402	131,129	675,531	-
Claims payable.....	356,739	-	356,739	-
Unearned revenues.....	235,048	-	235,048	-
Deposits and escrow funds.....	357,230	198,309	555,539	-
Long-Term Liabilities:				
Due within one year.....	1,642,279	462,474	2,104,753	-
Due in more than one year.....	8,709,679	8,680,623	17,390,302	-
TOTAL LIABILITIES.....	12,725,536	9,889,403	22,614,939	-
NET POSITION:				
Net investment in capital assets.....	52,963,465	11,246,697	64,210,162	-
Restricted for:				
Capital projects.....	2,331,658	-	2,331,658	-
Debt service.....	1,454,116	675,039	2,129,155	-
Law enforcement.....	100,630	-	100,630	-
Park operations.....	1,433,102	-	1,433,102	-
Police and fire pension.....	2,973,222	-	2,973,222	-
Sewer lateral.....	867,327	-	867,327	-
Special Business district.....	179,592	-	179,592	-
Unrestricted.....	8,674,045	28,863,264	37,537,309	117,650
TOTAL NET POSITION.....	\$ 70,977,157	\$ 40,785,000	\$ 111,762,157	\$ 117,650

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit Industrial Development Authority
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
Governmental Activities:								
General government and finance.....	\$ 3,257,779	\$ 2,215,846	\$ 11,999	\$ 10,000	\$ (1,019,934)	\$ -	\$ (1,019,934)	\$ -
Purchasing.....	384,978	-	-	-	(384,978)	-	(384,978)	-
Engineering.....	347,880	84,645	-	-	(263,235)	-	(263,235)	-
Building maintenance.....	464,338	-	-	-	(464,338)	-	(464,338)	-
Building commissioner.....	588,061	626,011	-	-	37,950	-	37,950	-
Police.....	7,363,086	285,732	132,666	11,882	(6,932,806)	-	(6,932,806)	-
Fire.....	5,814,394	787,223	-	-	(5,027,171)	-	(5,027,171)	-
Streets.....	2,455,034	15,300	-	139,828	(2,299,906)	-	(2,299,906)	-
Parks.....	1,777,302	81,154	-	6,355	(1,689,793)	-	(1,689,793)	-
Recreation.....	2,619,015	1,745,590	41,860	350,494	(481,071)	-	(481,071)	-
Interest and fiscal agent fees on long-term debt.....	549,587	-	-	-	(549,587)	-	(549,587)	-
Total Governmental Activities.....	<u>25,621,454</u>	<u>5,841,501</u>	<u>186,525</u>	<u>518,559</u>	<u>(19,074,869)</u>	<u>-</u>	<u>(19,074,869)</u>	<u>-</u>
Business-Type Activities:								
Electric.....	17,682,247	21,373,776	-	-	-	3,691,529	3,691,529	-
Water.....	4,214,911	5,709,160	-	106,453	-	1,600,702	1,600,702	-
Sanitation.....	2,613,619	2,617,301	2,999	-	-	6,681	6,681	-
Total Business-Type Activities.....	<u>24,510,777</u>	<u>29,700,237</u>	<u>2,999</u>	<u>106,453</u>	<u>-</u>	<u>5,298,912</u>	<u>5,298,912</u>	<u>-</u>
TOTAL PRIMARY GOVERNMENT.....	<u>\$ 50,132,231</u>	<u>\$ 35,541,738</u>	<u>\$ 189,524</u>	<u>\$ 625,012</u>	<u>\$ (19,074,869)</u>	<u>\$ 5,298,912</u>	<u>\$ (13,775,957)</u>	<u>\$ -</u>
		General Revenues:						
		Property taxes levied for:						
		General purposes.....			\$ 2,064,399	\$ -	\$ 2,064,399	\$ -
		Park.....			963,686	-	963,686	-
		Special business district.....			132,376	-	132,376	-
		P&F Property Tax Pension.....			949,532	-	949,532	-
		Debt service.....			452,010	-	452,010	-
		Sales tax levied for:						
		General purposes.....			4,709,330	-	4,709,330	-
		Capital improvement purposes.....			2,084,964	-	2,084,964	-
		Park and stormwater purposes.....			2,441,774	-	2,441,774	-
		Gasoline/motor vehicle sales tax.....			983,697	-	983,697	-
		Utility gross receipts taxes.....			4,978,547	-	4,978,547	-
		Cigarette taxes.....			74,009	-	74,009	-
		Highway, road and bridge tax.....			746,093	-	746,093	-
		Franchise taxes.....			435,251	-	435,251	-
		Earnings on investments.....			125,889	300,843	426,731	757
		Gain on sale of capital assets.....			-	25,186	25,186	-
		Other revenues.....			403,990	-	403,991	-
		Transfers in (out).....			1,683,406	(1,683,406)	-	-
		TOTAL GENERAL REVENUES.....			<u>23,228,953</u>	<u>(1,357,377)</u>	<u>21,871,576</u>	<u>757</u>
		CHANGE IN NET POSITION.....			4,154,084	3,941,535	8,095,619	757
		NET POSITION BEGINNING OF YEAR, RESTATED.....			<u>66,823,073</u>	<u>36,843,465</u>	<u>103,666,538</u>	<u>116,893</u>
		NET POSITION END OF YEAR.....			<u>\$ 70,977,157</u>	<u>\$ 40,785,000</u>	<u>\$ 111,762,157</u>	<u>\$ 117,650</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

BALANCE SHEET - GOVERNMENTAL FUNDS
MARCH 31, 2013

	Major Funds					Nonmajor	Total
	General	Public Park Board	P&F Property Tax Pension	Capital Improvement	Park & Storm Water Improvement	Other Governmental Funds	
ASSETS:							
Cash and investments (including cash equivalents):							
Held by trustees.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 254,760	\$ 254,760
Restricted.....	340,585	25,000	-	25,000	427,370	-	817,955
Unrestricted.....	8,155,488	1,416,681	2,937,898	1,814,536	1,665,354	1,934,656	17,924,613
Receivables, net of allowances where applicable:							
Taxes.....	1,612,594	103,201	101,691	279,054	327,246	130,338	2,554,124
Interest.....	11,049	1,935	4,085	2,598	2,230	2,347	24,244
Ambulance.....	261,687	-	-	-	-	-	261,687
Other.....	53,314	-	-	90,100	26,405	6,921	176,740
Inventory.....	73,950	-	-	-	-	-	73,950
Prepaid items.....	13,391	-	-	-	-	-	13,391
TOTAL ASSETS.....	\$ 10,522,058	\$ 1,546,817	\$ 3,043,674	\$ 2,211,288	\$ 2,448,605	\$ 2,329,022	\$ 22,101,464
LIABILITIES:							
Accounts payable.....	\$ 421,663	\$ 37,153	34,262	\$ 80,362	\$ 112,961	\$ 27,954	\$ 714,355
Accrued wages and vacation payable.....	472,780	28,928	2,129	2,148	-	4,891	510,876
Due to other funds.....	-	-	-	-	1,360,000	-	1,360,000
Deposits payable.....	340,585	-	-	-	-	16,645	357,230
Unearned revenue.....	161,992	13,067	-	-	-	59,989	235,048
Total Liabilities.....	1,397,020	79,148	36,391	82,510	1,472,961	109,479	3,177,509
DEFERRED INFLOWS OF RESOURCES:							
Unavailable revenue-taxes.....	395,635	34,567	34,061	117,405	137,889	44,930	764,487
Unavailable revenue-special assessment.....	-	-	-	90,100	-	-	90,100
Total Deferred Inflows of Resources.....	395,635	34,567	34,061	207,505	137,889	44,930	854,587
FUND BALANCES:							
Nonspendable:							
Inventories.....	73,950	-	-	-	-	-	73,950
Prepaid assets.....	13,391	-	-	-	-	-	13,391
Restricted for:							
Capital projects.....	-	-	-	1,921,273	410,385	-	2,331,658
Debt service.....	-	-	-	-	427,370	655,068	1,082,438
Law enforcement.....	-	-	-	-	-	100,630	100,630
Park operations.....	-	1,433,102	-	-	-	-	1,433,102
Police and fire pension.....	-	-	2,973,222	-	-	-	2,973,222
Sewer lateral.....	-	-	-	-	-	867,327	867,327
Special business district.....	-	-	-	-	-	179,592	179,592
TIF bonds and notes.....	-	-	-	-	-	371,996	371,996
Assigned to:							
Projected use of reserves.....	1,909,810	-	-	-	-	-	1,909,810
Unassigned:	6,732,252	-	-	-	-	-	6,732,252
Total Fund Balances.....	8,729,403	1,433,102	2,973,222	1,921,273	837,755	2,174,613	18,069,368
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....	\$ 10,522,058	\$ 1,546,817	\$ 3,043,674	\$ 2,211,288	\$ 2,448,605	\$ 2,329,022	\$ 22,101,464

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
MARCH 31, 2013

Total fund balance - governmental funds..... \$ 18,069,368

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

Capital assets used in governmental activities are not financial resources and,
therefore are not reported in the funds. The cost of the assets is \$100,943,630
and the accumulated depreciation is \$40,696,298..... 60,247,332

Property taxes and special assessments assessed by the City, but not collected within
60 days of year end, are deferred within the fund financial statements. However, revenue
for this amount is recognized in the government-wide statements..... 854,587

The internal service funds are used by the City to charge the cost of medical
and worker's compensation insurance and city-wide vehicle and equipment
maintenance and repair costs to individual funds. The assets and liabilities
of the internal service fund are included in governmental activities in the
statement of net position..... 1,947,785

Long-term liabilities applicable to the City's governmental activities are not
due and payable in the current period and, accordingly, are not reported as
liabilities within the fund financial statements. Interest on long-term debt
is not accrued in governmental funds, but rather is recognized as an
expenditure when due. All liabilities - both current and long-term - are
reported on the government-wide statement of net position. Discounts,
premiums, and deferred amount on refunding are reported in the
governmental fund financial statements when the debt was issued whereas
these amounts are deferred and amortized over the life of the debt as an
adjustment to interest expense on the government-wide financial
statements.

Balances as of March 31, 2013 are:

Accrued compensated absences, vacation.....	(378,257)	
Accrued interest on outstanding debts.....	(115,791)	
Bonds and notes payable.....	(9,919,000)	
Deferred amount on refunding.....	325,834	
Unamortized bond premium.....	(54,701)	
		(10,141,915)

Total net position - governmental activities..... \$ 70,977,157

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	Major Funds					Nonmajor Funds	Total Governmental Funds
	General	Public Park Board	P&F Property Tax Pension	Capital Improvement	Park & Storm Water Improvement	Other Governmental Funds	
REVENUES:							
Taxes, including interest and penalties.....	\$ 13,628,786	\$ 963,617	\$ 949,495	\$ 2,068,301	\$ 2,422,225	\$ 906,877	\$ 20,939,301
Intergovernmental.....	441,785	-	-	-	67,976	-	509,761
Licenses, permits, fines and fees.....	2,043,311	75,883	-	-	-	675,740	2,794,934
Investment income.....	49,160	7,352	17,751	11,253	14,662	12,217	112,395
Charges for services.....	2,513,499	-	-	-	-	-	2,513,499
Grants.....	-	-	-	149,072	282,518	-	431,590
Other.....	621,023	11,626	-	9,468	-	5,943	648,060
Total Revenues.....	<u>19,297,564</u>	<u>1,058,478</u>	<u>967,246</u>	<u>2,238,094</u>	<u>2,787,381</u>	<u>1,600,777</u>	<u>27,949,540</u>
EXPENDITURES:							
Current:							
General government and finance.....	2,964,712	-	-	65,889	7,206	466,830	3,504,637
Purchasing.....	381,138	-	-	-	-	-	381,138
Engineering.....	331,305	-	-	-	-	-	331,305
Building maintenance.....	428,068	-	-	-	-	-	428,068
Building commissioner.....	580,761	-	-	-	-	-	580,761
Police.....	6,608,025	-	556,387	-	-	-	7,164,412
Fire.....	4,816,297	-	556,388	-	-	-	5,372,685
Streets.....	1,441,724	-	-	-	-	-	1,441,724
Recreation.....	2,057,419	-	-	-	-	-	2,057,419
Parks.....	-	1,301,437	-	-	-	-	1,301,437
Capital outlay.....	58,994	214,786	-	2,896,617	1,241,474	216,995	4,628,866
Debt Service:							
Principal retirement.....	-	-	-	-	755,000	664,000	1,419,000
Issuance costs.....	-	-	-	-	113,813	-	113,813
Interest and fiscal charges.....	-	-	-	-	84,350	322,798	407,148
Total Expenditures.....	<u>19,668,443</u>	<u>1,516,223</u>	<u>1,112,775</u>	<u>2,962,506</u>	<u>2,201,843</u>	<u>1,670,623</u>	<u>29,132,413</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES..	(370,879)	(457,745)	(145,529)	(724,412)	585,538	(69,846)	(1,182,873)
OTHER FINANCING SOURCES (USES):							
Transfers in.....	1,307,000	501,258	-	708,889	483	-	2,517,630
Transfers out.....	(1,258)	-	-	-	(807,000)	(25,966)	(834,224)
Proceeds from sale of capital assets.....	2,618	4,601	-	33,881	468	-	41,568
Issuance from refunding Certificates of Participation.....	-	-	-	-	5,000,000	-	5,000,000
Premium on refunding Certificates of Participation.....	-	-	-	-	63,818	-	63,818
Payments to refunding escrow agent.....	-	-	-	-	(5,394,474)	-	(5,394,474)
Total Other Financing Sources (Uses).....	<u>1,308,360</u>	<u>505,859</u>	<u>-</u>	<u>742,770</u>	<u>(1,136,705)</u>	<u>(25,966)</u>	<u>1,394,318</u>
NET CHANGE IN FUND BALANCES.....	937,481	48,114	(145,529)	18,358	(551,167)	(95,812)	211,445
FUND BALANCES, BEGINNING OF YEAR.....	7,791,922	1,384,988	3,118,751	1,902,915	1,388,922	2,270,425	17,857,923
FUND BALANCES, END OF YEAR.....	<u>\$ 8,729,403</u>	<u>\$ 1,433,102</u>	<u>\$ 2,973,222</u>	<u>\$ 1,921,273</u>	<u>\$ 837,755</u>	<u>\$ 2,174,613</u>	<u>\$ 18,069,368</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, 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 MARCH 31, 2013

Net change in fund balances - total governmental funds.....	\$	211,445
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000, for general and infrastructure, are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. Donated assets are not recorded in the governmental funds but are recognized as revenue in the statement of activities. This is the amount by which depreciation exceeded capital outlays and donated capital assets in the current period.		
Capital outlays.....	4,511,345	
Depreciation expense.....	<u>(2,838,518)</u>	1,672,827
In the statement of activities, the loss on the disposition of capital assets is reported. The fund financial statements recognize only the proceeds from the sale of those assets.....		
		(183,642)
The governmental funds report bond proceeds as another financing source, while repayment of bond principal is reported as an expenditure. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds financial statements but reduces the long-term liabilities in the statement of net assets.		
Issuance of refunding debt.....	(5,000,000)	
Payments to escrow agents.....	5,394,474	
Premium on refunding bonds.....	(63,818)	
Repayment of bond principal.....	<u>1,419,000</u>	1,749,656
Under the modified accrual basis of accounting used in governmental funds the effect of issuance costs, discounts and premiums when debt is first issued is reported in the operating statement, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, interest expense is recognized as it accrues, regardless of when it is due. 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. The net effect of these differences is as follows:		
Accrued interest on bonds.....	16,480	
Compensated absences.....	804	
Amortization of premiums and discounts on debt issuance.....	9,117	
Amortization of deferred amount on refunding.....	<u>(54,223)</u>	(27,822)
The internal service funds are used by management to charge the costs of the risk management and fleet services activities to individual funds. The adjustments for the internal service fund "close" the fund by charging additional amounts to participating activities to completely cover the internal service funds costs for the year.		
Total net increase for the internal service fund.....		638,223
Property tax revenues, sales tax revenues and special assessment revenue received prior to the year for which they are being levied are reported as deferred revenue in the governmental funds. They are, however, recorded as revenues in the statement of activities. Deferred revenues decreased this year.....		
		<u>93,397</u>
Change in net position of governmental activities.....	\$	<u>4,154,084</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF NET POSITION - PROPRIETARY FUNDS
MARCH 31, 2013

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Electric	Water	Sanitation	Total	
ASSETS:					
Current Assets:					
Cash and investments:					
Restricted.....	\$ 169,826	\$ 24,015	\$ -	\$ 193,841	\$ 24,259
Held by trustees.....	-	675,039	-	675,039	-
Unrestricted.....	16,355,906	7,461,120	1,662,469	25,479,495	2,358,280
Receivables, net of allowances:					
Services.....	1,575,278	372,111	215,855	2,163,244	-
Interest.....	22,471	10,056	2,231	34,758	3,091
Other.....	21,075	6,759	17,116	44,950	-
Inventory.....	305,735	66,490	37,712	409,937	2,433
Due from other funds.....	680,000	680,000	-	1,360,000	-
Total Current Assets.....	19,130,291	9,295,590	1,935,383	30,361,264	2,388,063
Noncurrent Assets:					
Capital Assets:					
Land and construction in progress.....	2,291,156	304,679	134,057	2,729,892	-
Buildings and system.....	6,633,616	16,338,959	162,910	23,135,485	-
Machinery and equipment.....	2,841,084	956,020	1,823,366	5,620,470	-
Less: Accumulated depreciation.....	(6,441,883)	(4,028,716)	(848,453)	(11,319,052)	-
Total Noncurrent Assets.....	5,323,973	13,570,942	1,271,880	20,166,795	-
Total Assets.....	24,454,264	22,866,532	3,207,263	50,528,059	2,388,063
DEFERRED OUTFLOW OF RESOURCES:					
Deferred charge on refunding.....	-	146,344	-	146,344	-
Total Deferred Outflow of Resources.....	-	146,344	-	146,344	-
LIABILITIES:					
Current Liabilities:					
Accounts payable.....	153,565	184,403	47,291	385,259	50,013
Accrued wages and vacation.....	104,490	53,272	50,022	207,784	33,526
Accrued interest payable.....	-	31,609	-	31,609	-
Deposits payable from restricted assets.....	174,294	24,015	-	198,309	-
Claims payable.....	-	-	-	-	356,739
Current portion of bonds payable.....	-	400,000	-	400,000	-
Total Current Liabilities.....	432,349	693,299	97,313	1,222,961	440,278
Long-Term Portion of Bonds Payable.....	-	8,666,442	-	8,666,442	-
Total Liabilities.....	432,349	9,359,741	97,313	9,889,403	440,278
NET POSITION:					
Net investment in capital assets.....	5,323,973	4,650,844	1,271,880	11,246,697	-
Restricted for debt service.....	-	675,039	-	675,039	-
Unrestricted.....	18,697,942	8,327,252	1,838,070	28,863,264	1,947,785
TOTAL NET POSITION.....	\$ 24,021,915	\$ 13,653,135	\$ 3,109,950	\$ 40,785,000	\$ 1,947,785

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Electric	Water	Sanitation	Total	
OPERATING REVENUES:					
Electric sales.....	\$20,870,481	\$ -	\$ -	\$20,870,481	\$ -
Water sales.....	-	4,546,732	-	4,546,732	-
Sanitation fees.....	-	-	2,426,745	2,426,745	-
Charges for services.....	-	-	-	-	4,588,153
Other.....	503,295	1,162,428	193,555	1,859,278	35,701
Total Operating Revenues.....	21,373,776	5,709,160	2,620,300	29,703,236	4,623,854
OPERATING EXPENSES:					
Administrative and general.....	1,094,056	454,264	1,137,956	2,686,276	1,132,349
Customer accounting.....	157,510	304,660	117,756	579,926	-
Purchased power.....	13,460,180	-	-	13,460,180	-
Purchased water.....	-	992,215	-	992,215	-
Distribution maintenance.....	2,168,024	1,589,845	-	3,757,869	-
Maintenance and supplies.....	539,343	50,099	24,419	613,861	-
Pickup, hauling, and disposal.....	-	-	1,111,051	1,111,051	-
Claims and insurance premiums.....	-	-	-	-	2,871,441
Depreciation.....	263,134	379,229	222,437	864,800	-
Total Operating Expenses.....	17,682,247	3,770,312	2,613,619	24,066,178	4,003,790
OPERATING INCOME (LOSS).....	3,691,529	1,938,848	6,681	5,637,058	620,064
NONOPERATING REVENUES (EXPENSES):					
Investment income.....	225,921	64,652	10,270	300,843	13,494
Interest expense.....	-	(444,599)	-	(444,599)	-
Gain (loss) on sales of property, plant, and equipment.....	20,777	4,409	-	25,186	4,665
Total Nonoperating Revenues (Expenses).....	246,698	(375,538)	10,270	(118,570)	18,159
INCOME (LOSS) BEFORE TRANSFERS.....	3,938,227	1,563,310	16,951	5,518,488	638,223
Capital contributions-Federal subsidy.....	-	106,453	-	106,453	-
Transfers in (out).....	(1,300,000)	(300,000)	(83,406)	(1,683,406)	-
CHANGE IN NET POSITION.....	2,638,227	1,369,763	(66,455)	3,941,535	638,223
NET POSITION, BEGINNING OF YEAR....	21,383,688	12,393,433	3,159,017	36,936,138	1,309,562
PRIOR PERIOD ADJUSTMENTS.....	-	(110,061)	17,388	(92,673)	-
NET POSITION, END OF YEAR.....	\$ 24,021,915	\$ 13,653,135	\$ 3,109,950	\$ 40,785,000	\$ 1,947,785

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	<u>Business-Type Activities - Enterprise Funds</u>				Governmental Activities - Internal Service Funds
	<u>Electric</u>	<u>Water</u>	<u>Sanitation</u>	<u>Total</u>	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers.....	\$ 20,138,590	\$ 4,509,725	\$ 2,402,125	\$ 27,050,440	\$ -
Receipts from interfund services provided.....	704,094	46,908	29,616	780,618	4,622,835
Other receipts.....	309,739	1,158,437	379,640	1,847,816	1,019
Payments to suppliers.....	(15,624,792)	(2,100,482)	(1,179,134)	(18,904,408)	(3,403,419)
Payments to employees.....	(1,890,052)	(1,001,357)	(850,722)	(3,742,131)	(447,527)
Payments for interfund services.....	<u>(242,952)</u>	<u>(451,327)</u>	<u>(438,955)</u>	<u>(1,133,234)</u>	<u>(25,857)</u>
Net Cash Provided By (Used In)					
Operating Activities.....	<u>3,394,627</u>	<u>2,161,904</u>	<u>342,570</u>	<u>5,899,101</u>	<u>747,051</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers out.....	(1,300,000)	(300,000)	(83,406)	(1,683,406)	-
Receipt (payment) of interfund borrowing.....	<u>85,000</u>	<u>85,000</u>	<u>-</u>	<u>170,000</u>	<u>-</u>
Net Cash Provided By (Used In)					
Noncapital Financing Activities.....	<u>(1,215,000)</u>	<u>(215,000)</u>	<u>(83,406)</u>	<u>(1,513,406)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition and construction of capital assets.....	(36,910)	(1,020,562)	-	(1,057,472)	-
Proceeds from sale of property, plant and equipment.....	22,184	42,166	-	64,350	4,665
Capital contribution-Federal subsidy.....	-	106,453	-	106,453	-
Principal paid on bonds.....	-	(420,000)	-	(420,000)	-
Issuance of Certificates of Participation, Net.....	-	(28,416)	-	(28,416)	-
Interest paid on bonds.....	<u>-</u>	<u>(361,854)</u>	<u>-</u>	<u>(361,854)</u>	<u>-</u>
Net Cash Provided By (Used In) Capital and Related Financing Activities.....	<u>(14,726)</u>	<u>(1,682,213)</u>	<u>-</u>	<u>(1,696,939)</u>	<u>4,665</u>
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:					
Interest received on investments.....	<u>233,308</u>	<u>68,579</u>	<u>10,947</u>	<u>312,834</u>	<u>13,812</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....	2,398,209	333,270	270,111	3,001,590	765,528
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR, RESTATED.....	<u>14,127,523</u>	<u>7,826,904</u>	<u>1,392,358</u>	<u>23,346,785</u>	<u>1,617,011</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	<u>\$ 16,525,732</u>	<u>\$ 8,160,174</u>	<u>\$ 1,662,469</u>	<u>\$ 26,348,375</u>	<u>\$ 2,382,539</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

RECONCILIATION OF OPERATING INCOME										
(LOSS) TO NET CASH PROVIDED BY										
(USED IN) OPERATING ACTIVITIES:										
Operating income (loss).....	\$	3,691,529	\$	1,938,848	\$	6,681	\$	5,637,058	\$	620,064
Adjustments to reconcile operating income										
(loss) to net cash provided by (used in)										
operating activities:										
Depreciation expense		263,134		379,229		222,437		864,800		-
(Increase) decrease in assets:										
Service receivable.....		(227,797)		9,901		4,996		(212,900)		-
Miscellaneous receivables.....		2,081		(2,404)		186,085		185,762		-
Inventory.....		(139)		(420)		(20,388)		(20,947)		1,783
Increase (decrease) in liabilities:										
Accounts payable.....		(341,945)		(151,106)		(55,416)		(548,467)		174,121
Accrued wages and vacation.....		3,401		(10,557)		(1,825)		(8,981)		272
Deposits held for others.....		4,363		(1,587)		-		2,776		-
Claims Payable.....		-		-		-		-		(49,189)
Total adjustments.....		<u>(296,902)</u>		<u>223,056</u>		<u>335,889</u>		<u>262,043</u>		<u>126,987</u>
NET CASH PROVIDED BY (USED IN)										
OPERATING ACTIVITIES.....	\$	<u>3,394,627</u>	\$	<u>2,161,904</u>	\$	<u>342,570</u>	\$	<u>5,899,101</u>	\$	<u>747,051</u>
NONCASH OPERATING, FINANCING AND										
INVESTING ACTIVITIES:										
Debt Financing:										
Par value of debt issued.....	\$	-	\$	3,520,000	\$	-	\$	3,520,000	\$	-
Premium.....		-		13,855		-		13,855		-
Costs of issuance.....		-		(80,111)		-		(80,111)		-
Defeased debt.....		-		(3,482,160)		-		(3,482,160)		-
ISSUANCE OF CERTIFICATES OF										
PARTICIPATION, NET.....	\$	<u>-</u>	\$	<u>(28,416)</u>	\$	<u>-</u>	\$	<u>(28,416)</u>	\$	<u>-</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF FIDUCIARY NET POSITION -
 FIDUCIARY FUND TYPES - TRUST AND AGENCY FUNDS
 MARCH 31, 2013

	<u>Pension Trust</u>	<u>Agency</u>
ASSETS:		
Cash and investments:		
Held by trustees:		
Short-term reserves.....	\$ 4,723,650	\$ -
Bond funds.....	4,075,049	-
Balanced funds.....	10,178,341	-
Domestic stock funds.....	20,307,365	-
International stock funds.....	3,548,719	-
Stable value money market funds.....	140,004	-
Specialty stock fund.....	241,186	-
Vanguard brokerage option fund.....	1,659,862	-
Restricted.....	72	28,600
Contribution receivable.....	56,621	-
	<u>44,930,869</u>	<u>28,600</u>
Total Assets.....	<u>44,930,869</u>	<u>28,600</u>
LIABILITIES:		
Deposits payable.....	-	28,600
Accounts payable.....	72	-
	<u>72</u>	<u>28,600</u>
Total Liabilities.....	<u>72</u>	<u>28,600</u>
NET POSITION:		
Reserved for employees' pension benefits.....	<u>\$ 44,930,797</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
PENSION TRUST FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	<u>Pension Trust Fund</u>
ADDITIONS:	
Contributions:	
Employer.....	\$ 1,573,423
Employee, net of refunds.....	357,047
Rollover Contributions.....	<u>417,212</u>
Total Contributions.....	<u>2,347,682</u>
Investment income:	
Interest and dividends.....	1,078,188
Net appreciation in the fair value of plan investments.....	<u>2,849,965</u>
Total investment income.....	3,928,153
Less: investment expenses.....	<u>79,926</u>
Net investment income.....	<u>3,848,227</u>
Total Additions.....	<u>6,195,909</u>
DEDUCTIONS:	
Benefit payments.....	<u>3,430,303</u>
Administrative and general expenses:	
Insurance, taxes and other premiums.....	193,700
Professional fees.....	<u>75,671</u>
Total administrative and general expenses.....	<u>269,371</u>
Total Deductions.....	<u>3,699,674</u>
CHANGE IN NET POSITION.....	2,496,235
NET POSITION HELD IN TRUST FOR EMPLOYEE PENSION BENEFITS	
BEGINNING OF YEAR.....	<u>42,434,562</u>
END OF YEAR.....	<u>\$ 44,930,797</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Kirkwood, Missouri (the “City”) was formally established as the Town of Kirkwood in 1853. In 1865, the citizens requested and received a charter from the Missouri State Legislature. As a result of being incorporated, Kirkwood became a village governed by a Board of Trustees elected by the voters. The City now operates under a charter form of government adopted in 1983 in accordance with the provisions of the Missouri Constitution. The governing body is comprised of a mayor and six council members who appoint a chief administrative officer who is responsible for the day-to-day operations of the City. The City provides the following services: public safety (police and fire), engineering, streets, vehicle, building maintenance, electric, water, sanitation, parks and recreation, and general administrative services.

The accounting policies and financial reporting practices of the City conform to accounting principles generally accepted in the United States of America as applicable to governmental entities. The following is a summary of the more significant accounting policies:

Reporting Entity

The City’s financial reporting entity has been determined in accordance with governmental standards for defining the financial reporting entity and identifying entities to be included in its basic financial statements. These standards identify the City’s financial accountability for potential component units as the primary, but not only, criteria for inclusion. The City’s financial reporting entity consists of the City of Kirkwood (the primary government) and its component units. The component units discussed below are included in the City’s financial reporting entity because of the significance of their operational or financial relationships with the City.

Blended Component Units

The following component units are legally separate from the City; however, the activities are so intertwined with the City as the primary government that they are, in substance, the same as the primary government. As such, the balances and transactions of the 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.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reporting Entity (continued)

City of Kirkwood, Missouri Public Facilities Authority (PFA)

The PFA is a not-for-profit corporation created by Ordinance of the City Council, organized and existing under the laws of the State of Missouri. Board members are appointed by the Mayor of the City and must be approved by Council. The purpose of the PFA is to facilitate the acquisition and construction of certain capital improvements and facilities solely for the benefit of the City of Kirkwood, Missouri. Funding of such capital improvements and facilities is provided through the issuance of leasehold revenue bonds. The PFA is accounted for as if it were part of the City's operations because it was established to provide services exclusively to the City. The activities and accounts of the PFA have been blended into the City's Park & Storm Water Improvement fund.

Downtown Special Business District (SBD)

The SBD was created by Ordinance of the City Council, organized and existing under the laws of the State of Missouri. The City Council appoints the members to the Downtown Kirkwood Special Business District Advisory Commission, approves and amends the SBD's budgets, levies the SBD's property taxes, and is responsible for fiscal management. The resources of this fund are utilized for the enhancement of the SBD and promote retail trade activities within the SBD, for the exclusive benefit of the City.

Discretely Presented Component Unit

The discretely presented component unit column in the government-wide financial statements includes the financial data of the City's other component unit. It is reported in a separate column to emphasize that it is legally separate from the City.

Industrial Development Authority of the City of Kirkwood, Missouri (IDA)

The IDA is a not-for-profit corporation established by an Ordinance of the City Council and formed under RSMo. Chapter 349, *The Industrial Development Corporations Act*. It is designed to develop, advance, encourage and promote commercial, industrial and manufacturing facilities in the City. The IDA Board of Directors is appointed by the Mayor with consent of the City Council. The City provides the IDA financial and administrative support. Separate financial statements are not prepared for the IDA. Schedules for the IDA are included in the "Other Supplementary Information" section.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related Organizations

The City's officials are also responsible for appointing members to the boards of other organizations, but the City's accountability for these organizations does not extend beyond making such appointments. The Mayor or the City Council appoints a majority of the governing members of the Municipal Library District of Kirkwood and the Kirkwood Housing Authority. These related organizations are not included as component units within the City's financial reporting entity.

The Public Park Board is an agency of the City with its Board members appointed by the Mayor and the City Council. The Park Board has the authority to adopt and amend its own budget only. The City sets and levies the Park Board's property taxes and holds all corporate powers. The Public Park Board is therefore not a legal entity and is accounted for as a separate special revenue fund.

Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants for goods and/or services, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Taxes, unrestricted interest earnings and other items not properly included among program revenues are reported instead as general revenues.

Following the government-wide financial statements are separate financial statements for governmental funds, proprietary funds and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are reported in one column labeled "Other Governmental Funds". The total fund balances for all governmental funds is reconciled to total net position for governmental activities as shown on the statement of net position. The net change in fund balance for all governmental funds is reconciled to the total change in net position as shown on the statement of activities in the government-wide financial statements. The City has three enterprise (business-type activity) funds which are all considered major funds. Additionally, the City has internal service funds which are reported in a separate column on the proprietary fund financial statements.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Accounting

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

Governmental Funds

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

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

Public Park Board - Used to account for property tax proceeds restricted specifically for park operations.

P&F Property Tax Pension - Used to account for property tax proceeds restricted specifically for police officers and firefighters pension.

Capital Improvements - This fund is used to account for financial resources designated for the acquisition or construction of major capital facilities or improvements.

Park & Storm Water Improvement - This fund is used to account for financial resources designated for the construction of the City's recreation/facilities complex.

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

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Proprietary Funds

Proprietary funds are used to account for activities that are similar to those found in the private sector. The measurement focus is on the determination of net income, changes in net position (or cost recovery), financial position, and cash flows.

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 funds principal ongoing operations.

The following are the City's proprietary fund types:

Enterprise Funds - Enterprise funds are 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. The City has three enterprise funds which are all considered major funds as follows:

Electric - The electric fund is used to account for the billing and collection of charges for electric services for customers of the electric utility system. Revenues are used to pay for both operating expenses and capital expenditures to maintain these services.

Water - The water fund is used to account for the billing and collection of charges for water services for customers of the waterworks system. Revenues are used to pay for both operating expenses and capital expenditures to maintain these services.

Sanitation - The sanitation fund is used to account for the provision of solid waste collection to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

Internal Service Funds - Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the City. Three internal service funds have been established to account for the payment of medical insurance, workers' compensation and city-wide vehicle and equipment maintenance and repair costs.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fiduciary Fund Type - Trust and Agency Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Pension trust funds are accounted for and reported similar to proprietary funds. The pension trust funds account for the City's Police Officers' and Firefighters' Pension Plan and the Employees' Pension Plan. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. The City's agency funds account for municipal court collections for bail bonds, deposits collected on behalf of the trustee of the transportation development district and donations collected on behalf of the Kirkwood Disaster Relief.

Measurement Focus

Measurement focus refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the Statement of Net Assets.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Measurement Focus (continued)

Fund Financial Statements (continued)

Like the government-wide statements, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Basis of Accounting

Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Government-wide financial statements are prepared using the accrual basis of accounting; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds used the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. For the City, available means expected to be received within 60 days of year end.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenues - Exchange and Non-Exchange Transactions (continued)

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: state-levied locally shared taxes (including gasoline tax), fines and forfeitures, licenses and permits, interest, grants and rentals. For the City, available for these revenue sources means expected to be received within 30 days of year end.

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

Cash and Investments

The City maintains a cash and investment pool available to all City funds. For financial reporting purposes, investments are allocated in proportion to each fund's cash balance to the total cash balance.

Investments are shown at fair value. Fair value is determined by closing market prices at year-end as reported by the investment custodian.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond March 31, 2013, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

Unearned Revenues

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Certain park program fees received before eligibility requirements are met are reported as unearned revenues in the government-wide financial statements as well as the governmental fund statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Outflows/Inflows of Resources (Continued)

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

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. However, principal and interest on general long-term debt, which have not matured are recognized when paid. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Allowance for Uncollectible Accounts

The City provides an allowance for uncollectible accounts equal to the estimated collection losses that will be incurred in collection of its ambulance, court fines, property tax and enterprise fund services receivable. The estimated losses are based on historical collection experience coupled with a review of the current status of the existing receivables. The City follows the practice of writing off uncollectible accounts as they are incurred for all other receivables.

Inventory

Inventory recorded in the general fund is valued at average cost, using the first-in, first-out (FIFO) method and consist of expendable supplies held for consumption. The cost of inventory is recorded as expenditures as the individual inventory items are utilized. The reserve for inventory is equal to the inventory capitalized to indicate that a portion of the fund balance is not available for appropriation.

Inventory recorded in the enterprise funds are valued at average cost using a first-in, first-out method, and consist of materials and supplies held for consumption and construction of distribution systems.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital Assets

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

The costs of normal maintenance and repairs that do not enhance functionality or materially extend the life of an asset are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	30 - 40 years
Building improvements	5 - 30 years
Distribution system	20 - 75 years
Machinery and equipment	3 - 15 years
Automotive equipment	3 - 10 years
Streets, bridges, and sidewalks	20 - 75 years

Long-Term Liabilities

In the government-wide and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums or discounts and the difference between the reacquisition price and the net carrying value of refunded debt are capitalized and amortized over the terms of the respective bonds using the straight-line method and the effective interest method. Bonds payable are reported adjusted by the applicable bond premium or discount.

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

Accumulated Unpaid Vacation, Compensatory Time, and Sick Leave

City employees earn vacation based upon their years of continuous service on a calendar year basis. Accrued vacation time is payable to employees upon termination. Based on the policy of the City, all of the accrued vacation is due within one year and is recorded in the government-wide and proprietary fund financial statements as a short-term liability. A liability is recorded in the governmental fund financial statements when payment is due.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accumulated Unpaid Vacation, Compensatory Time, and Sick Leave (continued)

City employees may earn compensatory time in lieu of overtime pay at the discretion of the Department Head. Accrued compensatory time is payable to employees upon termination. Based on the policy of the City, no employee shall be permitted to accrue more than forty (40) hours of compensatory time with the exception of law enforcement and fire protection personnel who shall not be permitted to accrue more than one hundred twenty (120) hours of compensatory time. A liability is recorded in the governmental fund financial statements when payment is due.

Sick leave accrues each month of continuous service, subject to a maximum of 130 days, and is payable during periods of illness. The City does not accrue nor is obligated for payment of accumulated sick days.

Capital Contributions

Capital contributions in the enterprise funds represent government grants, contributions, and other aid to fund capital projects. In accordance with GASB 33, capital contributions are recognized as revenue when the expenditure is made and amounts become subject to claim for reimbursement.

Interfund Transactions

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

Transfers

Legally required transfers are reported when incurred as “transfers in” by the recipient fund and as “transfers out” by the disbursing fund.

Interfund Services Provided/Used

Charges or collections for services rendered by one fund for another are recognized as revenues (interfund services provided) of the recipient fund and expenditures or expenses (interfund services used) of the disbursing fund. These transactions are recorded as interfund services provided and used because they would be treated as revenue and expenditures or expenses if they involved organizations external to the city.

Certain internal payments are treated as program revenues, such as internal services provided and used. Certain internal payments are treated as a reduction of expense, such as reimbursements.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Interfund Transactions (continued)

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

Net Position

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

Investment - 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 assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

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

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.

Restricted - This consists of the governmental fund balances that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Committed – This consists of the governmental fund balances that can only be used for specific purposes pursuant to constraints imposed by formal action (ordinance) of the City Council, the City's highest level of decision-making authority.

Assigned – This consists of the governmental fund balances that are intended to be used for specific purposes. The City Council has by resolution authorized the Chief Administrative Officer or their designee to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

When both restricted and unrestricted resources are available, the City will spend the least restricted dollars before the restricted dollars in the following order: Unassigned, Assigned, Committed, Restricted, and then Nonspendable.

Statement of Cash Flows

The proprietary funds considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Estimates and Assumptions

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires the City to make estimates and assumptions that affect the reported amounts of assets and liabilities at fiscal year-end and revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2013

2. CASH AND INVESTMENTS

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. The City's policy and state law authorize the following types of investments:

- a. United States Treasury Securities for which the full faith and credit of the United States are pledged for the payment of principal and interest.
- b. United States Agency Securities, including:
 - U.S. Government Agency Coupon and Zero Coupon Securities with no embedded options.
 - U.S. Government Agency Discount Notes purchased at a discount with maximum maturities of one (1) year.
 - U.S. Government Agency Callable Securities restricted to securities callable at par only with final maturities of five (5) years.
 - U.S. Government Agency Step-Up Securities where the coupon rate is fixed for an initial term. At coupon date, the coupon rate rises to a new, higher fixed term. Restricted to securities with final maturities of five (5) years.
 - U.S. Government Agency Floating Rate Securities where the coupon rate floats off one index. Restricted to coupons with no interim caps that reset at least quarterly.
 - U.S. Government Mortgage Backed Securities restricted to securities with final maturities of five (5) years.
- c. Repurchase agreements with commercial banks or government securities dealers. The purchaser in a repurchase agreement enters into a contractual agreement to purchase U.S. Treasury and government agency securities while simultaneously agreeing to resell the securities at predetermined dates and prices.
- d. Collateralized public deposits (Certificates of Deposits) issued by financial institutions which state that specified sums have been deposited for specified periods of time and at specified rates of interest. The certificates of deposit are required to be backed by acceptable collateral securities as dictated by state statute.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

2. CASH AND INVESTMENTS (continued)

- e. Bankers' Acceptances issued by domestic commercial banks possessing the highest rating issued by Moody's Investor Services, Inc. or Standard and Poor's Corporation.
- f. Commercial Paper issued by domestic corporations, which has received the highest rating issued by Moody's Investor Services, Inc. or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that have total assets in excess of five hundred million dollars.

The deposits and investments held at March 31, 2013, and reported at fair value, are as follows:

Type	Carrying Value
Deposits:	
Demand deposits.....	\$ 2,668,730
Cash on hand.....	3,240
Non-negotiable Certificates of Deposit	<u>2,000,000</u>
	<u>4,671,970</u>
Pooled Investments:	
Money Market Mutual Funds	13,358,390
Negotiable Certificates of Deposit.....	4,770,740
U.S. Treasury Note	1,989,531
Federal Farm Credit Banks	10,986,140
Federal Home Loan Banks.....	8,582,050
Federal National Mortgage Association	<u>3,515,585</u>
	<u>43,202,436</u>
Pension Trust Investments:	
Mutual funds:	
Short-Term reserves.....	4,723,650
Vanguard brokerage option funds.....	1,659,862
International stock funds.....	3,548,719
Balanced funds.....	10,178,341
Bond funds	4,075,049
Stable value money market funds.....	140,004
Specialty stock fund.....	241,186
Domestic stock funds.....	<u>20,307,365</u>
	<u>44,874,176</u>
Total Deposits and Investments.....	<u>\$92,748,582</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

2. CASH AND INVESTMENTS (continued)

Type	Carrying Value
Reconciliation to the Financial Statements:	
Statement of Net Assets:	
Cash and Investments:	
Governmental Activities	\$21,379,867
Business-Type Activities	26,348,375
Component Unit.....	117,492
Statement of Fiduciary Net Assets:	
Cash and Investments:	
Held by trustees – Pension Trust Funds.....	44,874,248
Restricted:	
Agency Fund.....	<u>28,600</u>
	<u>\$92,748,582</u>

Since the investment strategies and associated risks for the City Pension Investment portfolios are substantially different than those of the remainder of the City, the investment disclosures for the Pension Investment Portfolios are presented separately.

Custodial Credit Risk- Deposits - Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. 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. As of March 31, 2013, the City’s bank balance of \$4,872,597, including \$117,492 of the component unit, was fully insured by depository insurance and collateralized with securities held by the City’s agent in the City’s name.

Custodial Credit Risk - Investments - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investment or collateral securities that are in the possession of the outside party. The City’s policy to minimize credit risk is to pre-qualify the financial institutions, brokers/dealers, intermediaries, and advisors with which the City will do business and diversify the portfolio so that potential losses on individual securities will be minimized. The City’s investments were not exposed to custodial credit risk this year.

Investment Interest Rate Risk - The City’s policy to limit investment interest rate risk is to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations. Investments in bankers’ acceptances and commercial paper shall mature and become payable not more than one hundred eighty days (180) from the date of purchase. All other investments shall mature and become payable not more than five (5) years from the date of purchase. Maturities of investments held at March 31, 2013 are as follows:

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

2. CASH AND INVESTMENTS (continued)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 – 5</u>
Money Market Mutual Funds.....	\$ 13,358,390	\$13,358,390	\$ --
Negotiable Certificates of Deposit.....	4,770,740	3,099,954	1,670,786
U.S. Treasury Note.....	1,989,531	--	1,989,531
Federal Farm Credit Banks.....	10,986,140	2,000,080	8,986,060
Federal Home Loan Banks.....	8,582,050	1,266,200	7,315,850
Federal National Mortgage Association	3,515,585	--	3,515,585

Investment Credit Risk - The City's investment policy and state law limit its investment choices, as documented above. At March 31, 2013, the City's investments in U.S. Agency obligations not directly guaranteed by the U.S. Government and investments in money market accounts were rated as follows:

<u>Rating</u>	<u>Amount</u>
AAA	\$23,083,775

Concentration of Investment Credit Risk - Concentration of credit risk is required to be disclosed by the City for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U.S. Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments).

It is the City's policy to diversify the portfolio so that potential losses on individual securities will be minimized. No more than 5% of the total value of the portfolio may be invested in bankers' acceptances issued by any one commercial bank and no more than 5% of the total value of the portfolio may be invested in commercial paper of any one issuer.

At March 31, 2013, the City had the following investments that were more than 5% of the City's total investments:

<u>Description</u>	<u>Concentration</u>
Federal Farm Credit Banks	25.4%
Federal Home Loan Banks.....	19.9%
Federal National Mortgage Association.....	8.1%

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

2. CASH AND INVESTMENTS (continued)

Pension Trust Investments

The Pension Trust Funds are governed by Articles I and II, Chapter 18 ½ of the Kirkwood Code of Ordinance and state law. The Pension Trust funds consist of the Police Officers' and Firefighters' Pension Plan and the Employees' Pension Plan.

The Police Officers' and Firefighters' Pension Plan is authorized to invest in the following types of investments:

- a. Stock funds, which are primarily invested in common stocks of publicly traded companies, as well as securities that can be converted into common stocks.
- b. Bond funds that typically include U.S. Treasury obligations, obligations of government sponsored entities, Federal Agency obligations, corporate notes, debentures, preferred stocks, mortgage backed securities, asset backed securities, commercial paper and commercial bank Certificates of Deposit.
- c. Balanced funds that typically invest in a combination of stocks and bonds.
- d. Stable Asset funds that typically include contracts (GICs) issued by banks and top-rated insurance companies as well as synthetic GICs backed by top rated banks and insurance companies.
- e. Money market funds that typically invest in short term cash alternatives.

The Employees' Pension Plan is authorized to invest in Equity Securities and Fixed Income securities.

Custodial Credit Risk - The plans do not have a specific policy addressing custodial credit risk. Neither the Pension Trust's bank balances nor its investments were subject to custodial credit risk this year.

Investment Interest Rate Risk - The plans require active managers to manage the effective duration of their portfolio type comparable to their peers and relative to specific indices outlined in the Plan's policies. As of March 31, 2013, the Pension Trust investments were all in mutual funds which have no maturity date.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

2. CASH AND INVESTMENTS (continued)

Pension Trust Investments (continued)

Investment Credit Risk - The plans investment policies limit its investment choices, as documented above. As of March 31, 2013, the Pension Trust investments were all in mutual funds which are not rated.

Concentration of Investment Credit Risk - Participation accounts are self directed by the participants. Investments used to fund future uplift benefits for the two retirement plans are limited as follows:

Police Officers' and Firefighters' Retirement Plan

	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>
Equity Total:	55%	65%	75%
Mid Cap Equity	0%	10%	20%
Small Cap Equity	0%	10%	20%
International Equity	0%	15%	20%
Fixed Income:			
Including GICs	25%	35%	45%

Civilian Employees' Retirement Plan

<u>Asset Class</u>	<u>Pension Fund Guidelines</u>	<u>Range</u>
Equity Investments	70%	60-80%
Fixed Income Investments	30%	20-40%

Concentration of credit risk is not required to be disclosed for investments in mutual funds.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2013

3. PROPERTY TAX

The City's property tax is levied annually on or before October 1 based on the assessed valuation of all real and personal property located in the City as of the previous January 1. Assessed valuations are established by the St. Louis County Assessor. Kirkwood citizen's approved a 34 cent property tax to be used for General Government Services. Council certified 29.6 cents of this 34 cent authorization to generate approximately two million dollars in property tax revenues to be used for General Government services. The City's tax rate per \$100 of assessed valuation is levied as follows:

	Real Estate		<u>Personal Property</u>
	<u>Residential</u>	<u>Commercial</u>	
General government services.....	\$.296	\$.309	\$.269
Maintenance and operation of parks.....	.133	.139	.121
Police Officers' and Fire Fighters' Retirement Fund.....	.119	.147	.172
Debt service.....	<u>.065</u>	<u>.065</u>	<u>.065</u>
	<u>\$.613</u>	<u>\$.660</u>	<u>\$.627</u>

Additionally, the SBD levies an additional tax of \$0.454 per \$100 assessed valuation for businesses in the SBD.

Taxes are billed October 1, are due and collectible on December 31, and are delinquent and represent a lien on related property on January 1 of the following year. Taxes are billed, collected, and remitted to the City by the St. Louis County Collector.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2013

4. CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2013:

	Balance April 1, 2012	Additions and Transfers	Disposals and Transfers	Balance March 31, 2013
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land.....	\$ 5,772,960	\$ 1,329,829	\$ -	\$ 7,102,789
Construction in Progress.....	3,193,527	985,853	2,784,495	1,394,885
Total Capital Assets, Not Being Depreciated.....	8,966,487	2,315,682	2,784,495	8,497,674
Capital Assets, Being Depreciated:				
Buildings.....	28,153,186	112,190	62,222	28,203,154
Buildings improvements.....	11,304,202	767,141	-	12,071,343
Machinery and equipment.....	6,385,392	793,818	376,725	6,802,485
Automotive equipment.....	6,179,901	192,582	785,051	5,587,432
Infrastructure.....	37,304,721	3,114,427	637,606	39,781,542
Total Capital Assets, Being Depreciated.....	89,327,402	4,980,158	1,861,604	92,445,956
Less - Accumulated Depreciation For:				
Buildings.....	11,021,038	869,213	41,075	11,849,176
Buildings improvements.....	2,075,121	436,583		2,511,704
Machinery and equipment.....	4,407,844	317,321	361,763	4,363,402
Automotive equipment.....	3,243,030	513,423	762,645	2,993,808
Infrastructure.....	18,788,709	701,978	512,479	18,978,208
Total Accumulated Depreciation.....	39,535,742	2,838,518	1,677,962	40,696,298
Total Capital Assets, Being Depreciated, Net.....	49,791,660	2,141,640	183,642	51,749,658
Governmental Activities, Capital Assets, Net.....	\$ 58,758,147	\$ 4,457,322	\$ 2,968,137	\$ 60,247,332

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2013

4. CAPITAL ASSETS (continued)	Balance April 1, 2012	Additions and Transfers	Disposals and Transfers	Balance March 31, 2013
Business-Type Activities:				
Electric:				
Capital Assets, Not Being Depreciated:				
Land and land rights.....	\$ 185,466	\$ -	\$ -	\$ 185,466
Construction in Progress.....	2,068,780	36,910	-	2,105,690
Total Capital Assets, Not Being Depreciated.....	2,254,246	36,910	-	2,291,156
Capital Assets, Being Depreciated:				
Buildings	297,891	-	-	297,891
Distribution system.....	6,335,725	-	-	6,335,725
Machinery and equipment.....	1,865,541	-	-	1,865,541
Automotive equipment.....	970,568	-	12,500	958,068
Traffic Lights/Street Lights.....	17,475	-	-	17,475
Total Capital Assets, Being Depreciated.....	9,487,200	-	12,500	9,474,700
Less - Accumulated Depreciation For:				
Buildings.....	208,291	3,000	-	211,291
Distribution system.....	3,757,554	166,872	-	3,924,426
Machinery and equipment.....	1,586,380	62,965	-	1,649,345
Automotive equipment.....	634,122	29,598	11,093	652,627
Traffic Lights/Street Lights.....	3,495	699	-	4,194
Total Accumulated Depreciation.....	6,189,842	263,134	11,093	6,441,883
Total Capital Assets Being Depreciated, Net.....	3,297,358	(263,134)	1,407	3,032,817
Electric:				
Capital Assets, Net.....	5,551,604	(226,224)	1,407	5,323,973
Water:				
Capital Assets, Not Being Depreciated:				
Land and land rights.....	31,274	-	-	31,274
Construction in Progress.....	3,752,946	273,405	3,752,946	273,405
Total Capital Assets, Not Being Depreciated.....	3,784,220	273,405	3,752,946	304,679
Capital Assets, Being Depreciated:				
Buildings	178,543	-	-	178,543
Distribution system.....	11,649,717	4,313,955	64,710	15,898,962
Improvements other than buildings.....	246,758	14,696	-	261,454
Machinery and equipment.....	292,102	53,107	44,900	300,309
Automotive equipment.....	589,989	118,346	52,624	655,711
Total Capital Assets, Being Depreciated.....	12,957,109	4,500,104	162,234	17,294,979

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2013

4. CAPITAL ASSETS (continued)

	Balance April 1, 2012	Additions and Transfers	Disposals and Transfers	Balance March 31, 2013
Business-Type Activities (continued):				
Water (continued):				
Less - Accumulated Depreciation For:				
Buildings	46,106	6,294	-	52,400
Distribution system.....	3,034,000	305,629	52,795	3,286,834
Improvements other than buildings.....	88,422	10,471	-	98,893
Machinery and equipment.....	179,729	16,893	24,320	172,302
Automotive equipment.....	425,707	39,942	47,362	418,287
Total Accumulated Depreciation.....	<u>3,773,964</u>	<u>379,229</u>	<u>124,477</u>	<u>4,028,716</u>
Total Capital Assets Being Depreciated, Net.....	<u>9,183,145</u>	<u>4,120,875</u>	<u>37,757</u>	<u>13,266,263</u>
Water Capital Assets, Net.....	<u>12,967,365</u>	<u>4,394,280</u>	<u>3,790,703</u>	<u>13,570,942</u>
Sanitation:				
Capital Assets, Not Being Depreciated:				
Land and land rights.....	134,057	-	-	134,057
Total Capital Assets, Not Being Depreciated.....	<u>134,057</u>	<u>-</u>	<u>-</u>	<u>134,057</u>
Capital Assets, Being Depreciated:				
Buildings	162,910	-	-	162,910
Machinery and equipment.....	545,559	-	-	545,559
Automotive equipment.....	1,277,807	-	-	1,277,807
Total Capital Assets, Being Depreciated.....	<u>1,986,276</u>	<u>-</u>	<u>-</u>	<u>1,986,276</u>
Less - Accumulated Depreciation For:				
Buildings	74,725	4,502	-	79,227
Machinery and equipment.....	214,121	25,116	-	239,237
Automotive equipment.....	337,170	192,819	-	529,989
Total Accumulated Depreciation.....	<u>626,016</u>	<u>222,437</u>	<u>-</u>	<u>848,453</u>
Total Capital Assets Being Depreciated, Net.....	<u>1,360,260</u>	<u>(222,437)</u>	<u>-</u>	<u>1,137,823</u>
Sanitation Capital Assets, Net.....	<u>1,494,317</u>	<u>(222,437)</u>	<u>-</u>	<u>1,271,880</u>
Business-Type Activities, Capital Assets, Net.....	<u>\$ 20,013,286</u>	<u>\$ 3,945,619</u>	<u>\$ 3,792,110</u>	<u>\$ 20,166,795</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2013

4. CAPITAL ASSETS (continued)

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

Government Activities:

General government and finance.....	\$ 247,344
Purchasing.....	5,583
Building maintenance.....	16,907
Building commissioner.....	6,381
Engineering.....	7,909
Police.....	168,318
Fire.....	446,415
Streets.....	1,003,955
Recreation.....	511,382
Parks.....	424,324

Total depreciation expense - governmental-type activities..... \$ 2,838,518

Business-Type Activities:

Electric.....	\$ 263,134
Water.....	379,229
Sanitation.....	222,437

Total depreciation expense - business-type activities..... \$ 864,800

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

5. EMPLOYEES' RETIREMENT SYSTEMS

Civilian

The City maintains a defined contribution multiple employer Employees' Pension Plan (PLAN) which covers all non-uniformed employees of the City of Kirkwood, the Kirkwood Public Library, and the Kirkwood Housing Authority. Employees are eligible for participation upon completing 500 hours of service in a consecutive six month period. At March 31, 2013, there were 187 active Plan members, 21 terminated members, 10 retired members, and 3 disabled members.

The PLAN receives contributions from the City, in accordance with City ordinances, in an amount equal to 6.5% of each participating employee's gross wages. Vesting of employer contributions occurs after five years of service.

Nonvested participant accounts are forfeited to the PLAN upon termination of employment. The forfeited amounts reduce the City's required contribution in the year of termination. In the current year, the amount of forfeitures used for contributions was \$4,562.

Retirement benefits are paid either as a lump-sum, series of substantially equal installments, or an annuity with optional surviving spouse benefits. The PLAN purchases annuities for retirees who choose the annuity form of retirement payment. These annuities are not reflected in the assets of the PLAN. The PLAN also provides for disability and life insurance.

Participants may choose to have funds invested on their behalf in any one of the following, or any combination thereof, types of investments of open-end mutual funds: Short-term reserves, bond funds, balanced funds (stocks and bonds), domestic stock funds and international stock funds.

A summary of contributions and percentage of covered plan payroll of the City is presented below for fiscal year 2013:

Contributions required	\$620,201
Less: Forfeitures used	<u>4,562</u>
Contributions made	<u>\$615,639</u>
Contribution required as a percent of covered payroll - City	6.5%

The PLAN issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing: City of Kirkwood, 139 South Kirkwood Road, Kirkwood, Missouri 63122.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

Civilian Plan for Retirees of Previous Plan

Effective April 1, 1987, the City terminated its Civilian Employees Defined Benefit Retirement Plan (former plan) and established the defined contribution plan as described above. Annuities were purchased for all retired participants to provide benefits equal to the amount received under the terminated former plan. For active participants, initial contributions were made to the new defined contribution plan equaling the amount determined to be actuarially equivalent to the accrued benefits of the former plan. The remaining assets of the former plan were segregated in a separate fund and may be used for the following:

- Disability insurance premiums
- Group life insurance premiums
- Discretionary uplift benefits to retirees
- Certain administrative expenses of the plan

Effective April 1, 1988, the City enacted Ordinance No. 7788 which provides supplemental pension benefits to those retirees and terminated vested participants who had received annuity payments under the terminated former plan. The effects of this Ordinance were to increase monthly benefits to retirees who were receiving benefits prior to January 1, 1987 to 2% times the number of years retired (or portion thereof) at April 1, 1988. Ordinance No. 8160 subsequently provided a 7% increase in benefits to a retiree effective January 1, 1992.

Annuities were purchased for all retired and terminated vested participants to provide uplift benefits.

Effective January 1, 1996, the City enacted Ordinance No. 8474 which provides an additional monthly benefit increase by an amount equal to 5% of the amount of the monthly benefits being paid to such retirees as of July 1, 1995 for those retirees receiving benefits on or about April 1, 1987. Ordinance 8474 also provides a lump-sum retroactive payment equivalent to such monthly increase for the period from July 1, 1995 to December 31, 1995.

Annuities were purchased for all retired participants to provide uplift benefits.

Effective July 1, 1997, the City enacted Ordinance No. 8661 which provides an additional monthly benefit increase, in an amount equal to 5.5% of the amount of the monthly benefits being paid to such retirees as of July 1, 1997, for those retirees receiving benefits on or about April 1, 1987.

Annuities were purchased for all retired participants to provide uplift benefits.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2013

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

Civilian Plan for Retirees of Previous Plan (continued)

During 2002, the City engaged a consulting actuary to perform a calculation as to the future benefit obligations of the segregated fund based upon the assumptions that current disability and group life insurance premiums and certain administrative expenses would continue for 25 or 50 years. The calculated reserve is as follows:

	<u>25 Years</u>	<u>50 Years</u>
Future benefit obligation	<u>\$1,631,000</u>	<u>\$2,429,000</u>

Actuarial assumptions used in the calculation are as follows:

Interest rate on invested assets:	6.5% per annum
Inflation rate:	3.5% per annum
Mortality rates:	1983 GAM
LTD benefit changes:	It was assumed that the annual maximum benefit will be increased by 3.5% per annum
Benefit payout period:	25 or 50 years
Discount rate:	6.5% per annum

At March 31, 2013, the fair value of assets available to fund future uplift payments and other benefits was \$4,534,198 and are included in the accompanying fiduciary fund financial statements.

Police Officers' and Firefighters' Pension Plan For Active Participants

The City maintains a defined contribution single employer Police Officers' and Firefighters' Pension Plan (PLAN) which covers all City commissioned police officers and salaried fire fighters. Participation in the PLAN occurs upon completion of 500 hours of service in a consecutive six-month period. At March 31, 2013, there were 106 active Plan members, 22 terminated members, 1 retired members and 1 disabled member.

The PLAN is funded in accordance with City ordinances from taxes levied for such purpose and employee contributions. City contributions to participant accounts are established at an amount equal to the current social security rate for civilian employees, in addition to 6.5% of employee participant gross wages. Employee contributions are established at an amount equal to the current social security withholding percentages.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

Police Officers' and Firefighters' Pension Plan For Active Participants (continued)

Vesting of employee contributions and initial account balances occurs immediately. Vesting of employer contributions occurs after five years of service. Retirement benefits are paid either as a lump-sum, a series of substantially equal installments, or as an annuity with optional surviving spouse benefits. The PLAN purchases annuities for retirees who choose the annuity form of retirement payment. These annuities are not included in the assets of the PLAN. The PLAN also provides for disability and life insurance.

Non-vested participant accounts are forfeited to the Plan upon termination of employment. The forfeited amounts reduce the City's required contributions in the year of termination. In the current fiscal year, the amount of forfeitures used for contributions was \$2,245.

Participants may choose to have funds invested on their behalf in any one of the following, or any combination thereof, types of investments of open end mutual funds: Equity bonds, bond funds, balanced funds, stable asset funds, and money market funds.

A summary of contributions and percentage of covered Plan payroll of the City is presented below for fiscal year 2013:

Contributions made and required:	
City contribution required	\$ 960,029
Less: Forfeitures used	2,245
City contributions made	<u>\$ 957,523</u>
Employees' contribution made and required	<u>\$ 357,047</u>
Contribution required as a percent of covered payroll:	
City	12.7%
Employees	4.2%

The Plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing: City of Kirkwood, 139 South Kirkwood Road, Kirkwood, Missouri 63122.

Police Officers' and Firefighters' Pension Plan For Retirees of Previous Plan

Effective April 1, 1987, the City terminated its Policemen and Firemen Defined Benefit Retirement Plan (former plan) and established the defined contribution plan as described above. Annuities were purchased for all retired participants to provide benefits equal to the amount received under the terminated former plan. For active participants, initial contributions were made to the new defined contribution plan equaling an amount determined to be actuarially equivalent to the accrued benefits of the former plan. The remaining assets of the former plan were segregated in a separate fund and may be used for the following:

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

Police Officers' and Firefighters' Pension Plan For Retirees of Previous Plan (continued)

- Disability insurance premiums
- Group life insurance premiums
- Discretionary uplift benefits to retirees
- Certain administrative expenses of the plan

Effective April 1, 1988, the City enacted Ordinance No. 7788 which provides supplemental pension benefits to those retirees and terminated vested participants who had received annuity payments under the terminated former plan. Ordinance No. 8096 provided a 6% increase in benefits to a retiree effective October 1, 1991. The effects of these Ordinances were as follows:

1. Increased monthly benefits to retirees who were receiving benefits prior to December 31, 1977 to one-half the salary of a Kirkwood police officer at March 31, 1987.
2. Increased monthly benefits to retirees and terminated vested participants who retired under the former plan enacted in 1978 to reflect an additional rank accrual monthly benefit of \$38.50.

Effective June 30, 1995, the City enacted Ordinance No. 8431 which provides an additional monthly benefit increase in an amount equal to 6% of the amount of the monthly benefit being paid to such retirees as of June 30, 1995 for those retirees receiving benefits on or before April 1, 1987.

Effective July 1, 1997, the City enacted Ordinance No. 8661 which provides an additional monthly benefit increase, in an amount equal to 5.5% of the amount of the monthly benefits being paid to such retirees as of July 1, 1997, for those retirees receiving benefits on or before April 1, 1987.

Annuities were purchased for all retired and terminated vested participants to provide uplift benefits.

During 2002, the City engaged a consulting actuary to perform a calculation as to the future benefit obligations of the assumption that current disability and group life insurance premiums and certain administrative expenses would continue for 25 or 50 years. The calculated reserve was as follows:

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

Police Officers' and Firefighters' Pension Plan For Retirees of Previous Plan (continued)

	<u>25 Years</u>	<u>50 Years</u>
Future benefit obligation	<u>\$1,776,000</u>	<u>\$2,645,000</u>

Actuarial assumptions used in the calculation are as follows:

Interest rate on invested assets:	6.5% per annum
Inflation rate:	3.5% per annum
Mortality rates:	1983 GAM
LTD benefit changes:	It was assumed that the annual maximum benefit will be increased by 3.5% per annum
Benefit payout period:	25 or 50 years
Discount rate:	6.5% per annum

At March 31, 2013, the fair value of plan assets available to fund future uplift payments and other benefits was \$4,890,525 and are included in the accompanying fiduciary fund financial statements.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

6. LONG-TERM LIABILITIES

The following is a summary of changes in the City's long-term liabilities for the year ended March 31, 2013:

	Original Issuance Amounts	Balance - April 1, 2012	Additions	Retirements	Balance - March 31, 2013	Current Portion
Governmental Activities:						
General Obligation Bonds:						
Series 2009 Refunding	4,185,000	3,730,000	-	(420,000)	3,310,000	430,000
PFA Leasehold Revenue Bonds:						
Series 2004	10,245,000	5,310,000	-	(5,310,000)	-	-
Certificate of Participation						
Series 2012 Refunding	5,000,000	-	5,000,000	(755,000)	4,245,000	750,000
Tax Increment Revenue Bonds: and Notes:						
Series 1996C	240,000	10,000	-	(10,000)	-	-
Series 1998	4,000,000	2,598,000	-	(234,000)	2,364,000	154,000
Accrued compensated absences	-	379,061	1,035,926	(1,036,730)	378,257	308,279
	<u>\$ 23,670,000</u>	<u>12,027,061</u>	<u>6,035,926</u>	<u>(7,765,730)</u>	<u>10,297,257</u>	<u>\$ 1,642,279</u>
Add: Unamortized premium, net		-	63,818	(9,117)	54,701	
Total Governmental Activities		<u>\$ 12,027,061</u>	<u>\$ 6,099,744</u>	<u>\$ (7,774,847)</u>	<u>\$ 10,351,958</u>	
Business-Type Activities:						
Certificate of Participation:						
Series 2005	\$ 4,085,000	\$ 3,410,000	\$ -	\$ (3,410,000)	\$ -	\$ -
Series 2009	6,450,000	5,980,000	-	(240,000)	5,740,000	240,000
Series 2012 Refunding	3,520,000	-	3,520,000	(180,000)	3,340,000	160,000
Accrued compensated absences	-	86,177	289,428	(298,950)	76,655	62,474
	<u>\$ 14,055,000</u>	<u>9,476,177</u>	<u>3,809,428</u>	<u>(4,128,950)</u>	<u>9,156,655</u>	<u>\$ 462,474</u>
Less: Unamortized discount, net		(109,704)	13,855	82,291	(13,558)	
Total Business-Type Activities		<u>\$ 9,366,473</u>	<u>\$ 3,823,283</u>	<u>\$ (4,046,659)</u>	<u>\$ 9,143,097</u>	

Compensated absences are liquidated from the fund where employees are assigned.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

6. LONG-TERM LIABILITIES (continued)

General Obligation Bonds

General obligation bonds are obligations of the City, and the full faith credit, and resources of the City have been pledged to the payment of principal of and interest on the bonds and payable are comprised of the following issues:

On December 1, 2009, the City issued \$4,185,000 in General Obligation Refunding Bonds, Series 2009 with interest rates ranging between 1.00% and 3.35%. The City issued the bonds to advance refund \$4,140,000 of the outstanding principal on the General Obligation Bonds, Series 2001, maturing on March 1, 2013 and thereafter. The net proceeds of \$4,099,098 (after discount of \$27,202 and bond issuance cost of \$58,700) plus an additional \$311,200 of City debt service fund monies were used to purchase United States government securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for future debt service on the refunded portion of the Series 2001 bonds. As a result, that portion of the Series 2001 bonds is considered defeased, and the City has removed the liability from the government activities statement of net assets. At March 31, 2013 the outstanding balance of the defeased debt is \$4,140,000. The defeased bonds will be redeemed on March 1, 2013.

The advance refunding reduced total debt service payments over the next 10 years by nearly \$538,205. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$160,445, net of \$311,200 cash contribution.

Public Facilities Authority (PFA) Leasehold Revenue Bonds Payable

On May 22, 1992, the PFA was formed as a Missouri not-for-profit corporation. The purpose of the PFA is to facilitate the acquisition and construction of certain capital improvements and facilities solely for the benefit of the City of Kirkwood, Missouri. Funding of such capital improvements and facilities has been provided through the issuance of leasehold revenue bonds. The leasehold revenue bonds do not constitute a legal debt or liability for the City, the State of Missouri, or for any political subdivision thereof and do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The issuance of the leasehold revenue bonds does not obligate the City to levy any form of taxation therefore or to make any appropriation for their payment in any fiscal year. The PFA has no taxing power. The activities and accounts of the PFA have been blended into the City's recreation/facilities fund.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2013

6. LONG-TERM LIABILITIES (continued)

Public Facilities Authority (PFA) Leasehold Revenue Bonds Payable (continued)

In March 2004, the City issued \$10,245,000 in Leasehold Revenue Refunding Bonds (Series 2004) for the purpose of providing funds to redeem in full the City's outstanding principal amount of \$9,720,000 on its 1998 PFA Leasehold Revenue Bonds. The bonds mature on September 1, 2018 and bear interest at varying rates from 0.95% to 3.65%.

In June 2012, the City issued \$5,000,000 in Certificates of Participation Refunding Series 2012 ("COPS") for the purpose of providing funds to redeem in full the City's outstanding principal amount of \$5,310,000 on its 2004 PFA Leasehold Revenue Bonds. The COPS mature on September 1, 2018 and bear interest at varying rates from 1.4% to 2%.

The refunding reduced total debt service payments over the next 7 years by nearly \$650,000, which resulted in an economic gain (difference between the present values of the old and new debt service payments) of \$601,663.

Principal and Interest Requirements on Long-Term Debt

The annual principal and interest requirements to maturity on long-term debt outstanding (other than tax increment financing bonds) as of March 31, 2013 are as follows:

<u>Years ending March 31,</u>	<u>Governmental Activities</u>		
	<u>General Obligation Bonds Payable/ Certificates of Participation</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 1,180,000	\$ 153,775	\$ 1,333,775
2015	1,205,000	130,025	1,335,025
2016	1,235,000	105,965	1,340,965
2017	1,260,000	82,892	1,342,892
2018	1,280,000	59,356	1,339,356
2019 - 2020	<u>1,395,000</u>	<u>54,143</u>	<u>1,449,143</u>
Total.....	<u>\$ 7,555,000</u>	<u>\$ 586,156</u>	<u>\$ 8,141,156</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2013

6. LONG-TERM LIABILITIES (continued)

Tax Increment Financing (TIF) Bonds and Notes Payable

All tax increment financing bonds and notes payable are payable from payments in lieu of taxes and economic activity taxes collected by the TIF District special revenue funds and are comprised of the following individual issues:

During fiscal year 1997, the City issued \$2,580,000 Tax Increment Revenue Bonds (Bonds). The bonds have an interest rate of 7.5% with final maturity on March 1, 2015. The purpose of the 1996 Series Bonds is to finance the cost of the Pioneer Place redevelopment project. The principal and interest on these Bonds will be repaid from two Special Allocation Accounts: the "PILOTS" account which consists of payments in lieu of taxes attributable to the increase in assessed valuation of the existing building on the Pioneer Place site and the "EATS" account which consists of 50% of the additional revenue from taxes imposed by the City and other taxing districts which are generated by activity in the Pioneer Place. The bonds were scheduled to mature on March 1, 2015; however, as of April 1, 2012 the City of Kirkwood retired the Tax Increment Refunding Revenue bonds three years before this scheduled maturity.

On September 1, 1998, the City issued \$4,000,000 in Public Improvement Revenue Notes. These notes represent special, limited obligations of the City, payable solely from the incremental sales taxes generated by the Kirkwood Commons redevelopment project. The notes bear interest at 8.5% with final maturity on November 30, 2017. The annual debt service repayments of the notes are contingent upon the amounts of payments in lieu of taxes collected by the special revenue fund. If funds are not available to pay all of the interest that is due, the amount unpaid is added to the principal balance. Since annual repayment amounts will be determined based upon future revenues, a schedule of debt service requirements to maturity cannot be established.

Certificates of Participation

In September 2005, Certificates of Participation Series 2005 ("COPS") in the amount of \$4,085,000 were issued evidencing interest in the right to receive rental payments to be paid by the City of Kirkwood, Missouri pursuant to an annually renewable Lease-Purchase Agreement (the "Agreement") dated September 1, 2005, between UMB Bank, as lessor, and the City, as lessee. The proceeds of the Certificates were used to pay costs of constructing, furnishing, improving, and expanding the City's waterworks (collectively, the "Project"), to fund a debt service reserve fund for the Certificates and to pay the costs of delivery of the Certificates. The Certificates bear interest at rates ranging from 2.8% to 4.30% and mature through 2031.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

6. LONG-TERM LIABILITIES (continued)

Certificates of Participation (continued)

In conjunction with this issuance, the City entered into a lease agreement (“Base Lease”) to lease to the trustee the leased property and the trustee will sublease the leased property, including all improvements constructed or installed on the leased property, including the Project, back to the City pursuant to the Agreement. The Base Lease provides for, among other things, rental income equal to the COPS proceeds and a term that ends on the earlier of (a) the date when all the Series 2005 Certificates have been paid in full or provision for payment thereof has been made or (b) September 1, 2050. Terms of the Agreement include, among other things, rental payments equal to the principal and interest amounts of the COPS issuance, the initial rental term ending March 31, 2007 with renewal options for twenty-four (24) consecutive one-year renewal terms with the last term commencing April 1, 2006 and ending September 2, 2030. Termination provisions including rental prepayment for all of the unpaid COPS principal and interest amounts and an option to purchase the leased property from March 1 to April 30, annually. In addition, the Agreement provides that the City’s obligations are year to year and such obligations do not extend beyond the amount budgeted in the City’s budgeted expenditures for any respective fiscal year.

In June 2012, the City issued \$3,520,000 in Certificates of Participation Refunding Series 2012 (“COPS”) for the purpose of providing funds to redeem in full the City’s outstanding principal amount of \$3,410,000 on its Series 2005 COPS. The COPS mature on September 1, 2030 and bear interest at varying rates from 1.25% to 3.25%.

The refunding reduced total debt service payments over the next 7 years by nearly \$470,220, which resulted in an economic gain (difference between the present values of the old and new debt service payments) of \$368,743.

The American Recovery and Reinvestment Act of 2009 authorizes the City to issue taxable obligations known as “Build America Bonds” to finance capital expenditures for which it could otherwise issue tax-exempt obligations and to elect to receive a subsidy payment on each payment date, from the United States Treasury equal to 35% of the amount of each interest payment on the Build America Bonds. The City made an irrevocable election to issue the Certificates as Build America Bonds. The U.S. Treasury Interest Subsidy will be paid directly to the City. The City intends to apply, but has not pledged, the U.S. Treasury Interest Subsidy to payment of the Certificates. Additionally, no holder of any Build America Bonds issued by the City will be entitled to any federal income tax credits associated with the Build America Bonds.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

6. LONG-TERM LIABILITIES (continued)

Certificates of Participation (continued)

On September 1, 2009, Taxable Certificates of Participation (“COPS”), Series 2009, in the amount of \$6,450,000 were issued evidencing proportionate ownership interests in the right to receive basic rent to be paid by the City pursuant to an annually renewable Taxable Lease/Purchase Agreement.

The purpose of the Series 2009 Certificates is to finance the cost of constructing a water tower and all appurtenances thereto, the construction of water mains and the costs of delivery of the Series 2009 Certificates. The Series 2009 Certificates are taxable, bear interest rates ranging from 1.5% to 6.05% and mature September 1, 2030.

In conjunction with the issuance of these Certificates, the City entered into a base lease agreement to lease to UMB Bank, N.A. (the “Trustee”) the real estate on which the water tower will be located. The Trustee has subleased the real estate and all improvements thereon back to the City pursuant to the Lease/Purchase Agreement. The base lease provides for, among other things, rental income equal to the COPS proceeds and a term that ends September 1, 2050 or after the City has paid either the option price or all the basic and supplemental rent payments. Terms of the Lease/Purchase Agreement include, among other things, rental payments equal to the principal and interest amounts of the COPS issuance including supplemental rental payments to cover trustee fees, taxes, repair and maintenance costs, insurance, and amounts needed to meet applicable reserve requirements. The Lease/Purchase Agreement also provides for an initial rental term ending March 31, 2013 with annual renewal options not to extend beyond September 1, 2030.

The Certificates of Participation mature through 2031 as follows:

Business-Type Activities

Years <u>Ending March 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014.....	\$ 400,000	\$ 374,405	\$ 774,405
2015.....	410,000	363,721	773,721
2016.....	420,000	351,758	771,758
2017.....	430,000	339,058	769,058
2018.....	440,000	325,465	765,465
2019 - 2023.....	2,360,000	1,379,982	3,739,982
2024 - 2028.....	2,750,000	825,745	3,575,745
2029 - 2031.....	<u>1,870,000</u>	<u>144,662</u>	<u>2,014,662</u>
Total.....	<u>\$ 9,080,000</u>	<u>\$4,104,796</u>	<u>\$13,184,796</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

6. LONG-TERM LIABILITIES (continued)

Legal Debt Margin

Under the statutes of the State of Missouri, the limit of bonded indebtedness is 10% of the most recent assessed valuation. The computation is as follows:

Assessed valuation - 2012 tax year.....		<u>\$711,791,400</u>
Debt limit - 10% of assessed valuation		\$ 71,179,140
Amount of debt applicable to debt limit:		
Total general obligation bonded debt.....	3,310,000	
Less: Amount available in debt service fund.....	<u>(655,068)</u>	
Bonded indebtedness applicable to debt limit.....		<u>2,654,932</u>
Legal Debt Margin.....		<u>\$ 68,524,208</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

7. RESTRICTED CASH AND INVESTMENTS

(A) The following trustee held accounts have been established in accordance with the Indenture related to the Public Improvement Revenue Notes Series 1998 (Kirkwood Commons Project):

Revenue Fund

The Revenue Fund will be used for the purpose of providing monies to the trustee for payments in accordance with the trust Indenture. At March 31, 2013, cash and investment in the Revenue Fund total \$254,760 in the Kirkwood Commons TIF Special Revenue Fund.

Debt Service Fund

The Debt Service Fund shall be used by the Trustee for the sole purpose of paying the principal of and interest on the notes, as and when the same become due. At March 31, 2013, there were no cash or investments in the Debt Service Fund in the Kirkwood Commons TIF Special Revenue Fund.

(B) The following trustee held account has been established in accordance with the Indenture related to the Certificates of Participation Series 2009 ("COPS"):

Revenue Fund

The Revenue Fund will be used for the purpose of providing monies to the trustee for payments in accordance with the trust Indenture. As of March 31, 2013, there were no cash or investments in the COPS Series 2009 revenue fund.

Reserve Fund

The Indenture required that a Reserve Fund be established in the original amount of \$438,697. The amounts to be held in the reserve is determined thereafter on a yearly basis in accordance with the formula in the Indenture. At March 31, 2013, cash and investments in the COPS reserve fund was \$438,728.

Project Fund

The Project Fund will be used for the purpose of providing monies to pay project costs. Proceeds received from the sale of the bonds, after deposit into the Revenue Fund of the accrued interest, if any, and deposit into the Debt Service Reserve Fund of the amount requirement pursuant to the bond indenture, shall be deposited into the Project Fund. As of March 31, 2013, there were no cash and investments in the COPS Series 2009 project fund.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

7. RESTRICTED CASH AND INVESTMENTS (continued)

(C) The following trustee held account has been established in accordance with the Indenture related to the Refunding Certificates of Participation Series 2012 ("COPS"):

Revenue Fund

The Revenue Fund will be used for the purpose of providing monies to the trustee for payments in accordance with the trust Indenture. As of March 31, 2013, there were no cash or investments in the Refunding COPS Series 2012 revenue fund.

Reserve Fund

The Indenture required that a Reserve Fund be established in the original amount of \$663,636. The amounts to be held in the reserve is determined thereafter on a yearly basis in accordance with the formula in the Indenture. At March 31, 2013, cash and investments in the Refunding COPS Series 2012 reserve fund was \$663,681.

(D) Certain assets are classified on the Balance Sheet – Governmental Funds as restricted because of their use is limited. Contractor deposits can only be expended if a deposit is forfeited for noncompliance per the terms of the issued permit. Capital donation received by the Park Fund and Capital Improvement Fund must be used only for approved capital improvements.

(E) The Electric and Water Fund, based on city ordinance, is required to collect a deposit from all commercial applicants and renters. The deposits can only be used in the event the consumer defaults on their accounts to pay outstanding balances. At March 31, 2013, utility deposits restricted total \$169,174 for the Electric Fund and total \$25,602 for the Water Fund.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2013

8. RECONCILIATION OF INTERFUND TRANSACTIONS

The following represents a reconciliation of transfers between individual funds for the year ended March 31, 2013.

	<u>Transfers From</u>	<u>Transfers To</u>	<u>Net Transfers</u>
Major Funds			
General Fund.....	\$ (1,258)	\$ 1,307,000	\$ 1,305,742
<i>Special Revenue:</i>			
Park Board.....	-	501,258	501,258
<i>Capital Improvement:</i>			
Capital Improvement.....	-	708,889	708,889
Park & Storm Water Improvement.....	(807,000)	483	(806,517)
Non-Major Funds	(25,966)	-	(25,966)
Major Enterprise Funds			
Electric.....	(1,300,000)	-	(1,300,000)
Water.....	(300,000)	-	(300,000)
Sanitation.....	(83,406)	-	(83,406)
Total.....	<u>\$ (2,517,630)</u>	<u>\$ 2,517,630</u>	<u>\$ -</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute of budget requires to expend them primarily for operating or capital purposes.

Individual fund interfund receivable and payable balances as of March 31, 2013, are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Major Funds		
<i>Capital Projects</i>		
Park & Strom Water Improvement.....	\$ -	\$ 1,360,000
Major Enterprise Funds		
Electric.....	680,000	-
Water.....	680,000	-
Total.....	<u>\$ 1,360,000</u>	<u>\$ 1,360,000</u>

The amounts due to or from individual funds represent interfund borrowings and arise in the normal course of business. Interfund borrowings are necessary due to the nature and timing of governmental receipts.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

9. RISK MANAGEMENT

All funds of the City participate in the program and make payments to the self-insurance internal service fund based on both exposure and experience factors. Premiums include amounts needed to pay prior and current-year claims. Claim liabilities are established based on estimates of the ultimate costs of claims (including future expenses) that have been reported but not settled and of claims incurred and not reported.

At March 31, 2013, the City's total estimated liability for payment of incurred (both reported and unreported) but unpaid claims for self-insured employee benefit programs was \$ 356,739 and is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the basic financial statement indicates that it is probable that a liability has been incurred at the date of the basic financial statements and the amount of the loss can be reasonably estimated.

Changes in the internal service fund claims liability for the past two years are as follows:

<u>Fiscal Years Ended March 31</u>	<u>Liability - Beginning of Years</u>	<u>Current Years Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Liability - End of Years</u>
2012	\$ 177,482	\$ 616,592	\$ 537,723	\$ 256,351
2013	\$ 256,351	\$ 1,965,449	\$ 1,865,061	\$ 356,739

The City utilizes self-insurance internal service funds to account for and finance its uninsured risk of loss for medical and worker's compensation. The City self-funds insurance for worker's compensation and medical coverage. The City obtains periodic funding valuations from the claims-servicing companies managing the self-insurance programs and adjusts the charges to the various funds as required to maintain the appropriate level of estimated claims liability.

The City purchases commercial insurance for other risks of loss including stop loss on both the medical and worker's compensation coverage.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

10. COMMITMENTS AND CONTINGENCIES

Litigation

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

Federal Grants

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

Major Supplier

The City has an agreement with a local utility company to be the City's sole provider of its water for resale. The agreement has fixed rates for each calendar year, with the contract expiring January 13, 2036. There are no minimum or maximum purchase commitments under the agreement.

Historically the City had obtained all its power requirements from one major supplier. Arrangements of this type are typically referred to as "Full Requirements" agreements. During Fiscal Year 2013, the City took advantage of favorable market conditions to secure separate and distinct energy and capacity products from various suppliers. After the City's current agreement expired on May 30, 2011, the City employed a new strategy referred to as "Partial Requirements" and obtain its power requirements from various suppliers, including the Midwest Independent System Operator and the Missouri Joint Municipal Electric Utility Commission (MJMEUC).

On October 15, 2009 the City entered into agreements with the following suppliers securing power products and vendors to fulfill the City's requirement until the Fall of 2014.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

10. COMMITMENTS AND CONTINGENCIES (continued)

Major Supplier (continued)

AmerenUE effective June 1, 2011 through September 30, 2013 to purchase wholesale capacity at quantities that vary monthly at \$1.72 per kilowatt-month and effective October 1, 2013 through May 31, 2015 to purchase wholesale capacity at quantities that vary monthly at \$1.05 per kilowatt-month.

AmerenUE effective June 1, 2011 through August 31, 2011 to purchase 25 megawatts of 7 X 24 wholesale energy at \$37.57 per megawatt and to purchase 20 megawatts of 5 X 16 wholesale energy at \$56.10 per megawatt.

American Electric Power effective June 1, 2011 until November 30, 2013 to purchase wholesale capacity at quantities that vary monthly at \$0.80 per kilowatt-month.

American Electric Power effective September 1, 2011 through November 30, 2011 to purchase 15 megawatts of 7 X 24 wholesale energy at \$29.90 per megawatt.

AmerenUE effective September 1, 2011 through May 31, 2013 to purchase 10 megawatts of 7 X 24 wholesale energy at \$37.57 per megawatt and effective June 1, 2013 through August 31, 2013 to purchase 20 megawatts of 5 X 16 wholesale energy at \$56.10 per megawatt.

American Electric Power Service Corporation effective June 1, 2013 through August 31, 2013 to purchase 25 megawatts of 5 X 16 wholesale energy for \$52.25 per megawatt and effective June 1, 2014 through August 31, 2014 to purchase 25 megawatts of 5 X 16 wholesale energy for \$58.75 per megawatt.

Midwest Independent System Operator effective June 1, 2011 through June 1, 2016 to purchase energy as needed on a daily basis at an estimated price of \$60 per megawatt hour.

The City's new partial requirements strategy enabled the department to realize a significant profit during Fiscal Year 2013.

Joint Venture

The City has entered into a multi-governmental arrangement creating an organization that is owned, operated, and governed by two or more participants as a separate and specific activity subject to joint control, in which the City retains an ongoing financial responsibility.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

10. COMMITMENTS AND CONTINGENCIES (continued)

Joint Venture (continued)

The Missouri Joint Municipal Electric Utility Commission (MJMEUC) was formed under the laws of the state of Missouri for the purpose of procuring electric energy and capacity for the benefit of, and pursuant to the governance and direction of, MJMEUC's members. The governing body of each of the contracting municipalities appoints one MJMEUC Director and one alternate, who may be employees of the contracting municipality.

MJMEUC has acquired an undivided ownership interest in the Prairie State Energy Campus, a two-unit, coal-fueled, mine-mouth generating station with an anticipated net capacity of approximately 1600 megawatts, and associated coal reserves and coal-mining facilities ("PSEC"), which is under development in a partnership with Peabody Energy in Washington County, Illinois. The City's purchase percentage will equate to 12.5 MW of unit power from each of the two PSEC units.

The first PSEC unit entered into commercial operation in June 2013 and the second unit began commercial operation in November 2013. Each unit is expected to have a useful service life of at least 40 years.

The City does not have any equity interests. The City will be responsible for its proportionate share of (a) the fixed and variable costs MJMEUC incurs in connections with its PSEC ownership, and (b) MJMEUC's administrative and other reasonable costs associated with its role as power supplier to the City.

The City paid approximately \$893,250 prior to commercial operation of the PSEC units. The City now pays approximately \$55/MWH for capacity and energy from the units.

Separate financial statements prepared for the MJMEUC can be furnished upon request.

Environmental Remediation Obligation

In a prior year, the City purchased a piece of property and subsequently discovered there was buried asbestos material under the ground. This material is estimated to be four to five feet deep in one location on the site. The City worked with the State of Missouri Department of Natural Resources to properly clean-up this site. On May 24, 2013, the State of Missouri Department of Natural Resources issued the City a Certificate of Completion for the site clean-up.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

11. PRIOR PERIOD ADJUSTMENTS

Beginning net positions were adjusted as follows:

Fund Financial Statements – Proprietary Funds:

	<u>Water</u>	<u>Sanitation</u>
To reclassify recycling revenue reported as unearned revenue in special revenue fund.....	\$ --	\$ 17,388
To write-off debt issuance cost in compliance with GASB 65.....	(110,061)	--
	\$ (110,061)	\$ 17,388
Total.....	\$ (110,061)	\$ 17,388

Government-Wide Financial Statements –
Governmental Activities:

Net position, as originally reported.....	\$66,954,129
To write-off debt issuance cost in compliance with GASB 65.....	(131,056)
	\$66,823,073
Net Position, Beginning of Year, Restated.....	\$66,823,073

Government-Wide Financial Statements –
Business-Type Activities:

Net position, as originally reported.....	\$36,936,138
To reclassify recycling revenue reported as unearned revenue in special revenue fund.....	17,388
To write-off debt issuance cost in compliance with GASB 65.....	(110,061)
	\$36,843,465
Net Position, Beginning of Year, Restated.....	\$36,843,465

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

12. 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 accounting principles generally accepted in the United States of America (GAAP) for state and local governments

In June 2012, the GASB issued Statement No. 67, "Financial Reporting for Pension Plans; an amendment of GASB Statement No. 25." This Statement replaces the requirements of Statements No. 25 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of Statements No. 25 and No. 50 remain applicable to pension plans that are not administered through trust or equivalent arrangements. The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2013.

In June 2012, the GASB issued Statement No. 68, "Accounting and Financial Reporting for Pensions; an amendment of GASB Statement No. 27." This Statement replaces the requirements of Statements No. 27 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not administered as trusts or equivalent arrangements. The requirements of this Statement are effective for financial statements for fiscal years 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.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2013

13. SUBSEQUENT EVENTS

In July 2013 the City of Kirkwood, Missouri entered into a capital lease for sanitation trucks. The City will be lease financing 4 Wayne Phoenix model trucks and 5 Labrie Sanitation trucks. Monies will be held in escrow until the trucks are manufactured with the City's first lease payment due in June 2014.

Lease Payment Schedules

Total Principal Amount \$1,310,555

Payment No.	Due Date	Lease Payment	Principal Amount	Interest Amount	Termination Amount
1	6/28/2014	\$ 270,864	\$ 256,382	\$ 14,482	\$ 1,085,798
2	6/28/2015	270,864	259,215	11,649	818,807
3	6/28/2016	270,864	262,080	8,784	548,865
4	6/28/2017	270,863	264,975	5,888	275,940
5	6/28/2018	270,863	267,903	2,960	
		<u>\$ 1,354,318</u>	<u>\$ 1,310,555</u>	<u>\$ 43,763</u>	

Total Principal Amount \$426,420

Payment No.	Due Date	Lease Payment	Principal Amount	Interest Amount	Termination Amount
1	6/28/2014	\$ 144,678	\$ 140,883	\$ 3,795	\$ 294,104
2	6/28/2015	144,678	142,136	2,542	147,703
3	6/28/2016	144,677	143,401	1,276	
		<u>\$ 434,033</u>	<u>\$ 426,420</u>	<u>\$ 7,613</u>	

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES:				
Taxes, including interest and penalties:				
Gasoline/motor vehicle sales.....	\$ 1,005,000	\$ 1,005,000	\$ 984,525	\$ (20,475)
Utility gross receipts.....	4,599,000	4,599,000	4,881,842	282,842
Property.....	2,065,000	2,065,000	2,030,011	(34,989)
Sales.....	4,195,000	4,195,000	4,383,823	188,823
Cigarette.....	75,000	75,000	76,923	1,923
Highway road and bridge.....	720,000	720,000	735,913	15,913
Franchise.....	400,000	400,000	429,729	29,729
Total Taxes.....	<u>13,059,000</u>	<u>13,059,000</u>	<u>13,522,766</u>	<u>463,766</u>
Intergovernmental.....	<u>387,000</u>	<u>389,250</u>	<u>441,785</u>	<u>52,535</u>
Licenses, Permits, Fines and Fees:				
Motor vehicle licenses and fees.....	124,000	124,000	133,460	9,460
Business licenses.....	515,000	515,000	575,511	60,511
Alcoholic beverage licenses.....	28,000	28,000	32,045	4,045
Building and plumbing permits.....	540,000	540,000	532,400	(7,600)
Excavation and sign permits.....	24,500	24,500	28,098	3,598
Fines and court costs.....	625,000	631,000	634,125	3,125
Miscellaneous fees.....	88,000	88,000	102,993	14,993
Total Licenses, Permits, Fines, and Fees.....	<u>1,944,500</u>	<u>1,950,500</u>	<u>2,038,632</u>	<u>88,132</u>
Investment income.....	<u>110,000</u>	<u>110,000</u>	<u>54,830</u>	<u>(55,170)</u>
Charges For Services:				
Skating rink.....	619,650	619,650	656,811	37,161
Aquatic facility.....	431,950	431,950	438,504	6,554
Ambulance fees.....	600,000	600,000	744,649	144,649
Program fees.....	656,450	671,450	673,535	2,085
Total Charges For Services.....	<u>2,308,050</u>	<u>2,323,050</u>	<u>2,513,499</u>	<u>190,449</u>
Other	<u>596,847</u>	<u>610,172</u>	<u>621,023</u>	<u>10,851</u>
Total Revenues.....	<u>\$ 18,405,397</u>	<u>\$ 18,441,972</u>	<u>\$ 19,192,535</u>	<u>\$ 750,563</u>

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
EXPENDITURES:				
Current:				
General Government and Finance:				
Personnel services.....	1,594,963	1,693,860	1,604,643	89,217
Contractual services.....	1,191,917	1,239,969	997,576	242,393
Commodities.....	440,306	257,681	78,093	179,588
Capital outlay.....	11,100	33,199	29,403	3,796
Interdepartmental charges, net.....	281,966	285,607	283,432	2,175
Total General Government and Finance....	<u>3,520,252</u>	<u>3,510,316</u>	<u>2,993,147</u>	<u>517,169</u>
Purchasing:				
Personnel services.....	333,069	346,289	340,081	6,208
Contractual services.....	38,511	39,972	35,570	4,402
Commodities.....	6,060	5,269	2,898	2,371
Capital outlay.....	1,500	830	829	1
Interdepartmental charges, net.....	3,072	3,072	2,081	991
Total Purchasing.....	<u>382,212</u>	<u>395,432</u>	<u>381,459</u>	<u>13,973</u>
Engineering:				
Personnel services.....	306,811	321,508	281,833	39,675
Contractual services.....	49,043	41,196	31,207	9,989
Commodities.....	8,104	8,953	7,579	1,374
Capital outlay.....	750	7,850	7,300	550
Interdepartmental charges, net.....	10,329	10,329	10,300	29
Total Engineering.....	<u>375,037</u>	<u>389,836</u>	<u>338,219</u>	<u>51,617</u>
Building Maintenance:				
Personnel services.....	170,104	177,019	170,426	6,593
Contractual services.....	211,908	213,435	209,742	3,693
Commodities.....	44,200	42,779	40,151	2,628
Capital outlay.....	2,500	2,500	2,029	471
Interdepartmental charges, net.....	7,636	7,636	6,362	1,274
Total Building Maintenance.....	<u>436,348</u>	<u>443,369</u>	<u>428,710</u>	<u>14,659</u>

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (CONTINUED)				
Current (continued):				
Building Commissioner:				
Personnel services.....	510,300	518,050	475,007	43,043
Contractual services.....	103,355	102,601	74,958	27,643
Commodities.....	9,960	10,714	9,762	952
Interdepartmental charges, net.....	24,011	24,011	21,214	2,797
Total Building Commissioner.....	<u>647,626</u>	<u>655,376</u>	<u>580,941</u>	<u>74,435</u>
Police:				
Personnel services.....	5,813,000	5,818,847	5,538,371	280,476
Contractual services.....	577,693	591,143	552,851	38,292
Commodities.....	132,392	126,542	109,899	16,643
Capital outlay.....	9,500	16,400	12,355	4,045
Interdepartmental charges, net.....	396,680	412,680	408,123	4,557
Total Police.....	<u>6,929,265</u>	<u>6,965,612</u>	<u>6,621,599</u>	<u>344,013</u>
Fire:				
Personnel services.....	4,290,114	4,293,605	4,093,179	200,426
Contractual services.....	416,717	414,840	366,376	48,464
Commodities.....	114,765	121,208	111,965	9,243
Interdepartmental charges, net.....	251,380	251,380	243,450	7,930
Total Fire.....	<u>5,072,976</u>	<u>5,081,033</u>	<u>4,814,970</u>	<u>266,063</u>
Streets:				
Personnel services.....	830,399	837,271	817,781	19,490
Contractual services.....	218,312	217,972	204,872	13,100
Commodities.....	249,200	235,850	144,233	91,617
Capital outlay.....	12,000	12,000	7,078	4,922
Interdepartmental charges, net.....	258,198	266,005	265,953	52
Total Streets.....	<u>1,568,109</u>	<u>1,569,098</u>	<u>1,439,917</u>	<u>129,181</u>

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
 FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (CONTINUED)				
Current (continued):				
Recreation:				
Personnel services.....	1,049,951	1,067,472	1,034,356	33,116
Contractual services.....	678,385	689,907	667,150	22,757
Commodities.....	145,584	140,551	124,978	15,573
Interdepartmental charges, net.....	252,239	252,513	231,190	21,323
Total Recreation.....	<u>2,126,159</u>	<u>2,150,443</u>	<u>2,057,674</u>	<u>92,769</u>
 Total Expenditures.....	 <u>21,057,984</u>	 <u>21,160,515</u>	 <u>19,656,636</u>	 <u>1,503,879</u>
EXCESS REVENUES OVER (UNDER)				
EXPENDITURES.....	<u>(2,652,587)</u>	<u>(2,718,543)</u>	<u>(464,101)</u>	<u>2,254,442</u>
OTHER FINANCING SOURCES (USES):				
Transfers in.....	1,300,000	1,307,000	1,307,000	-
Proceeds from capital assets.....	-	-	2,618	2,618
Transfers out.....	<u>(6,600)</u>	<u>(5,600)</u>	<u>(1,258)</u>	<u>4,342</u>
Total Other Financing Sources (Uses).....	<u>1,293,400</u>	<u>1,301,400</u>	<u>1,308,360</u>	<u>6,960</u>
 NET CHANGE IN FUND BALANCE.....	 <u>\$ (1,359,187)</u>	 <u>\$ (1,417,143)</u>	 <u>844,259</u>	 <u>\$ 2,261,402</u>
ADJUSTMENTS TO RECONCILE TO GAAP				
BASIS				
Revenue accrual adjustments.....			105,033	
Expenditure accrual adjustments.....			(11,811)	
Total Adjustments To Reconcile to GAAP Basis.....			<u>93,222</u>	
 NET CHANGE IN FUND BALANCE-GAAP BASIS.....			 937,481	
 FUND BALANCE, BEGINNING OF YEAR.....			 <u>7,791,922</u>	
 FUND BALANCE, END OF YEAR.....			 <u>\$ 8,729,403</u>	

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - PUBLIC PARK BOARD FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes, including interest and penalties.....	\$ 900,000	\$ 900,000	\$ 947,431	\$ 47,431
Licenses, permits, fines, and fees.....	63,000	63,000	75,883	12,883
Investment income.....	10,000	10,000	8,473	(1,527)
Other.....	-	-	11,626	11,626
Total Revenues.....	<u>973,000</u>	<u>973,000</u>	<u>1,043,413</u>	<u>70,413</u>
EXPENDITURES:				
Current:				
Parks.....	1,320,659	1,344,400	1,297,642	46,758
Capital outlay.....	<u>278,800</u>	<u>280,500</u>	<u>214,786</u>	<u>65,714</u>
Total Expenditures.....	<u>1,599,459</u>	<u>1,624,900</u>	<u>1,512,428</u>	<u>112,472</u>
EXCESS REVENUES UNDER EXPENDITURES.....	<u>(626,459)</u>	<u>(651,900)</u>	<u>(469,015)</u>	<u>182,885</u>
OTHER FINANCING SOURCES:				
Transfers in.....	504,800	504,800	501,258	(3,542)
Proceeds from sale of capital assets.....	<u>8,000</u>	<u>8,000</u>	<u>4,601</u>	<u>(3,399)</u>
Total Other Financing Sources.....	<u>512,800</u>	<u>512,800</u>	<u>505,859</u>	<u>(6,941)</u>
NET CHANGE IN FUND BALANCES.....	<u>\$ (113,659)</u>	<u>\$ (139,100)</u>	<u>36,844</u>	<u>\$ 175,944</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			15,065	
Expenditure accrual adjustments.....			(3,795)	
Total Adjustments To Reconcile to GAAP Basis.....			<u>11,270</u>	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			48,114	
FUND BALANCE, BEGINNING OF YEAR.....			<u>1,384,988</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 1,433,102</u>	

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - P&F PROPERTY TAX PENSION FUND
 FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes, including interest and penalties.....	\$ 873,549	\$ 873,549	\$ 933,381	\$ 59,832
Investment income.....	35,990	35,990	20,217	(15,773)
Total Revenues.....	<u>909,539</u>	<u>909,539</u>	<u>953,598</u>	<u>44,059</u>
EXPENDITURES:				
Police.....	618,574	618,574	556,469	62,105
Fire.....	618,574	618,574	556,470	62,104
Total Expenditures.....	<u>1,237,148</u>	<u>1,237,148</u>	<u>1,112,939</u>	<u>124,209</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	<u>\$ (327,609)</u>	<u>\$ (327,609)</u>	<u>(159,341)</u>	<u>\$ 168,268</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			13,648	
Expenditure accrual adjustments.....			164	
Total Adjustments To Reconcile to GAAP Basis.....			<u>13,812</u>	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			(145,529)	
FUND BALANCE, BEGINNING OF YEAR.....			<u>3,118,751</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 2,973,222</u>	

See accompanying independent auditor's report and notes to the budgetary comparison information

CITY OF KIRKWOOD, MISSOURI

NOTES TO BUDGETARY COMPARISON INFORMATION
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

1. BUDGETARY DATA

Missouri state law and City ordinances require annual budgets to be prepared and legally adopted for the general fund; Public Park Board, P&F Property Tax Pension, Downtown Special Business District, Equitable Sharing, and Sewer Lateral special revenue funds; debt service fund and capital projects funds. Budgets are prepared by the Chief Administrative Officer on the modified accrual basis according to the City of Kirkwood, Missouri Charter Article VI, Section 6.3. The budgets are reviewed by a Citizens' Finance Committee, and are discussed in public hearings prior to their legal adoption by April 1 each year. The City Council may revise the approved budget provided that the total authorized expenditures do not exceed the estimated revenues plus unreserved fund balance at the beginning of the year. The budget is legally enacted by ordinance following public hearings on the proposed budget. The Public Park Board is the only City agency that adopts its own budget.

Following adoption of the budget, the Chief Administrative Officer may transfer appropriations between departments provided that total appropriations do not exceed the authorized amount established by ordinance. City policy requires all budget amendments or transfers of \$10,000 or more to be approved by ordinance. All appropriations lapse at year end.

Due to the management controls adopted, which provide for the budget to be controlled at a detail level greater than the statutory level of control, the legal level of budgetary control for all governmental funds except the Public Park Board is established at the sub object level. Compliance with the legal level of budgetary control is demonstrated through the issuance of a separate report, which is available for inspection at the Finance Department. Budgetary comparisons presented herein are on the modified accrual basis in compliance with the City's Charter.

CITY OF KIRKWOOD, MISSOURI

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
MARCH 31, 2013

	Combined Nonmajor Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS:			
Cash held by trustees.....	\$ 254,760	\$ -	\$ 254,760
Cash and investments - unrestricted.....	1,311,784	622,872	1,934,656
Receivables, net of allowances:			
Taxes.....	82,090	48,248	130,338
Interest.....	1,643	704	2,347
Other.....	6,921	-	6,921
TOTAL ASSETS.....	\$ 1,657,198	\$ 671,824	\$ 2,329,022
LIABILITIES:			
Accounts payable.....	\$ 27,359	\$ 595	\$ 27,954
Accrued wages and vacation.....	4,891	-	4,891
Deposits payable.....	16,645	-	16,645
Unearned revenue.....	59,989	-	59,989
Total Liabilities.....	108,884	595	109,479
DEFERRED INFLOWS OF RESOURCES:			
Unavailable revenue-taxes.....	28,769	16,161	44,930
Total Deferred Inflows of Resources.....	28,769	16,161	44,930
FUND BALANCES:			
Restricted for:			
Debt service.....	-	655,068	655,068
Law enforcement.....	100,630	-	100,630
Sewer lateral.....	867,327	-	867,327
Special business district.....	179,592	-	179,592
TIF bonds and notes.....	371,996	-	371,996
Total Fund Balances.....	1,519,545	655,068	2,174,613
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES.....	\$ 1,657,198	\$ 671,824	\$ 2,329,022

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	<u>Combined Nonmajor Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES:			
Taxes, including interest and penalties.....	\$ 451,538	\$ 455,339	\$ 906,877
Licenses, permits, fines, and fees.....	675,740	-	675,740
Investment income.....	7,823	4,394	12,217
Other.....	5,943	-	5,943
 Total Revenues.....	 1,141,044	 459,733	 1,600,777
EXPENDITURES:			
General government and finance.....	466,830	-	466,830
Capital outlay.....	216,995	-	216,995
Debt service:			
Principal retirement.....	244,000	420,000	664,000
Interest and fiscal charges.....	221,466	101,332	322,798
 Total Expenditures.....	 1,149,291	 521,332	 1,670,623
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	(8,247)	(61,599)	(69,846)
OTHER FINANCING USES:			
Transfers out.....	(25,966)	-	(25,966)
 Total Other Financing Sources.....	 (25,966)	 -	 (25,966)
NET CHANGE IN FUND BALANCES.....	(34,213)	(61,599)	(95,812)
FUND BALANCES, BEGINNING OF YEAR.....	1,553,758	716,667	2,270,425
FUND BALANCES, END OF YEAR.....	\$ 1,519,545	\$ 655,068	\$ 2,174,613

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
MARCH 31, 2013

	Downtown Special Business District	Equitable Sharing	Sewer Lateral	Pioneer Place TIF	Kirkwood Commons TIF	Total
ASSETS:						
Cash held by trustees.....	\$ -	\$ -	\$ -	\$ -	\$254,760	\$ 254,760
Cash and investments - unrestricted.....	220,552	111,455	890,096	-	89,681	1,311,784
Receivables, net of allowances:						
Taxes.....	32,464	-	-	-	49,626	82,090
Interest.....	297	150	1,196	-	-	1,643
Other.....	3,572	-	2,763	-	586	6,921
TOTAL ASSETS.....	\$ 256,885	\$ 111,605	\$ 894,055	\$ -	\$394,653	\$ 1,657,198
LIABILITIES:						
Accounts payable.....	\$ 6,710	\$ 10,975	\$ 9,674	\$ -	\$ -	\$ 27,359
Accrued wages and vacation.....	4,482	-	409	-	-	4,891
Due to other funds.....	-	-	-	-	-	-
Deposits payable.....	-	-	16,645	-	-	16,645
Unearned revenue.....	59,989	-	-	-	-	59,989
Total Liabilities.....	71,181	10,975	26,728	-	-	108,884
DEFERRED INFLOWS OF RESOURCES:						
Unavailable revenue-taxes.....	6,112	-	-	-	22,657	28,769
Total Deferred Inflows of Resources.....	6,112	-	-	-	22,657	28,769
FUND BALANCES:						
Restricted for:						
Law enforcement.....	-	100,630	-	-	-	100,630
Sewer lateral.....	-	-	867,327	-	-	867,327
Special business district.....	179,592	-	-	-	-	179,592
TIF bonds and notes.....	-	-	-	-	371,996	371,996
Total Fund Balances.....	179,592	100,630	867,327	-	371,996	1,519,545
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES....	\$ 256,885	\$ 111,605	\$ 894,055	\$ -	\$394,653	\$ 1,657,198

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	Downtown Special Business District	Equitable Sharing	Sewer Lateral	Pioneer Place TIF	Kirkwood Commons TIF	Total
REVENUES:						
Taxes, including interest and penalties.....	\$ 133,140	\$ -	\$ -	\$ -	318,398	\$ 451,538
Licenses, permits, fines, and fees.....	165,269	70,230	274,308	-	165,933	675,740
Investment income.....	1,150	1,488	5,179	-	6	7,823
Miscellaneous.....	5,943	-	-	-	-	5,943
Total Revenues.....	305,502	71,718	279,487	-	484,337	1,141,044
EXPENDITURES:						
General government and finance.....	282,914	-	183,916	-	-	466,830
Capital outlay.....	9,745	207,250	-	-	-	216,995
Debt service:						
Principal retirement.....	-	-	-	10,000	234,000	244,000
Interest and fiscal charges.....	-	-	-	4,156	217,310	221,466
Total Expenditures.....	292,659	207,250	183,916	14,156	451,310	1,149,291
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	12,843	(135,532)	95,571	(14,156)	33,027	(8,247)
OTHER FINANCING USES:						
Transfers out.....	(25,000)	-	-	(966)	-	(25,966)
Total Other Financing Uses.....	(25,000)	-	-	(966)	-	(25,966)
NET CHANGE IN FUND BALANCES.....	(12,157)	(135,532)	95,571	(15,122)	33,027	(34,213)
FUND BALANCES, BEGINNING OF YEAR.....	191,749	236,162	771,756	15,122	338,969	1,553,758
FUND BALANCES, END OF YEAR.....	\$ 179,592	\$ 100,630	\$ 867,327	\$ -	\$ 371,996	\$ 1,519,545

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DOWNTOWN SPECIAL BUSINESS DISTRICT FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes, including interest and penalties.....	\$ 128,000	\$ 128,000	\$ 126,015	\$ (1,985)
Licenses, permits, fines, and fees.....	162,800	162,800	164,745	1,945
Investment income.....	2,200	2,200	1,408	(792)
Miscellaneous.....	8,000	8,000	5,943	(2,057)
Total Revenues.....	<u>301,000</u>	<u>301,000</u>	<u>298,111</u>	<u>(2,889)</u>
EXPENDITURES:				
General government and finance.....	303,500	302,830	282,755	20,075
Capital outlay.....	27,500	28,170	9,745	18,425
Total Expenditures.....	<u>331,000</u>	<u>331,000</u>	<u>292,500</u>	<u>38,500</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	<u>(30,000)</u>	<u>(30,000)</u>	<u>5,611</u>	<u>35,611</u>
OTHER FINANCING USES:				
Transfers out.....	(25,000)	(25,000)	(25,000)	-
Total Other Financing Uses.....	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES.....	<u>\$ (55,000)</u>	<u>\$ (55,000)</u>	<u>(19,389)</u>	<u>\$ 35,611</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			7,391	
Expenditure accrual adjustments.....			(159)	
Total Adjustments To Reconcile to GAAP Basis.....			<u>7,232</u>	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			(12,157)	
FUND BALANCE, BEGINNING OF YEAR.....			<u>191,749</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 179,592</u>	

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - EQUITABLE SHARING FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Licenses, permits, fines, and fees.....	\$ -	\$ -	\$ 70,230	\$ 70,230
Investment income.....	(2,500)	(2,500)	1,838	4,338
Total Revenues.....	(2,500)	(2,500)	72,068	74,568
EXPENDITURES:				
Capital Outlay.....	-	214,039	207,250	6,789
Total Expenditures.....	-	214,039	207,250	6,789
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	\$ (2,500)	\$ (216,539)	(135,182)	\$ 81,357
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			(350)	
Expenditure accrual adjustments.....			-	
Total Adjustments To Reconcile to GAAP Basis.....			(350)	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			(135,532)	
FUND BALANCE, BEGINNING OF YEAR.....			236,162	
FUND BALANCE, END OF YEAR.....			\$ 100,630	

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - SEWER LATERAL FUND
 FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Licenses, permits, fines, and fees.....	\$ 295,000	\$ 295,000	\$ 276,640	\$ (18,360)
Investment income.....	8,000	8,000	5,633	(2,367)
Total Revenues.....	<u>303,000</u>	<u>303,000</u>	<u>282,273</u>	<u>(20,727)</u>
EXPENDITURES:				
General government and finance.....	<u>217,615</u>	<u>217,615</u>	<u>183,904</u>	<u>33,711</u>
Total Expenditures.....	<u>217,615</u>	<u>217,615</u>	<u>183,904</u>	<u>33,711</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	<u><u>\$ 85,385</u></u>	<u><u>\$ 85,385</u></u>	<u>98,369</u>	<u>\$ 12,984</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			(2,786)	
Expenditure accrual adjustments.....			(12)	
Total Adjustments To Reconcile to GAAP Basis.....			<u>(2,798)</u>	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			95,571	
FUND BALANCE, BEGINNING OF YEAR.....			<u>771,756</u>	
FUND BALANCE, END OF YEAR.....			<u><u>\$ 867,327</u></u>	

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes, including interest and penalties.....	\$ 538,035	\$ 538,035	\$ 452,797	\$ (85,238)
Investment income.....	6,000	6,000	5,141	(859)
Total Revenues.....	<u>544,035</u>	<u>544,035</u>	<u>457,938</u>	<u>(86,097)</u>
EXPENDITURES:				
Debt Service:				
Principal retirement.....	420,000	420,000	420,000	-
Interest and fiscal charges.....	102,500	102,500	101,332	1,168
Total Expenditures.....	<u>522,500</u>	<u>522,500</u>	<u>521,332</u>	<u>1,168</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	<u>\$ 21,535</u>	<u>\$ 21,535</u>	<u>(63,394)</u>	<u>\$ (84,929)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			1,795	
Expenditure accrual adjustments.....			-	
Total Adjustments To Reconcile to GAAP Basis.....			<u>1,795</u>	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			(61,599)	
FUND BALANCE, BEGINNING OF YEAR.....			<u>716,667</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 655,068</u>	

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CAPITAL IMPROVEMENTS FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes, including interest and penalties.....	\$ 1,950,000	\$ 1,950,000	\$ 2,074,259	\$ 124,259
Grants.....	7,200	7,200	149,072	141,872
Investment income.....	25,025	25,025	12,621	(12,404)
Other.....	-	-	9,468	9,468
Total Revenues.....	1,982,225	1,982,225	2,245,420	263,195
EXPENDITURES:				
General government and finance.....	65,606	66,395	65,846	549
Capital outlay.....	2,992,287	3,451,135	2,896,617	554,518
Total Expenditures.....	3,057,893	3,517,530	2,962,463	555,067
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	(1,075,668)	(1,535,305)	(717,043)	818,262
OTHER FINANCING SOURCES:				
Transfers in.....	83,406	683,406	708,889	25,483
Proceeds from sale of capital assets.....	35,000	35,000	33,881	(1,119)
Total Other Financing Sources.....	118,406	718,406	742,770	24,364
NET CHANGE IN FUND BALANCES.....	\$ (957,262)	\$ (816,899)	25,727	\$ 842,626
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			(7,326)	
Expenditure accrual adjustments.....			(43)	
Total Adjustments To Reconcile to GAAP Basis.....			(7,369)	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			18,358	
FUND BALANCE, BEGINNING OF YEAR.....			1,902,915	
FUND BALANCE, END OF YEAR.....			\$ 1,921,273	

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - PARK & STORM WATER IMPROVEMENT FUND
 FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes, including interest and penalties.....	\$ 2,250,000	2,250,000	\$ 2,429,169	\$ 179,169
Intergovernmental.....	68,668	68,668	67,976	(692)
Investment income.....	17,000	17,000	16,306	(694)
Grants.....	290,000	290,000	282,518	(7,482)
Total Revenues.....	<u>2,625,668</u>	<u>2,625,668</u>	<u>2,795,969</u>	<u>170,301</u>
EXPENDITURES:				
General government and finance.....	8,000	8,000	7,206	794
Capital outlay.....	1,412,871	1,806,536	1,241,474	565,062
Debt Service:				
Principal retirement.....	860,000	860,000	755,000	105,000
Issuance costs.....	-	-	113,813	(113,813)
Interest and fiscal charges.....	198,903	198,903	84,350	114,553
Total Expenditures.....	<u>2,479,774</u>	<u>2,873,439</u>	<u>2,201,843</u>	<u>671,596</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	<u>145,894</u>	<u>(247,771)</u>	<u>594,126</u>	<u>841,897</u>
OTHER FINANCING USES:				
Transfers in.....	-	-	483	483
Transfers out.....	(800,000)	(807,000)	(807,000)	-
Proceeds from sale of capital assets.....	-	-	468	468
Issuance from refunding COPs.....	-	-	5,000,000	5,000,000
Premium on refunding COPs.....	-	-	63,818	63,818
Payments to refunding escrow agent.....	-	-	(5,394,474)	(5,394,474)
Total Other Financing Uses.....	<u>(800,000)</u>	<u>(807,000)</u>	<u>(1,136,705)</u>	<u>(329,705)</u>
NET CHANGE IN FUND BALANCES.....	<u>\$ (654,106)</u>	<u>\$ (1,054,771)</u>	<u>(542,579)</u>	<u>\$ 512,192</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			(8,588)	
Expenditure accrual adjustments.....			-	
Total Adjustments To Reconcile to GAAP Basis.....			<u>(8,588)</u>	
NET CHANGE IN FUND BALANCE- GAAP BASIS.....			(551,167)	
FUND BALANCE, BEGINNING OF YEAR.....			<u>1,388,922</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 837,755</u>	

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS
MARCH 31, 2013

	<u>Medical Self Insurance</u>	<u>Fleet Services</u>	<u>Workers' Compensation Self Insurance</u>	<u>Total</u>
ASSETS:				
Cash and investments:				
Held by trustees.....	\$ -	\$ -	\$ 24,259	\$ 24,259
Unrestricted.....	772,697	234,359	1,351,224	2,358,280
Interest receivable.....	961	315	1,815	3,091
Inventory.....	-	2,433	-	2,433
Total Assets.....	<u>773,658</u>	<u>237,107</u>	<u>1,377,298</u>	<u>2,388,063</u>
LIABILITIES:				
Accounts payable.....	3,934	33,378	12,701	50,013
Accrued wages and vacation.....	-	31,381	2,145	33,526
Claims payable.....	149,577	-	207,162	356,739
Total Current Liabilities.....	<u>153,511</u>	<u>64,759</u>	<u>222,008</u>	<u>440,278</u>
NET POSITION				
Unrestricted.....	<u>620,147</u>	<u>172,348</u>	<u>1,155,290</u>	<u>1,947,785</u>
TOTAL NET POSITION.....	<u>\$ 620,147</u>	<u>\$ 172,348</u>	<u>\$ 1,155,290</u>	<u>\$ 1,947,785</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	Medical Self Insurance	Fleet Services	Workers' Compensation Self Insurance	Total
OPERATING REVENUES:				
Charges for services.....	\$ 2,655,573	\$ 1,043,530	\$ 889,050	\$ 4,588,153
Other.....	34,682	1,019	-	35,701
Total Operating Revenues.....	<u>2,690,255</u>	<u>1,044,549</u>	<u>889,050</u>	<u>4,623,854</u>
OPERATING EXPENSES:				
Administrative and general.....	1,706	970,559	160,084	1,132,349
Claims and insurance premiums.....	2,327,707	-	543,734	2,871,441
Total Operating Expenses.....	<u>2,329,413</u>	<u>970,559</u>	<u>703,818</u>	<u>4,003,790</u>
OPERATING INCOME (LOSS).....	<u>360,842</u>	<u>73,990</u>	<u>185,232</u>	<u>620,064</u>
NONOPERATING REVENUES:				
Gain on sale of property, plant, and equipment.....	-	4,665	-	4,665
Investment income.....	4,173	1,504	7,817	13,494
Total Nonoperating Revenues.....	<u>4,173</u>	<u>6,169</u>	<u>7,817</u>	<u>18,159</u>
CHANGE IN NET POSITION.....	365,015	80,159	193,049	638,223
NET POSITION, BEGINNING OF YEAR.....	<u>255,132</u>	<u>92,189</u>	<u>962,241</u>	<u>1,309,562</u>
NET POSITION, END OF YEAR.....	<u>\$ 620,147</u>	<u>\$ 172,348</u>	<u>\$ 1,155,290</u>	<u>\$ 1,947,785</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	Medical Self Insurance	Fleet Services	Workers' Compensation Self Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from interfund services provided.....	\$ 2,690,255	\$ 1,043,530	\$ 889,050	\$ 4,622,835
Other receipts.....	-	1,019	-	1,019
Payments to suppliers.....	(2,176,002)	(554,842)	(672,575)	(3,403,419)
Payments to employees.....	-	(388,108)	(59,419)	(447,527)
Payments for interfund services.....	-	(15,857)	(10,000)	(25,857)
Net Cash Provided By (Used In)				
Operating Activities.....	<u>514,253</u>	<u>85,742</u>	<u>147,056</u>	<u>747,051</u>
CASH FLOWS PROVIDED BY NONCAPITAL FINANCING ACTIVITIES:				
Proceeds from Sale of Capital Assets.....	<u>-</u>	<u>4,665</u>	<u>-</u>	<u>4,665</u>
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:				
Interest received on investments.....	<u>3,751</u>	<u>1,490</u>	<u>8,571</u>	<u>13,812</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS.....	518,004	91,897	155,627	765,528
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	<u>254,693</u>	<u>142,462</u>	<u>1,219,856</u>	<u>1,617,011</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	<u>\$ 772,697</u>	<u>\$ 234,359</u>	<u>\$ 1,375,483</u>	<u>\$ 2,382,539</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss).....	\$ 360,842	\$ 73,990	\$ 185,232	\$ 620,064
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
(Increase) decrease in assets:				
Inventory.....	-	1,783	-	1,783
Increase (decrease) in liabilities:				
Accounts payable.....	153,411	9,114	11,596	174,121
Accrued wages and vacation.....	-	855	(583)	272
Claims payable.....	-	-	(49,189)	(49,189)
Total adjustments.....	<u>153,411</u>	<u>11,752</u>	<u>(38,176)</u>	<u>126,987</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....	<u>\$ 514,253</u>	<u>\$ 85,742</u>	<u>\$ 147,056</u>	<u>\$ 747,051</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF NET POSITION - PENSION TRUST FUNDS
MARCH 31, 2013

	<u>Police Officers' and Fire Retirement</u>	<u>Civilian Employees Retirement</u>	<u>Total</u>
ASSETS:			
Cash and investments:			
Held by trustees:			
Short-Term reserves.....	\$ 3,442,361	\$ 1,281,289	\$ 4,723,650
Bond funds.....	2,793,311	1,281,738	4,075,049
Balanced funds.....	4,577,901	5,600,440	10,178,341
Domestic stock funds.....	14,396,315	5,911,050	20,307,365
International stock funds.....	2,616,135	932,584	3,548,719
Stable value money market funds.....	69,635	70,369	140,004
Specialty stock funds.....	-	241,186	241,186
Vanguard brokerage option fund.....	1,659,862	-	1,659,862
Restricted.....	-	72	72
Contributions receivable.....	34,608	22,013	56,621
	<u>29,590,128</u>	<u>15,340,741</u>	<u>44,930,869</u>
Total Assets.....			
LIABILITIES:			
Accounts payable.....	<u>-</u>	<u>72</u>	<u>72</u>
Total Liabilities.....	<u>-</u>	<u>72</u>	<u>72</u>
NET POSITION:			
Net Position Held in Trust for Pension Benefits.....	<u>\$ 29,590,128</u>	<u>\$ 15,340,669</u>	<u>\$ 44,930,797</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF CHANGES IN NET POSITION -
PENSION TRUST FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	<u>Police Officers' and Fire Retirement</u>	<u>Civilian Employees Retirement</u>	<u>Total</u>
ADDITIONS:			
Contributions:			
Employer.....	\$ 957,784	\$ 615,639	\$ 1,573,423
Employee, net of refunds.....	357,047	-	357,047
Rollover contributions.....	-	417,212	417,212
Total Contributions.....	<u>1,314,831</u>	<u>1,032,851</u>	<u>2,347,682</u>
Investment income:			
Interest and dividends.....	742,350	335,838	1,078,188
Net depreciation in the fair value of plan investments.....	<u>1,826,620</u>	<u>1,023,345</u>	<u>2,849,965</u>
Total Investment Income.....	2,568,970	1,359,183	3,928,153
Less: investment expenses.....	<u>79,759</u>	<u>167</u>	<u>79,926</u>
Net investment income.....	<u>2,489,211</u>	<u>1,359,016</u>	<u>3,848,227</u>
TOTAL ADDITIONS.....	<u>3,804,042</u>	<u>2,391,867</u>	<u>6,195,909</u>
DEDUCTIONS:			
Benefit payments.....	<u>2,863,331</u>	<u>566,972</u>	<u>3,430,303</u>
Administrative and general expenses:			
Insurance, taxes, and other premiums.....	97,459	96,241	193,700
Professional and administrative fees.....	<u>44,820</u>	<u>30,851</u>	<u>75,671</u>
Total Administrative and General Expenses.....	<u>142,279</u>	<u>127,092</u>	<u>269,371</u>
TOTAL DEDUCTIONS.....	<u>3,005,610</u>	<u>694,064</u>	<u>3,699,674</u>
CHANGE IN NET POSITION.....	798,432	1,697,803	2,496,235
NET POSITION HELD IN TRUST FOR EMPLOYEE PENSION BENEFITS, BEGINNING OF YEAR.....			
	<u>28,791,696</u>	<u>13,642,866</u>	<u>42,434,562</u>
END OF YEAR.....	<u>\$ 29,590,128</u>	<u>\$ 15,340,669</u>	<u>\$ 44,930,797</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING BALANCE SHEET - AGENCY FUND
MARCH 31, 2013

	<u>Appearance Bond Deposits</u>
ASSETS:	
Cash and investments:	
Restricted.....	\$ 28,600
TOTAL ASSETS.....	<u>\$ 28,600</u>
LIABILITIES:	
Deposits payable.....	\$ 28,600
TOTAL LIABILITIES.....	<u>\$ 28,600</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 AGENCY FUNDS
 FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	Balance April 1, 2012	Additions	Deletions	Balance March 31, 2013
Appearance Bond Deposits				
ASSETS:				
Cash and investments - restricted.....	\$ 35,510	\$ 85,997	\$ 92,907	\$ 28,600
Total Assets.....	<u>\$ 35,510</u>	<u>\$ 85,997</u>	<u>\$ 92,907</u>	<u>\$ 28,600</u>
LIABILITIES:				
Accounts payable.....				-
Deposits payable.....	\$ 35,510	\$ 85,997	\$ 92,907	\$ 28,600
Total Liabilities.....	<u>\$ 35,510</u>	<u>\$ 85,997</u>	<u>\$ 92,907</u>	<u>\$ 28,600</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

BALANCE SHEET - INDUSTRIAL DEVELOPMENT AUTHORITY
(A DISCRETELY PRESENTED COMPONENT UNIT)
MARCH 31, 2013

	<u>Total</u>
ASSETS:	
Cash and investments:	
Unrestricted.....	\$ 117,492
Interest receivable.....	158
	<hr/>
Total Assets.....	117,650
	<hr/>
LIABILITIES:	
Accounts payable.....	-
	<hr/>
Total Current Liabilities.....	-
	<hr/>
FUND BALANCE	
Unassigned.....	117,650
	<hr/>
TOTAL NET POSITION.....	\$ 117,650
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See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - INDUSTRIAL DEVELOPMENT AUTHORITY
(A DISCRETELY PRESENTED COMPONENT UNIT)
FOR THE FISCAL YEAR ENDED MARCH 31, 2013

	<u>Total</u>
REVENUES:	
Investment income.....	\$ 757
Total Revenues.....	<u>757</u>
EXPENDITURES:	
Administrative and general.....	<u>-</u>
Total Expenditures.....	<u>-</u>
CHANGE IN NET POSITION.....	757
NET POSITION, BEGINNING OF YEAR.....	<u>116,893</u>
NET POSITION, END OF YEAR.....	<u><u>\$ 117,650</u></u>

See accompanying independent auditor's report

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City of

Statistical Section

Kirkwood

CITY OF KIRKWOOD, MISSOURI

Statistical Section

This part of the City of Kirkwood'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.

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These pages contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

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Revenue Capacity

These pages contain information to help the reader assess the City's most significant local revenue sources.

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Debt Capacity

These pages 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.

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Demographic and Economic Information

These pages offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

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Operating Information

These pages 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.

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Sources: Unless otherwise noted, the information in this section is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement No. 34 in 2004; schedules presenting government-wide information include information beginning in that year.

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CITY OF KIRKWOOD, MISSOURI
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	Fiscal Year Ended March 31.									
	2004	2005 ^a	2006 ^b	2007	2008 ^c	2009 ^d	2010 ^e	2011	2012 ^f	2013
Governmental Activities:										
Net investment in capital assets.....	\$ 23,188,368	\$ 28,479,834	\$ 28,540,172	\$ 29,899,402	\$ 33,343,255	\$ 35,972,457	\$ 40,389,161	\$ 46,153,655	\$ 50,013,730	\$ 52,963,465
Restricted for:										
Capital projects.....	8,462,998	5,249,060	6,245,227	6,605,134	6,520,451	6,817,462	5,217,404	2,465,998	2,415,994	2,331,658
Debt service.....	856,177	2,127,376	2,215,362	2,343,396	2,275,390	2,030,332	2,134,897	2,289,210	1,941,607	1,454,116
Law enforcement.....	-	-	-	-	208,857	258,582	130,511	104,620	236,162	100,630
Park operations.....	-	-	-	-	-	-	1,164,982	1,244,613	1,384,988	1,433,102
Police and fire pension.....	-	-	-	-	-	3,458,067	3,479,833	3,279,934	3,118,751	2,973,222
Sewer lateral.....	-	-	-	-	-	-	463,476	596,602	771,756	867,327
Special business district.....	-	-	-	-	-	-	179,197	204,396	191,749	179,592
TIF bonds and notes.....	2,427,957	4,282,196	4,493,256	4,341,267	736,158	815,238	-	-	-	-
Unrestricted.....	(12,370,444)	(13,268,059)	(9,369,624)	(5,477,925)	2,329,555	6,669,276	6,585,255	7,335,848	6,748,336	8,674,045
Total Governmental Activities Net Position.....	\$ 22,065,056	\$ 26,870,407	\$ 32,124,393	\$ 37,711,274	\$ 45,413,669	\$ 56,021,414	\$ 59,744,716	\$ 63,674,876	\$ 66,823,073	\$ 70,977,157
Business-Type Activities:										
Net investment in capital assets.....	\$ 9,370,078	\$ 9,597,615	\$ 8,355,320	\$ 6,075,873	\$ 7,383,260	\$ 8,086,717	\$ 8,194,874	\$ 10,249,193	\$ 11,237,213	\$ 11,246,697
Restricted for Debt Service.....	-	-	-	-	-	266,246	704,360	704,368	704,381	675,039
Unrestricted.....	23,811,864	24,638,724	28,570,350	32,067,905	35,687,581	32,881,540	25,521,922	19,966,392	24,901,871	28,863,264
Total Business-Type Activities Net Position.....	\$ 33,181,942	\$ 34,236,339	\$ 36,925,670	\$ 38,143,778	\$ 43,070,841	\$ 41,234,503	\$ 34,421,156	\$ 30,919,953	\$ 36,843,465	\$ 40,785,000
Primary Government:										
Net investment in capital assets.....	\$ 32,558,446	\$ 38,077,449	\$ 36,895,492	\$ 35,975,275	\$ 40,726,515	\$ 44,059,174	\$ 48,584,035	\$ 56,402,848	\$ 61,250,943	\$ 64,210,162
Restricted for:										
Capital projects.....	8,462,998	5,249,060	6,245,227	6,605,134	6,520,451	6,817,462	5,217,404	2,465,998	2,415,994	2,331,658
Debt service.....	856,177	2,127,376	2,215,362	2,343,396	2,275,390	2,296,578	2,839,257	2,993,578	2,645,988	2,129,155
Law enforcement.....	-	-	-	-	208,857	258,582	130,511	104,620	236,162	100,630
Park operations.....	-	-	-	-	-	-	1,164,982	1,244,613	1,384,988	1,433,102
Police and fire pension.....	-	-	-	-	-	3,458,067	3,479,833	3,279,934	3,118,751	2,973,222
Sewer lateral.....	-	-	-	-	-	-	463,476	596,602	771,756	867,327
Special business district.....	-	-	-	-	-	-	179,197	204,396	191,749	179,592
TIF bonds and notes.....	2,427,957	4,282,196	4,493,256	4,341,267	736,158	815,238	-	-	-	-
Unrestricted.....	10,941,420	11,370,665	19,200,726	26,589,980	38,017,139	39,550,816	32,107,177	27,302,240	31,650,207	37,537,309
Total Primary Government Net Position.....	\$ 55,246,998	\$ 61,106,746	\$ 69,050,063	\$ 75,855,052	\$ 88,484,510	\$ 97,255,917	\$ 94,165,872	\$ 94,594,829	\$ 103,666,538	\$ 111,762,157

^aThe following prior period adjustments were made in Fiscal Year 2005:

Governmental Activities

Net investment capital assets was increased \$588,288 to correct capital asset beginning balances.
Unrestricted was increased by \$75,155 to correct prior period accounts payables.

Business-Type Activities

Net investment in capital assets was decreased \$10,610 to correct capital asset beginning balances.

^bThe following prior period adjustments were made in Fiscal Year 2006:

Governmental Activities

Unrestricted was decreased by \$40,530 to correct prior period accounts payables.

^cThe following prior period adjustment were made in Fiscal Year 2008:

Governmental Activities

Unrestricted was decreased by \$43,436 to correct prior period deferred revenue.

^dThe following prior period adjustment were made in Fiscal Year 2009:

Governmental Activities

Restricted for: Police and Fire Pension was added in the amount of \$3,321,732. The pension levy portion has been separated and is reported as a special revenue fund, P&F Pension Property Tax Fund.

^eThe following prior period adjustment was made in Fiscal Year 2010:

Governmental Activities

Unrestricted was increased by \$556,645 to record sales tax revenue from modified accrual to full accrual.

^fThe following prior period adjustment was made in Fiscal Year 2012:

Governmental Activities

Net investment in capital assets was decreased by \$59,731 to write-off debt issuance cost in compliance with GASB 65.

Unrestricted was decreased by \$71,325 to write-off debt issuance cost in compliance with GASB 65.

Business-Type Activities

Unrestricted was increased by \$17,388 to correct prior period unearned revenue and decreased by \$110,061 to write-off issuance cost in compliance with GASB 65.

CITY OF KIRKWOOD, MISSOURI

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year Ended March 31,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses:										
Governmental Activities:										
General government and finance.....	\$ 4,688,214	\$ 4,768,694	\$ 4,935,628	\$ 4,297,905	\$ 4,373,999	\$ 3,669,761	\$ 3,491,882	\$ 3,021,818	\$ 3,822,665	\$ 3,257,779
Purchasing.....	227,747	239,462	236,820	235,499	236,315	323,155	348,064	355,320	370,231	384,978
Engineering.....	425,809	451,564	358,580	366,342	308,752	299,729	381,851	344,617	331,728	347,880
Building maintenance.....	285,428	296,923	249,024	250,774	269,987	409,579	392,958	419,619	477,318	464,338
Building commissioner.....	551,471	618,930	588,369	647,741	601,951	618,245	642,225	633,227	587,664	588,061
Police.....	4,652,741	4,715,579	4,574,505	4,917,094	5,495,193	6,365,135	6,540,285	6,994,710	7,324,109	7,363,086
Fire.....	3,963,503	4,056,537	4,060,604	4,172,363	4,749,938	5,479,307	5,769,209	5,788,620	5,852,373	5,814,394
Streets.....	2,460,173	2,536,009	2,206,932	2,101,882	2,250,705	2,338,867	2,348,174	2,472,040	2,502,988	2,455,034
Parks.....	978,017	1,109,611	1,027,385	1,047,051	1,165,313	1,269,285	1,446,396	1,559,311	1,608,918	1,777,302
Recreation.....	2,123,837	2,170,689	2,170,646	2,237,529	2,439,274	2,499,541	2,478,971	2,580,364	2,573,528	2,619,015
Interest on long-term debt.....	3,717,676	2,142,644	1,600,102	1,461,984	1,592,120	973,108	1,021,841	733,959	607,851	549,587
Total Governmental Activities Expenses.....	<u>24,074,616</u>	<u>23,106,642</u>	<u>22,008,595</u>	<u>21,736,164</u>	<u>23,483,547</u>	<u>24,245,712</u>	<u>24,861,856</u>	<u>24,903,605</u>	<u>26,059,373</u>	<u>25,621,454</u>
Business-Type Activities Expenses:										
Electric.....	11,109,758	11,245,809	11,709,055	12,441,490	12,592,380	15,092,793	21,826,992	22,983,408	15,766,443	17,682,247
Water.....	2,601,565	2,748,290	3,914,250	5,021,933	3,344,549	3,267,137	3,606,859	4,056,703	4,011,031	4,214,911
Sanitation.....	2,074,363	2,037,803	2,118,039	2,145,594	2,291,488	2,469,613	2,395,032	2,929,443	2,531,020	2,613,619
Total Business-Type Activities Expenses.....	<u>15,785,686</u>	<u>16,031,902</u>	<u>17,741,344</u>	<u>19,609,017</u>	<u>18,228,417</u>	<u>20,829,543</u>	<u>27,828,883</u>	<u>29,969,554</u>	<u>22,308,494</u>	<u>24,510,777</u>
Total Primary Government Expenses.....	<u>\$ 39,860,302</u>	<u>\$ 39,138,544</u>	<u>\$ 39,749,939</u>	<u>\$ 41,345,181</u>	<u>\$ 41,711,964</u>	<u>\$ 45,075,255</u>	<u>\$ 52,690,739</u>	<u>\$ 54,873,159</u>	<u>\$ 48,367,867</u>	<u>\$ 50,132,231</u>
Program Revenues:										
Governmental Activities:										
Charges for Services:										
General government and finance.....	\$ 1,821,808	\$ 2,004,790	\$ 1,922,864	\$ 2,156,336	\$ 1,996,747	\$ 2,044,514	\$ 2,063,903	\$ 2,137,260	\$ 2,240,380	\$ 2,215,846
Building commissioner.....	762,126	802,837	959,339	836,284	925,287	668,134	582,796	823,535	750,809	626,011
Fire.....	730,822	558,272	521,594	469,010	651,217	690,494	567,230	674,579	725,835	787,223
Recreation.....	1,384,737	1,325,559	1,422,966	1,607,710	1,578,549	1,566,561	1,679,237	1,659,948	1,669,546	1,745,590
Other activities.....	255,443	322,148	335,285	411,499	424,759	372,539	418,996	456,255	414,433	466,831
Operating grants and contributions.....	90,586	96,606	172,234	290,150	553,706	231,323	151,388	183,938	397,780	186,525
Capital grants and contributions.....	391,912	60,380	345,158	230,520	9,704	135,842	512,625	203,389	1,143,090	518,559
Total Governmental Activities Program Revenues.....	<u>5,437,434</u>	<u>5,170,592</u>	<u>5,679,440</u>	<u>6,001,509</u>	<u>6,139,969</u>	<u>5,709,407</u>	<u>5,976,175</u>	<u>6,138,904</u>	<u>7,341,873</u>	<u>6,546,585</u>
Business-Type Activities:										
Charges for Services:										
Electric.....	13,474,074	13,311,734	14,136,937	13,956,969	14,940,084	14,221,834	14,278,400	19,989,393	20,632,374	21,373,776
Water.....	3,346,490	3,291,494	3,780,841	3,964,110	4,198,440	4,117,968	4,513,334	4,710,065	5,257,765	5,709,160
Sanitation.....	1,667,586	2,529,323	2,657,727	2,715,105	2,697,962	2,658,607	2,493,754	2,556,415	2,668,890	2,617,301
Operating grants and contributions.....	75,127	59,555	65,807	55,018	158,715	43,281	41,015	202,558	176,465	2,999
Capital grants and contributions.....	-	-	-	-	-	-	46,755	109,683	108,285	106,453
Total Business-Type Activities Program Revenues.....	<u>18,563,277</u>	<u>19,192,106</u>	<u>20,641,312</u>	<u>20,691,202</u>	<u>21,995,201</u>	<u>21,041,690</u>	<u>21,373,258</u>	<u>27,568,114</u>	<u>28,843,779</u>	<u>29,809,689</u>
Total Primary Government Program Revenues.....	<u>\$ 24,000,711</u>	<u>\$ 24,362,698</u>	<u>\$ 26,320,752</u>	<u>\$ 26,692,711</u>	<u>\$ 28,135,170</u>	<u>\$ 26,751,097</u>	<u>\$ 27,349,433</u>	<u>\$ 33,707,018</u>	<u>\$ 36,185,652</u>	<u>\$ 36,356,274</u>

CITY OF KIRKWOOD, MISSOURI
CHANGES IN NET POSITIONS (CONTINUED)
LAST TEN FISCAL YEARS

	Fiscal Year Ended March 31,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net (Expense)/Revenue:										
Governmental activities.....	\$ (18,637,182)	\$ (17,936,050)	\$ (16,329,155)	\$ (15,734,655)	\$ (17,343,578)	\$ (18,536,305)	\$ (18,885,681)	\$ (18,764,701)	\$ (18,717,500)	\$ (19,074,869)
Business-type activities.....	2,777,591	3,160,204	2,899,968	1,082,185	3,766,784	212,147	(6,455,625)	(2,401,440)	6,535,285	5,298,912
Total Primary Government Net Expense.....	\$ (15,859,591)	\$ (14,775,846)	\$ (13,429,187)	\$ (14,652,470)	\$ (13,576,794)	\$ (18,324,158)	\$ (25,341,306)	\$ (21,166,141)	\$ (12,182,215)	\$ (13,775,957)
General Revenues and Other Changes in Net Assets:										
Governmental Activities:										
Taxes:										
Property taxes.....	\$ 3,627,058	\$ 3,622,537	\$ 3,655,532	\$ 3,572,951	\$ 5,411,504	\$ 5,441,110	\$ 4,863,382	\$ 4,860,932	\$ 4,301,948	\$ 4,562,003
Sales taxes.....	10,106,266	10,603,863	10,405,908	10,392,675	9,767,468	8,988,315	8,986,499	8,576,654	8,818,010	9,236,068
Other taxes.....	5,249,945	5,317,410	5,660,985	5,844,636	6,619,817	7,047,854	7,135,966	7,060,839	7,005,351	7,217,597
Investment earnings.....	635,024	5,333	450,160	901,413	1,218,193	683,612	328,843	149,812	369,438	125,889
Gain/(loss) on sale of capital assets.....	(239,989)	-	24,377	60,499	109,682	92,921	-	24,571	70,873	-
Miscellaneous.....	398,675	421,097	354,300	478,194	386,453	391,449	417,228	494,988	349,562	403,990
Transfers.....	2,524,112	2,107,718	1,072,409	71,168	1,576,292	3,177,055	877,065	1,527,065	1,081,571	1,683,406
Total Government Activities.....	22,301,091	22,077,958	21,623,671	21,321,536	25,089,409	25,822,316	22,608,983	22,694,861	21,996,753	23,228,953
Business-Type Activities										
Investment earnings.....	773,357	4,759	846,432	1,759,153	2,736,571	1,128,570	519,343	267,698	531,897	300,843
Gain/(loss) on sale of capital assets.....	15,162	7,762	15,340	(1,552,062)	-	-	-	159,604	30,574	25,186
Transfers.....	(2,524,112)	(2,107,718)	(1,072,409)	(71,168)	(1,576,292)	(3,177,055)	(877,065)	(1,527,065)	(1,081,571)	(1,683,406)
Total Business-Type Activities.....	(1,735,593)	(2,095,197)	(210,637)	135,923	1,160,279	(2,048,485)	(357,722)	(1,099,763)	(519,100)	(1,357,377)
Total Primary Government.....	\$ 20,565,498	\$ 19,982,761	\$ 21,413,034	\$ 21,457,459	\$ 26,249,688	\$ 23,773,831	\$ 22,251,261	\$ 21,595,098	\$ 21,477,653	\$ 21,871,576
Change in Net Position:										
Governmental activities.....	\$ 3,663,909	\$ 4,141,908	\$ 5,294,516	\$ 5,586,881	\$ 7,745,831	\$ 7,286,011	\$ 3,723,302	\$ 3,930,160	\$ 3,279,253	\$ 4,154,084
Business-type activities.....	1,041,998	1,065,007	2,689,331	1,218,108	4,927,063	(1,836,338)	(6,813,347)	(3,501,203)	6,016,185	3,941,535
Total Primary Government.....	\$ 4,705,907	\$ 5,206,915	\$ 7,983,847	\$ 6,804,989	\$ 12,672,894	\$ 5,449,673	\$ (3,090,045)	\$ 428,957	\$ 9,295,438	\$ 8,095,619
Total Primary Government Net Position										
Governmental activities										
Net assets, beginning.....	\$ 18,401,147	\$ 22,065,056	\$ 26,870,407	\$ 32,124,393	\$ 37,711,274	\$ 45,413,669	\$ 56,021,414	\$ 59,744,716	\$ 63,674,876	\$ 66,954,129
Prior period adjustment.....	-	663,443	(40,530)	-	(43,436)	3,321,734	-	-	-	(131,056)
Net assets, beginning, as restated.....	18,401,147	22,728,499	26,829,877	32,124,393	37,667,838	48,735,403	56,021,414	59,744,716	63,674,876	66,823,073
Net assets, ending.....	22,065,056	26,870,407	32,124,393	37,711,274	45,413,669	56,021,414	59,744,716	63,674,876	66,954,129	70,977,157
Business-type activities										
Net assets, beginning.....	32,139,944	33,181,942	34,236,339	36,925,670	38,143,778	43,070,841	41,234,503	34,421,156	30,919,953	36,936,138
Prior period adjustment.....	-	(10,610)	-	-	-	-	-	-	-	(92,673)
Net assets, beginning, as restated.....	32,139,944	33,171,332	34,236,339	36,925,670	38,143,778	43,070,841	41,234,503	34,421,156	30,919,953	36,843,465
Net assets, ending.....	33,181,942	34,236,339	36,925,670	38,143,778	43,070,841	41,234,503	34,421,156	30,919,953	36,936,138	40,785,000
Total Primary Government.....	\$ 55,246,998	\$ 61,106,746	\$ 69,050,063	\$ 75,855,052	\$ 88,484,510	\$ 97,255,917	\$ 94,165,872	\$ 94,594,829	\$ 103,890,267	\$ 111,762,157

CITY OF KIRKWOOD, MISSOURI

PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	Fiscal Year Ended March 31,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Function/Program:										
Governmental Activities:										
General government and finance...	\$ 1,879,558	\$ 2,086,058	\$ 1,972,075	\$ 2,391,531	\$ 2,481,298	\$ 2,103,319	\$ 2,123,036	\$ 2,165,451	\$ 2,244,379	\$ 2,237,845
Engineering.....	32,341	64,133	78,510	123,015	116,740	77,255	52,050	75,545	75,125	84,645
Building commissioner.....	762,126	802,837	959,339	836,284	925,287	668,134	582,796	823,535	750,809	626,011
Police.....	179,652	244,557	278,861	240,227	296,892	395,856	378,783	447,086	655,922	430,280
Fire.....	749,689	558,272	541,927	471,630	651,217	690,494	590,515	676,579	728,835	787,223
Strcets.....	17,916	14,969	-	-	-	-	17,325	122,329	644,744	155,128
Parks.....	339,503	74,207	52,112	77,162	65,786	91,510	147,902	59,083	63,521	87,509
Recreation.....	1,476,649	1,325,559	1,796,616	1,861,660	1,602,749	1,682,839	2,083,768	1,769,296	2,178,538	2,137,944
Subtotal Governmental Activities.....	<u>5,437,434</u>	<u>5,170,592</u>	<u>5,679,440</u>	<u>6,001,509</u>	<u>6,139,969</u>	<u>5,709,407</u>	<u>5,976,175</u>	<u>6,138,904</u>	<u>7,341,873</u>	<u>6,546,585</u>
Business-Type Activities:										
Electric.....	13,474,074	13,311,734	14,136,937	13,956,969	15,037,603	14,221,834	14,278,400	19,989,393	20,632,374	21,373,776
Water.....	3,346,490	3,291,494	3,780,841	3,964,110	4,198,440	4,117,968	4,560,089	4,819,748	5,366,050	5,815,613
Sanitation.....	1,742,713	2,588,878	2,723,534	2,770,123	2,759,158	2,701,888	2,534,769	2,758,973	2,845,355	2,620,300
Subtotal Business-Type Activities....	<u>18,563,277</u>	<u>19,192,106</u>	<u>20,641,312</u>	<u>20,691,202</u>	<u>21,995,201</u>	<u>21,041,690</u>	<u>21,373,258</u>	<u>27,568,114</u>	<u>28,843,779</u>	<u>29,809,689</u>
Total Primary Government.....	<u>\$ 24,000,711</u>	<u>\$ 24,362,698</u>	<u>\$ 26,320,752</u>	<u>\$ 26,692,711</u>	<u>\$ 28,135,170</u>	<u>\$ 26,751,097</u>	<u>\$ 27,349,433</u>	<u>\$ 33,707,018</u>	<u>\$ 36,185,652</u>	<u>\$ 36,356,274</u>

CITY OF KIRKWOOD, MISSOURI

FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund:										
Nonspendable:										
Inventories.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71,342	\$ 75,303	\$ 76,868	\$ 73,950
Prepaid assets.....	-	-	-	-	-	-	6,062	8,072	3,897	13,391
Assigned to:										
Projected use of reserves.....	-	-	-	-	-	-	2,811,462	2,530,257	1,332,554	1,909,810
Unassigned.....	-	-	-	-	-	-	5,841,312	6,213,145	6,378,603	6,732,252
Reserved.....	98,765	77,801	70,936	69,125	80,441	81,193	-	-	-	-
Unreserved.....	2,487,963	2,684,763	3,723,530	3,602,703	6,534,191	8,719,619	-	-	-	-
Total General Fund.....	\$ 2,586,728	\$ 2,762,564	\$ 3,794,466	\$ 3,671,828	\$ 6,614,632	\$ 8,800,812	\$ 8,730,178	\$ 8,826,777	\$ 7,791,922	\$ 8,729,403
All Other Governmental Funds:										
Restricted for:										
Capital projects.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,217,404	\$ 2,465,998	\$ 2,415,994	\$ 2,331,658
Debt service.....	-	-	-	-	-	-	2,142,334	1,586,419	1,592,510	1,082,438
Law enforcement.....	-	-	-	-	-	-	130,511	104,620	236,162	100,630
Park operations.....	-	-	-	-	-	-	1,118,546	1,244,613	1,384,988	1,433,102
Police and fire pension.....	-	-	-	-	-	-	3,442,950	3,279,934	3,118,751	2,973,222
Sewer lateral.....	-	-	-	-	-	-	463,476	596,602	771,756	867,327
Special business district.....	-	-	-	-	-	-	164,190	204,396	191,749	179,592
TIF bonds and notes.....	-	-	-	-	-	-	669,766	680,217	354,091	371,996
Reserved.....	9,785,016	7,514,854	8,626,964	9,145,210	9,057,122	9,104,098	-	-	-	-
Unreserved, reported in:										
Special revenue funds.....	3,637,025	5,570,229	5,960,028	6,062,062	2,545,753	6,129,017	-	-	-	-
Total All Other Governmental Funds.....	\$ 13,422,041	\$ 13,085,083	\$ 14,586,992	\$ 15,207,272	\$ 11,602,875	\$ 15,233,115	\$ 13,349,177	\$ 10,162,799	\$ 10,066,001	\$ 9,339,965

CITY OF KIRKWOOD, MISSOURI

**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues:										
Taxes.....	\$ 18,980,757	\$ 19,521,960	\$ 19,734,860	\$ 19,786,041	\$ 21,715,753	\$ 21,417,215	\$ 20,427,387	\$ 20,489,250	\$ 20,231,294	\$ 20,939,301
Intergovernmental.....	329,674	336,019	354,689	500,815	768,934	436,572	461,501	522,915	479,014	509,761
Licenses, permits, fines, and fees.....	2,502,023	2,681,056	2,754,081	2,937,618	2,877,439	2,734,141	2,527,056	2,890,393	3,159,029	2,794,934
Interest on investments.....	558,083	9,769	408,716	839,394	1,173,612	659,439	310,834	139,449	341,129	112,395
Charges for services.....	2,065,442	1,858,815	1,916,124	2,046,020	2,194,020	2,229,822	2,234,267	2,312,891	2,376,950	2,513,499
Grants and contributions.....	355,000	40,850	341,738	227,450	-	-	452,828	116,893	1,044,132	431,590
Other.....	569,649	634,342	660,594	725,697	683,852	698,802	715,179	692,495	654,804	648,060
Total Revenues.....	25,360,628	25,082,811	26,170,802	27,063,035	29,413,610	28,175,991	27,129,052	27,164,286	28,286,352	27,949,540
Expenditures:										
General government.....	3,528,176	3,227,754	3,134,302	3,319,112	3,226,821	3,343,109	3,243,396	3,337,487	3,475,859	3,504,637
Purchasing.....	227,747	233,086	235,377	235,431	233,930	314,537	334,393	350,191	366,809	381,138
Engineering.....	421,229	439,124	352,496	355,279	306,993	292,086	375,395	337,229	332,089	331,305
Building maintenance.....	285,428	289,670	243,889	245,393	268,139	343,642	334,676	379,951	393,925	428,068
Building commissioner.....	551,471	605,929	589,390	620,905	593,720	610,481	636,016	635,226	579,708	580,761
Police.....	4,519,525	4,557,409	4,386,924	4,725,854	5,299,252	6,275,642	6,445,351	6,896,387	7,147,973	7,164,412
Fire.....	3,613,520	3,635,410	3,547,180	3,809,314	4,352,170	5,087,210	5,229,074	5,313,435	5,362,889	5,372,685
Streets.....	1,616,271	1,565,693	1,323,337	1,255,150	1,384,722	1,486,801	1,445,518	1,462,292	1,518,372	1,441,724
Recreation.....	1,544,317	1,526,889	1,603,019	1,672,268	1,844,051	1,880,742	1,912,785	1,987,716	2,027,186	2,057,419
Parks.....	834,946	898,517	865,626	889,524	1,012,809	1,079,354	1,174,145	1,211,238	1,229,760	1,301,437
Capital outlay.....	5,241,577	4,968,828	2,107,465	2,981,546	4,628,194	3,708,496	5,640,735	7,018,006	6,005,542	4,628,866
Debt service:										
Issuance Costs.....	-	-	-	-	-	-	58,700	-	-	113,813
Interest.....	3,450,843	2,038,944	1,523,784	1,427,706	1,217,210	1,990,000	840,620	2,155,000	567,047	407,148
Principal.....	5,616,728	3,570,000	4,965,000	5,194,000	7,390,000	983,744	2,099,204	737,681	1,640,000	1,419,000
Payments to escrow agent.....	-	-	-	-	-	-	311,200	-	-	-
Total Expenditures.....	31,451,778	27,557,253	24,877,789	26,731,482	31,758,011	27,395,844	30,081,208	31,821,839	30,647,159	29,132,413
Excess of revenues over (under) expenditures.....	(6,091,150)	(2,474,442)	1,293,013	331,553	(2,344,401)	780,147	(2,952,156)	(4,657,553)	(2,360,807)	(1,182,873)
Other Financing Sources (Uses):										
Issuance of refunding debt.....	23,853,982	-	-	-	-	-	4,185,000	-	-	5,000,000
Discount on refunding debt.....	-	-	-	-	-	-	(27,202)	-	-	-
Premium on refunding debt.....	-	-	-	-	-	-	-	-	-	63,818
Payments to escrow agent.....	(24,218,201)	-	-	-	-	-	(4,099,098)	-	-	(5,394,474)
Proceeds from sale of capital assets.....	165,367	43,047	173,846	94,921	149,952	137,484	61,819	40,709	147,382	41,568
Transfers in.....	3,184,112	2,855,118	1,553,354	621,168	2,763,332	2,003,159	1,860,288	2,132,530	3,424,009	2,517,630
Transfers out.....	(660,000)	(660,000)	(486,402)	(550,000)	(1,187,000)	(426,104)	(983,223)	(605,465)	(2,342,237)	(834,224)
Total Other Financing Sources (Uses).....	2,325,260	2,238,165	1,240,798	166,089	1,726,244	1,714,539	997,584	1,567,774	1,229,154	1,394,318
Net Change in Fund Balances.....	\$ (3,765,890)	\$ (236,277)	\$ 2,533,811	\$ 497,642	\$ (618,157)	\$ 2,494,686	\$ (1,954,572)	\$ (3,089,779)	\$ (1,131,653)	\$ 211,445
Debt service as a percentage of noncapital expenditures.....	33.3%	23.7%	27.6%	27.5%	31.3%	12.4%	11.9%	11.5%	8.8%	7.4%

CITY OF KIRKWOOD, MISSOURI

TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Sales & Use	Property	Utility Gross Receipts	Gasoline/Motor Vehicle Sales	Highway Road and Bridge	Franchise	Cigarette	Total
2004	\$ 10,106,266	\$3,624,547	\$ 3,274,556	\$ 1,120,592	\$ 531,181	\$ 219,136	\$ 104,479	\$ 18,980,757
2005	10,603,862	3,600,688	3,308,689	1,141,847	536,605	231,456	98,813	19,521,960
2006	10,405,908	3,667,967	3,578,144	1,124,626	621,368	238,436	98,411	19,734,860
2007	10,392,675	3,548,730	3,693,638	1,164,505	640,602	251,373	94,518	19,786,041
2008	9,767,468	5,328,468	4,400,733	1,119,624	772,018	237,210	90,232	21,715,753
2009	8,988,314	5,381,046	4,853,797	1,032,608	786,380	283,567	91,503	21,417,215
2010	8,429,854	4,861,566	4,966,983	1,017,004	741,313	333,332	77,335	20,427,387
2011	8,533,126	4,891,680	4,798,038	1,053,301	741,644	392,896	78,565	20,489,250
2012	8,889,445	4,331,358	4,786,762	1,022,331	721,122	403,980	76,296	20,231,294
2013	9,154,959	4,565,887	4,978,547	983,792	746,093	435,251	74,772	20,939,301
Change 2004-2013	-9.4%	26.0%	52.0%	-12.2%	40.5%	98.6%	-28.4%	10.3%

CITY OF KIRKWOOD, MISSOURI

ASSESSSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended March 31,</u>	<u>Residential Real Estate Property</u>	<u>Commercial Real Estate Property</u>	<u>Regular Personal Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>
2004	\$ 370,049,730	\$ 82,353,992	\$ 76,955,374	\$ 529,359,096	0.576	\$ 2,435,875,594	21.732
2005	373,661,390	84,036,011	73,220,755	530,918,156	0.573	2,448,935,663	21.680
2006	443,278,290	101,388,970	76,061,567	620,728,827	0.483	2,878,091,685	21.567
2007	455,574,140	99,361,195	80,129,604	635,064,939	0.478	2,948,675,219	21.537
2008	559,912,540	120,413,032	78,381,210	758,706,782	0.662	3,558,365,977	21.322
2009	565,433,950	118,665,747	79,119,443	763,219,140	0.664	3,584,180,684	21.294
2010	526,140,160	117,452,818	73,310,002	716,902,980	0.631	3,356,150,794	21.361
2011	529,101,680	117,221,517	66,185,197	712,508,394	0.624	3,349,638,373	21.271
2012	518,688,130	105,102,560	65,525,970	689,316,660	0.645	3,254,980,596	21.177
2013	535,251,010	105,038,340	71,502,050	711,791,400	0.636	3,359,882,994	21.185

Source: Office of the St. Louis County Assessor

Note: St. Louis County assesses property at approximately 19 percent of actual value for residential, 32 percent for commercial, and 33-1/3 of value for personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$100 of assessed value.

CITY OF KIRKWOOD, MISSOURI

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
City of Kirkwood Direct Rates:										
General Fund.....	\$ -	\$ -	\$ -	\$ -	\$ 0.276	\$ 0.276	\$ 0.280	\$ 0.274	\$ 0.293	\$ 0.295
Kirkwood Park Fund.....	0.133	0.136	0.130	0.130	0.130	0.130	0.132	0.127	0.138	0.139
Police and Firemen Retirement Fund.....	0.163	0.158	0.154	0.158	0.136	0.138	0.129	0.133	0.136	0.137
Debt Service Fund.....	0.280	0.279	0.199	0.190	0.120	0.120	0.090	0.090	0.078	0.065
Total Direct Rate.....	\$ 0.576	\$ 0.573	\$ 0.483	\$ 0.478	\$ 0.662	\$ 0.664	\$ 0.631	\$ 0.624	\$ 0.645	\$ 0.636
Overlapping Rates:										
County and State.....	0.610	0.610	0.588	0.588	0.588	0.588	0.553	0.553	0.553	0.553
Kirkwood Public Library.....	0.215	0.219	0.193	0.195	0.174	0.286	0.302	0.302	0.302	0.302
Special Business District.....	0.480	0.571	0.415	0.466	0.421	0.448	0.456	0.456	0.456	0.454
School Districts.....	4.814	4.882	4.777	5.081	5.179	5.042	5.236	5.400	5.520	5.516
Sewer Districts.....	0.135	0.135	0.129	0.129	0.127	-	-	0.160	0.166	0.148
Other.....	0.311	0.361	0.347	0.343	0.303	0.303	0.323	0.334	0.351	0.352

Source: St. Louis County Department of Revenue

CITY OF KIRKWOOD, MISSOURI

PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO

Tax Payer	2013			2004		
	Taxable Assessed Value	Rank	Percentage of Total City Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Assessed Value
Ashfield Active Living and Wellness.....	\$ 16,407,720	1	2.31 %	\$ -	-	- %
Kirkwood Commons LLC.....	5,533,320	2	0.78	5,244,760	1	0.99
Novus Investment LLC.....	4,752,770	3	0.67	4,769,200	2	0.90
Chaminade College Society.....	4,339,580	4	0.61	2,286,920	8	0.43
Kirkwood Station Acquisition LLC.....	4,124,580	5	0.58	-	-	-
Pioneer Place LLC.....	3,323,520	6	0.47	-	-	-
Lowe's Home Centers Inc.....	2,950,400	7	0.41	3,837,130	3	0.72
Mills Timberlake Apartments.....	2,896,360	8	0.41	2,740,090	6	0.52
Dayton Hudson Corporate.....	2,679,340	9	0.38	3,018,850	4	0.57
RJC Partnership LLC.....	2,625,600	10	0.37	-	-	-
Kirkwood Crossing LLC.....	-	-	-	2,749,040	5	0.52
Ameren UE (Union Electric).....	-	-	-	2,456,068	7	0.46
SBC Communications (Southwestern Bell).....	-	-	-	2,258,735	9	0.43
Greenbriar Apartments.....	-	-	-	1,816,420	10	0.34
Total.....	\$ 49,633,190		6.99 %	\$ 31,177,213		5.88 %

Source: Office of the St. Louis County Assessor

CITY OF KIRKWOOD, MISSOURI

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy			Total Collections to Date	
		Amount	Percentage of Levy	Delinquent Tax Collections	Amount	Percentage of Levy
2004	\$ 2,956,368	\$ 2,800,771	94.74 %	\$ 130,437	\$ 2,931,208	99.15 %
2005	2,943,062	2,786,164	94.67	123,238	2,909,402	98.86
2006	2,907,110	2,740,589	94.27	104,941	2,845,530	97.88
2007	2,909,397	2,759,671	94.85	121,636	2,881,307	99.03
2008	4,816,711	4,351,879	90.35	392,650	4,744,529	98.50
2009	4,950,386	4,439,169	89.67	486,148	4,925,317	99.49
2010	4,433,098	3,949,385	89.09	438,487	4,387,872	98.98
2011	4,405,908	3,973,019	90.17	360,390	4,333,409	98.35
2012	4,229,527	3,800,812	89.86	302,974	4,103,786	97.03
2013	4,467,045	3,961,521	88.68	-	3,961,521	88.68

Source: Office of the St. Louis County Assessor

CITY OF KIRKWOOD, MISSOURI

ELECTRICITY SOLD BY TYPE OF CUSTOMER (IN MEGAWATT HOURS)
LAST TEN FISCAL YEARS

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Type of Customer:										
Residential	92,118	93,947	103,135	101,909	105,280	97,988	96,092	114,458	101,132	102,392
Commercial by type										
Electric Primary	25,009	24,676	25,737	24,512	23,395	22,800	10,880	9,647	8,526	8,293
Small Commercial	33,754	35,081	37,310	37,684	44,684	43,365	42,292	45,693	40,244	38,694
Large User	<u>56,576</u>	<u>57,185</u>	<u>58,976</u>	<u>58,202</u>	<u>61,097</u>	<u>58,713</u>	<u>55,501</u>	<u>64,492</u>	<u>62,225</u>	<u>66,003</u>
Total	<u>207,457</u>	<u>210,889</u>	<u>225,158</u>	<u>222,307</u>	<u>234,456</u>	<u>222,866</u>	<u>204,765</u>	<u>234,290</u>	<u>212,127</u>	<u>215,382</u>
Total direct rate per megawatt hour.....	\$ 62.39	\$ 60.79	\$ 60.45	\$ 60.46	\$ 61.25	\$ 61.87	\$ 67.25	\$ 82.24	\$ 94.75	\$ 95.95

Source: City of Kirkwood Finance Department

CITY OF KIRKWOOD, MISSOURI

WATER SOLD BY TYPE OF CUSTOMER (IN HUNDRED CUBIC FEET)
LAST TEN FISCAL YEARS

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Type of Customer:										
Residential.....	978,133	953,555	1,067,935	1,032,301	1,110,604	904,757	884,399	953,661	965,730	1,078,098
Commercial.....	520,437	502,332	537,645	518,626	518,681	459,273	392,984	418,779	434,473	482,561
Total.....	<u>1,498,570</u>	<u>1,455,887</u>	<u>1,605,580</u>	<u>1,550,927</u>	<u>1,629,285</u>	<u>1,364,030</u>	<u>1,277,383</u>	<u>1,372,440</u>	<u>1,400,203</u>	<u>1,560,659</u>
Total direct rate per hundred cubic feet....	\$ 2.06	\$ 2.07	\$ 2.13	\$ 2.35	\$ 2.36	\$ 2.74	\$ 3.17	\$ 3.12	\$ 3.38	\$ 3.34

Source: City of Kirkwood Finance Department

CITY OF KIRKWOOD, MISSOURI

TAXABLE SALES BY INDUSTRY
LAST TEN FISCAL YEARS
(in thousands of dollars)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Apparel Stores	\$ 726	\$ 549	\$ 1,237	\$ 1,168	\$ 1,778	\$ 3,954	\$ 2,679	\$ 3,495	\$ 5,887	\$ 13,513
General Merchandise Stores	5,303	3,198	6,538	14,930	10,430	50,224	55,077	83,736	95,347	108,340
Food Stores	34,783	32,641	31,712	31,792	33,300	37,092	37,251	38,036	38,195	40,994
Eating and Drinking Establishments	27,854	31,937	33,048	35,267	37,571	46,377	48,539	47,728	48,987	50,192
Miscellaneous Retail Stores	45,096	44,706	41,598	42,840	41,156	37,674	43,359	45,756	48,150	49,093
Home Furnishings and Appliances	10,692	11,319	11,455	12,854	28,510	42,796	13,199	17,186	17,495	19,332
Building Material	6,749	8,185	7,371	7,649	9,303	21,036	44,924	45,171	50,833	48,325
Automotive Dealers and Gasoline Service	15,767	14,792	15,034	16,024	15,062	15,424	15,015	15,323	15,223	14,999
Automotive Repair Service and Garages	3,245	3,494	4,296	5,762	6,163	5,628	5,961	5,733	5,556	5,902
Construction-Special Trade Contractors	1,542	1,924	2,739	3,162	3,181	2,697	2,335	2,328	3,161	3,242
Printing, Publishing	770	1,038	1,226	1,143	879	743	584	483	430	360
Medical Instruments and Supplies	468	522	643	1,024	1,184	1,140	854	726	937	745
Miscellaneous Manufacturing Industry	184	105	295	287	125	176	364	318	484	406
Communication	19,938	18,915	18,122	19,138	19,679	19,641	21,493	20,660	17,520	14,681
Wholesale Trade-Durable Goods	2,491	2,433	3,168	3,260	3,374	2,227	2,184	2,061	2,428	2,417
Wholesale Trade-Nondurable Goods	27,658	10,379	15,696	9,058	8,173	18,370	21,690	21,843	21,131	18,890
Personal Services	2,546	1,683	1,853	3,347	3,318	3,615	3,079	3,162	2,754	3,089
Business Services	2,496	3,295	2,842	3,276	3,694	3,065	2,205	2,241	2,127	2,168
Health Services	598	562	549	691	672	837	704	959	901	1,250
Miscellaneous Services	14,585	15,858	13,639	9,965	11,900	8,970	2,807	2,490	2,575	2,826
All other industries	57,664	88,257	80,783	83,116	76,794	61,541	52,397	52,174	55,967	58,171
Total	\$281,155	\$ 295,792	\$ 293,844	\$ 305,753	\$ 316,246	\$ 383,227	\$ 376,700	\$ 411,609	\$ 436,088	\$ 458,935
City Direct Sales Tax Rate	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%

Source: St. Louis County Department of Revenue and Missouri Department of Revenue

NOTE: Industry categories that contain six (6) or less entities are not reported separately due to confidentiality purposes. Total taxable sales for these industries are reported under "All other industries."

Kirkwood Commons TIF District's taxable sales have been excluded. The Kirkwood Commons TIF district sales tax revenue is shared with other taxing authorities within St. Louis County.

CITY OF KIRKWOOD, MISSOURI

DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
City of Kirkwood Direct Rates:										
General Corporate Sales Tax.....	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Local Option Use Tax.....	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Capital Improvement Sales Tax.....	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Park and Stormwater Sales Tax.....	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Subtotal Direct Rate.....	<u>2.25</u>									
Overlapping Rates:										
State.....	4.225	4.225	4.225	4.225	4.225	4.225	4.225	4.225	4.225	4.225
St. Louis County Transportation.....	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Mass Transit Tax/Metrolink.....	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.750	0.750	0.750
St. Louis County Regional Parks & Trails....	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Children's Service Fund.....	-	-	-	-	-	-	0.250	0.250	0.250	0.250
Emergency Communitations.....	-	-	-	-	-	-	-	0.100	0.100	0.100
Subtotal Overlapping Rate.....	<u>5.075</u>	<u>5.075</u>	<u>5.075</u>	<u>5.075</u>	<u>5.075</u>	<u>5.075</u>	<u>5.325</u>	<u>5.925</u>	<u>5.925</u>	<u>5.925</u>
Total Sales Tax Rate.....	<u><u>7.325</u></u>	<u><u>7.325</u></u>	<u><u>7.325</u></u>	<u><u>7.325</u></u>	<u><u>7.325</u></u>	<u><u>7.325</u></u>	<u><u>7.575</u></u>	<u><u>8.175</u></u>	<u><u>8.175</u></u>	<u><u>8.175</u></u>

Source: St. Louis County Department of Revenue and Missouri Department of Revenue

NOTE: Kirkwood has a new development that council approved a 1% transportation development district tax. The development is a one block area in downtown Kirkwood.

CITY OF KIRKWOOD, MISSOURI

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Leasehold Revenue Bonds	Certificates of Participation	Tax Increment Revenue Bonds and Notes	General Obligation Bonds	Certificates of Participation				
2004	\$ 10,886,457	\$ 9,960,278	\$ -	\$ 19,019,640	\$ 75,000	\$ -	\$ 39,941,375	4.57%	\$ 1,462	
2005	9,246,249	9,466,285	-	17,695,684	25,000	-	36,433,218	4.17%	1,333	
2006	8,536,041	8,887,292	-	14,077,932	-	4,085,000	35,586,265	4.07%	1,302	
2007	7,765,833	8,298,299	-	10,297,190	-	3,876,625	30,237,947	3.46%	1,107	
2008	6,955,625	7,704,306	-	4,687,204	-	3,771,039	23,118,174	2.64%	846	
2009	6,065,416	7,095,313	-	4,197,204	-	3,665,454	21,023,387	2.40%	769	
2010	4,853,376	6,476,320	-	3,668,000	-	9,973,395	24,971,091	2.85%	914	
2011	3,867,260	5,842,327	-	3,168,000	-	9,629,345	22,506,932	2.57%	817	
2012	3,491,352	5,193,334	-	2,608,000	-	9,280,296	20,572,982	1.62%	747	
2013	3,310,000	-	4,299,701	2,364,000	-	9,066,442	19,040,143	1.50%	691	

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

^a Percentage of personal income for Fiscal Years 2004-2013 is based on the U.S. Census Bureau's 2000 Census. See page 123 for personal income and population data.

CITY OF KIRKWOOD, MISSOURI

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Tax Value of Property ^a	Per Capita ^b
2004	\$ 10,886,457	\$ 854,375	\$ 10,032,082	0.41%	\$ 367
2005	9,246,249	2,108,407	7,137,842	0.29%	261
2006	8,536,041	2,215,823	6,320,218	0.22%	231
2007	7,765,833	2,329,035	5,436,798	0.18%	199
2008	6,955,625	2,267,065	4,688,560	0.13%	172
2009	6,065,416	2,028,054	4,037,362	0.11%	148
2010	4,853,376	1,266,492	3,586,884	0.11%	131
2011	3,867,260	710,576	3,156,684	0.09%	115
2012	3,491,352	716,667	2,774,685	0.09%	101
2013	3,310,000	655,068	2,654,932	0.08%	96

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

^a Property value data can be found on page 110: Assessed Value and Actual Value of Taxable Property.

^b Population data can be found on page 123: Demographic and Economic Statistics.

CITY OF KIRKWOOD, MISSOURI

LEGAL DEBT MARGIN INFORMATION
(DOLLARS IN THOUSANDS)
LAST TEN FISCAL YEARS

	Tax Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Assessed valuation.....	<u>\$529,359</u>	<u>\$530,918</u>	<u>\$620,729</u>	<u>\$635,065</u>	<u>\$758,707</u>	<u>\$763,219</u>	<u>\$716,903</u>	<u>\$712,508</u>	<u>\$689,317</u>	<u>\$711,791</u>
Debt limit - 10% of assessed valuation.....	\$ 52,936	\$ 53,092	\$ 62,073	\$ 63,507	\$ 75,871	\$ 76,322	\$ 71,690	\$ 71,251	\$ 68,932	\$ 71,179
Amount of debt applicable to debt limit:										
Total general obligation bonded debt.....	10,886	9,246	8,536	7,766	6,956	6,065	4,853	3,867	3,491	3,310
Less: Amount related to street improvements.....	(995)	-	-	-	-	-	-	-	-	-
Less: Amount available in debt service fund..... ^a	<u>(854)</u>	<u>(2,108)</u>	<u>(2,216)</u>	<u>(2,329)</u>	<u>(2,267)</u>	<u>(2,028)</u>	<u>(1,267)</u>	<u>(710)</u>	<u>(716)</u>	<u>(655)</u>
Bonded indebtedness applicable to debt limit.....	<u>9,037</u>	<u>7,138</u>	<u>6,320</u>	<u>5,437</u>	<u>4,689</u>	<u>4,037</u>	<u>3,586</u>	<u>3,157</u>	<u>2,775</u>	<u>2,655</u>
Legal Debt Margin..... ^b	<u>\$ 43,899</u>	<u>\$ 45,954</u>	<u>\$ 55,753</u>	<u>\$ 58,070</u>	<u>\$ 71,182</u>	<u>\$ 72,285</u>	<u>\$ 68,104</u>	<u>\$ 68,094</u>	<u>\$ 66,157</u>	<u>\$ 68,524</u>
Legal debt margin as a percentage of the debt limit..... ^c	82.93%	86.56%	89.82%	91.44%	93.82%	94.71%	95.00%	95.57%	95.97%	96.27%

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

^aAmount available in debt service fund.

^bUnder the statutes of the State of Missouri, the limit of bonded indebtedness is 10% of the most recent assessed valuation.

^cThe legal debt margin is the City's available borrowing authority under the statutes of the State of Missouri and is calculated by subtracting the net debt applicable to the legal debt limit from the legal debt limit.

CITY OF KIRKWOOD, MISSOURI

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF MARCH 31, 2013

Governmental Unit	Debt Outstanding ^a	Estimated Percentage Applicable ^b	Estimated Share of Overlapping Debt ^c
St. Louis County.....	\$ 63,340,000	3.18%	\$ 2,014,212
Kirkwood School District.....	40,665,000	57.99%	23,581,634
Subtotal, Overlapping Debt.....			25,595,846
City of Kirkwood, Direct Debt			
General obligation bonds.....			3,310,000
Certificate of Participation.....			4,245,000
Tax Increment Revenue notes.....			2,364,000
Subtotal, Direct Debt.....			9,919,000
Total Direct and Overlapping Debt.....			<u>\$ 35,514,846</u>

Source: Bond amounts were provided by the respective taxing districts or publicly available documents. Assessments were provided by the Office of the St. Louis County Collector.

^a Excludes overlapping taxing districts with assessed valuations applicable to the City that are less than 1%.

^b Estimated based on 2012 real and personal property.

^c Excludes lease obligations of overlapping taxing districts and taxing districts whose assessed valuation represents less than 1% of the City's total assessment.

CITY OF KIRKWOOD, MISSOURI

PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year Ended March 31,	Tax Increment Financing Bonds and Notes						
	Revenue Sources				Debt Service		Coverage
	Property Tax	Sales Tax	Business License Revenue	Total Available Revenue	Principal	Interest	
2004	\$ 1,196,921	\$ 2,569,026	\$ 127,688	\$ 3,893,635	\$ 2,495,000	\$ 1,539,171	0.97
2005	1,360,770	2,890,779	261,706	4,513,255	1,435,000	1,083,696	1.79
2006	1,665,841	2,806,755	198,685	4,671,281	3,675,000	682,267	1.07
2007	1,557,119	2,642,021	187,493	4,386,633	3,834,000	666,247	0.97
2008	1,395,068	1,358,561	186,271	2,939,900	5,985,000	496,623	0.45
2009	404,165	418,445	183,805	1,006,415	490,000	386,690	1.15
2010	326,916	314,685	183,826	825,427	529,204	350,394	0.94
2011	350,119	344,600	177,368	872,087	500,000	290,605	1.10
2012	39,764	325,303	171,067	536,134	560,000	250,268	0.66
2013	-	291,430	165,348	456,778	244,000	216,530	0.99

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

CITY OF KIRKWOOD, MISSOURI

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

Year	Population	Personal Income (thousand of dollars)	Per Capita Personal Income	Median Age ^a	Education Level		School Enrollment	Unemployment Rate
					High School Graduate (%)	Bachelor's Degree or Higher (%)		
2003	27,324	\$ 874,696	\$ 32,012	41.0	42.7%	51.5%	5,109	3.5%
2004	27,324						5,027	3.6%
2005	27,324						4,995	3.5%
2006	27,324						4,995	3.0%
2007	27,324						4,975	3.9%
2008	27,324						5,026	5.9%
2009	27,324						5,000	7.5%
2010	27,540						5,083	8.7%
2011	27,540						5,132	5.1%
2012	27,540	\$ 1,266,675	\$ 45,994		96.0%	59.4%	5,554	6.3%

Source: U.S. Census Bureau of Labor Statistics, *2007-2011 American Community Survey, 5-Year Estimates* and Kirkwood School District

^aMedian age was not available.

CITY OF KIRKWOOD, MISSOURI

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	Product or Service	2013		2004	
		Employees	Rank	Employees	Rank
Kirkwood School District R-7.....	Education	717	1	643	2
Junior College District of St. Louis, St. Louis County Missouri.....	Education	432	2	509	4
The Lutheran Church-Missouri Synod.....	Church Headquarters	343	3	554	3
City of Kirkwood.....	City Government	307	4	267	7
Shop 'n Save Supermarket.....	Retail Grocer	188	5	275	6
Wal-Mart.....	Retail	142	6	400	5
Ashfield Active Living and Wellness.....	Retirement Residence	129	7	-	-
Schnuck Markets, Inc.....	Retail Grocer	90	8	-	-
St. Agnes Home.....	Long-Term Care	86	9	85	10
Lowe's.....	Retail	85	10	200	8
AT&T (Formerly SBC Communications).....	Telephone	-	-	85	10
St. Joseph Hospital.....	Health Care	-	-	961	1
Target.....	Retail	*	-	190	9
Total.....		<u>2,519</u>		<u>4,169</u>	

Source: Office of the Chief Administrative Officer

Note: Percentage of total city employment column has been omitted for both 2013 and 2004 because accurate information is unavailable.

* Target has historically ranked around the 5th to 7th major employer but has made it a policy decision not to disclose this information.

CITY OF KIRKWOOD, MISSOURI

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

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General government:										
City clerk.....	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0
Administration.....	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3	4.3
MIS ^a	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Personnel.....	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Community development.....	2.0	2.0	-	-	-	-	-	-	-	-
Finance ^b	9.0	8.0	7.5	7.5	7.5	7.5	7.5	7.5	7.5	8.0
Municipal court.....	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.5	2.5
Special Business District.....	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.3	2.6
Purchasing.....	4.0	4.0	3.5	3.8	3.0	3.8	4.3	4.3	4.5	4.5
Engineering ^c	5.0	5.0	4.0	4.0	3.0	5.0	5.0	5.0	5.0	5.0
Building maintenance.....	3.5	3.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Building commissioner.....	9.6	9.6	9.6	9.6	8.3	8.0	8.0	7.0	7.2	7.3
Police:										
Commissioned Officers.....	56.0	55.0	53.0	53.0	52.0	56.0	58.0	59.0	60.0	60.0
Civilians.....	12.1	12.6	8.0	13.5	13.5	14.0	11.8	13.3	13.0	13.0
Fire:										
Officers, firefighters, and EMS.....	45.0	43.0	41.0	41.0	46.0	45.0	46.0	46.0	46.0	46.0
Civilians.....	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Streets.....	21.0	19.0	17.0	11.0	13.0	14.0	13.0	13.0	12.0	12.0
Parks.....	12.3	12.3	12.0	12.5	11.5	10.8	12.7	12.3	12.3	12.5
Recreation.....	18.8	19.3	18.0	25.3	18.7	18.8	17.5	18.8	17.0	17.0
Electric.....	20.5	19.5	18.5	20.5	22.0	21.0	21.0	21.0	21.0	21.0
Water.....	19.5	19.5	18.5	12.5	13.0	15.0	16.0	18.0	17.0	18.0
Sanitation ^d	20.3	18.8	16.8	20.0	18.6	19.0	20.6	17.8	16.0	17.8
Workers compensation.....	1.0	1.0	1.0	-	1.0	1.0	1.0	1.0	1.0	1.0
Fleet services.....	9.8	6.8	6.8	6.8	6.8	6.8	7.3	7.3	7.0	7.0
Total.....	287.8	277.3	256.1	261.9	258.8	267.5	271.6	273.2	268.6	272.5

Source: City of Kirkwood Finance Department

^aEffective FY2000 GIS technician position included in MIS is funded by the Water Fund.

^bOffice manager, (2) utility billing clerks, and customer service representative included in Finance are funded equally by the Electric, Water, and Sanitation Funds.

^cDirector of Public Works included in Engineering is funded 40% by Sanitation.

^dDirector of Public Works included in Engineering is funded 40% by Sanitation.

CITY OF KIRKWOOD, MISSOURI

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General government:										
Business/Liquor Licenses Issued.....	977	1,076	1,084	1,082	1,050	1,067	1,054	1,096	1,056	1,110
AP Checks Issued.....	7,376	6,877	5,403	5,278	5,453	5,455	4,875	4,754	4,838	4,466
Electronic Vendor Payments Processed.....	-	-	-	-	-	-	419	600	571	536
Payroll Checks Issued.....	2,898	2,340	170	140	165	147	128	122	125	42
Purchasing:										
Purchase Orders Issued.....	515	629	546	579	673	828	865	884	989	998
Invoices Processed.....	2,004	2,635	2,255	1,699	1,465	1,928	1,973	2,325	2,297	2,371
Formal Bids.....	74	71	45	54	78	54	93	100	187	197
Engineering:										
Concrete Street Replacement (Square Yds).....	8,290	3,350	6,580	6,800	7,171	7,293	13,226	13,570	16,499	20,385
Asphaltic Concrete Overlays (Tons) ^a	*	5,390	3,235	5,480	10,770	6,247	9,464	124,227	8,667	46,320
Planning & Zoning Applications including										
Performance Guarantee Administration.....	31	26	41	37	26	25	22	20	31	22
Excavation Deposits.....	138	178	268	302	253	84	141	148	162	200
Sewer Lateral Insurance Applications.....	122	138	123	141	144	144	94	140	120	141
Single Family Site Plan Reviews.....	47	66	75	69	58	30	25	19	28	41
Building Maintenance:										
Work Orders Completed.....	345	276	266	276	370	499	525	812	491	726
Building Commissioner:										
Cost Recovery Rate.....	146%	131%	162%	134%	156%	109%	92%	143% ^g	130%	108%
Permits Issued:										
Building.....	2,540	2,998	2,933	2,665	2,600	2,162	1,952	1,943	1,994	676
Occupancy.....	1,444	1,343	1,396	1,303	1,517	1,331	1,461	1,517	1,544	1,471
Inspections Performed:										
Construction.....	6,049	7,531	7,804	6,383	7,229	5,862	5,079	4,755	5,267	5,532
Re-Occupancy.....	2,926	3,033	3,024	2,776	2,809	2,429	2,856	3,026	3,049	2,746
Board of Adjustment Cases.....	28	43	60	39	60	24	14	19	25	27
Architectural Review Cases.....	94	72	76	57	66	68	43	57	49	204
Police:										
Number of Calls.....	18,186	19,396	21,424	21,877	21,495	20,712	18,442	18,451	20,893	22,929
Number of Code Violation Complaints.....	1,662	1,684	1,701	1,946	1,948 ^f	1,011	2,578	2,999	1,694	2,109

CITY OF KIRKWOOD, MISSOURI

OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN FISCAL YEARS

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Fire:										
Number of Calls.....										
Fire.....	1,042	1,051	1,038	1,454	1,282	1,305	1,170	1,234	1,317	1,096
EMS.....	2,109	1,980	1,818	2,036	2,185	2,236	2,207	2,180	2,703	2,568
Percentage of "At Risk" Property Saved.....	95.58%	98.26%	97.52%	97.91%	96.34%	97.55%	95.71%	93.24%	97.74%	98.98%
Streets:										
Maintenance - Asphaltic Concrete (Tons).....	1,393	1,321	1,314	768	541	426	866	15,462	440	424
Maintenance - Crack Seal after FY2003 (Pounds).....	10,656	15,984	15,145	10,656	-	1,332	4,107	2,143	4,847	4,551
Ground/Forestry Maintenance (Hours).....	1,775	1,377	3,343	5,499	2,336	3,269	3,053	4,137	4,804	5,067
Snow Removal:										
Salt Used (Tons).....	3,219	649	791	2,375	3,598	1,548	1,920	3,413	919	1,206
Labor (Hours).....	1,218	278	528	1,437	2,122	1,490	1,163	1,809	469	1,173
Parks:										
Park Maintenance Cost per Acre.....	\$ 2,738	\$ 2,946	\$ 2,734	\$ 2,916	\$ 3,072	\$ 3,493	\$ 3,617	\$ 3,719	\$ 3,739	\$ 3,941
Recreation:										
Aquatic Facility Attendance.....	75,151	61,581	76,947	73,934	75,283	71,812	62,995	74,014	67,519	61,754
Ice Rink Facility Attendance.....	26,818	25,081	28,422	26,732	24,982	26,073	28,383	27,623	33,734	37,528
Cost Recovery Rate.....	89%	85%	91%	90%	87%	86%	90%	85%	84%	87%
Electric:										
Number of Customer Accounts:										
Residential.....	8,648	8,759	8,960	8,956	8,825	8,832	8,948	8,804	8,763	8,878
Commercial.....	1,069	1,079	1,088	1,095	1,354	1,317	1,405	1,349	1,259	1,276
Personnel Cost/Customer Accounts.....	\$ 141	\$ 147	\$ 146	\$ 158	\$ 176	\$ 167	\$ 174	\$ 185	\$ 188	\$ 196
Distribution Cost Per Circuit Line Mile ^b	*	\$ 4,814	\$ 5,868	\$ 12,737 ^t	\$ 13,097	\$ 13,555	\$ 11,490	\$ 11,552	\$ 18,088	\$ 20,475
Water:										
Number of Customer Accounts:										
Residential.....	9,509	9,448	9,392	9,513	9,497	9,468	9,633	9,465	9,252	9,470
Commercial.....	816	811	816	825	830	828	836	831	801	832
Personnel Cost/Customer Accounts.....	\$ 116	\$ 123	\$ 125	\$ 127	\$ 98	\$ 120	\$ 124	\$ 137	\$ 144	\$ 135

CITY OF KIRKWOOD, MISSOURI

OPERATING INDICATORS BY FUNCTION/PROGRAM (CONTINUED)
LAST TEN FISCAL YEARS

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Sanitation:										
Number of Customer Accounts										
Residential.....	9,406	9,436	9,344	9,259	9,297	9,247	9,275	9,338	9,324	9,325
Commercial.....	162	164	156	152	151	145	144	150	144	150
Personnel Cost/Customer Accounts ^c	\$ 89	\$ 92	\$ 119	\$ 103	\$ 114	\$ 124	\$ 122	\$ 121	\$ 117	\$ 115
Material Collected:										
Recycling Material Collected (Tons).....	3,641	3,730	3,534	3,765	3,850	3,096	2,733	2,929	4,163	4,162
Waste Disposal (Tons).....	11,389	11,225	10,744	10,622	10,082	9,228	8,923	8,378	6,974	6,737
Landfill Diversion Rate (% Recycled/Total).....	24%	25%	25%	26%	28%	25%	23%	26%	37%	38%
Yard Waste (Cubic Yards).....	7,756	7,261	7,135	9,054 ^e	6,155	7,724	6,955	7,034	7,814	6,437
Workers Compensation ^d :										
Number of Claims.....	58	68	41	47	92	52	31	21	15	43
Average Cost per Claim.....	\$ 15,335	\$ 9,801	\$ 32,376	\$ 23,420	\$ 14,415	\$ 15,936	\$ 24,580	\$ 12,459	\$ 5,511	\$ 9,648
Fleet Services:										
Average Age of Vehicles.....	4.6	5.4	6.5	7.0	6.9	9.7	8.4	6.2	6.2	6.1
Maintenance Cost per Vehicle.....	\$ 5,864	\$ 5,578	\$ 5,925	\$ 5,363	\$ 6,139	\$ 6,339	\$ 5,827	\$ 6,115	\$ 6,139	\$ 7,084

Source: Various city departments

* Data not available.

^aFiscal Year 2005 is the first fiscal year for asphaltic concrete overlays.

^bFiscal Year 2005 is the first year the city is using distribution costs per circuit line mile.

^cBeginning Fiscal Year 2004, Sanitation funded 1/3 of the salaries for office manager, (2) utility billing clerks, and customer service representative.

^dSelf insurance started Fiscal Year 2002.

^eThree major storms during FY2007 contributed to increase in Electric distribution cost per mile and Sanitation yard waste.

^fBeginning Fiscal Year 2008, code enforcement was transferred from the Building Commissioner's Department to the Police Department.

^gIncludes permit for Aberdeen of \$282,456

CITY OF KIRKWOOD, MISSOURI

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government:										
Vehicles.....	2	2	2	2	2	2	2	2	2	2
Purchasing:										
Vehicles.....	1	1	1	1	1	1	2	2	1	1
Engineering:										
Vehicles.....	3	3	3	3	3	3	4	3	3	3
Building Maintenance:										
Vehicles.....	2	2	2	2	2	4	3	2	2	2
Building commissioner:										
Vehicles.....	5	5	5	5	4	4	4	4	4	4
Police:										
Stations.....	1	1	1	1	1	1	1	1	1	1
Vehicles.....	27	31	27	27	23	25	29	27	28	29
Fire:										
Stations.....	3	3	3	3	3	3	3	3	3	3
Vehicles.....										
Pumpers.....	3	3	3	3	4	4	4	4	3	3
Aerial Ladder.....	2	2	2	2	1	1	1	1	1	1
Ambulance.....	2	2	2	2	2	2	4	4	4	4
Hazmat/Rescue/Utility.....	2	2	2	2	2	2	2	2	2	2
Command Vehicles.....	4	4	4	4	4	4	4	4	4	4
Streets:										
Miles of Streets.....	109	109	109	109	109	109	109	109	221	221
Miles of Sidewalks.....	111	111	111	111	111	111	111	111	111	111
Vehicles.....	25	25	21	21	21	19	22	21	21	20
Parks and Recreation:										
Acres of Parks.....	305	305	305	305	309	325	325	326	330	330
Community Center.....	1	1	1	1	1	1	1	1	1	1
Outdoor Amphitheater.....	1	1	1	1	1	1	1	1	1	1
Aquatic Facility.....	1	1	1	1	1	1	1	1	1	1
Enclosed Ice Rink.....	1	1	1	1	1	1	1	1	1	1
Ball Diamonds.....	8	8	8	8	8	8	8	8	8	8
Tennis Courts.....	10	10	10	10	10	10	10	10	10	10
Handball Courts.....	2	2	2	2	2	2	2	2	2	2
Vehicles.....	12	12	12	12	12	12	16	14	14	12

CITY OF KIRKWOOD, MISSOURI

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

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Electric:										
Substations.....	6	6	6	6	6	6	6	6	6	6
Miles of Line.....	132	132	132	132	132	132	132	132	132	132
Street Lights.....	2,316	2,316	2,316	2,316	2,316	2,316	2,316	2,316	2,316	2,316
Traffic Lights.....	121	121	121	121	121	121	121	121	121	121
Vehicles.....	13	13	13	13	12	12	12	14	14	16
Water:										
Water Treatment Plant ^a	1	1	1	-	-	-	-	-	-	-
Pumping Stations.....	3	3	3	6	6	6	6	6	6	6
Inter Connect Valves.....	-	-	-	2	2	2	2	2	2	2
Miles of Water Line.....	135	135	135	135	135	135	135	135	135	135
Vehicles.....	11	16	16	16	14	14	17	15	15	15
Sanitation:										
Collection Trucks.....	8	8	8	8	8	8	8	8	8	8
Other Vehicles.....	4	4	4	4	4	4	6	4	4	4
Recycling Equipment.....	4	4	4	4	4	4	4	4	4	4
Worker Compensation:										
Vehicles.....	1	1	-	-	-	-	-	-	-	-
Fleet Services:										
Vehicles.....	4	4	4	4	4	4	2	5	4	4

Source: Various city departments

^aWater department ceased treating water during FY2007 and the treatment plant was dismantled.