

Comprehensive Annual Financial Report

For Fiscal Year Ended
March 31, 2014



Kirkwood Special Business District

City of Kirkwood, Missouri

CITY OF KIRKWOOD, MISSOURI
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED MARCH 31, 2014



Report issued by the Finance Department

John R. Adams
Director of Finance

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**City of
Kirkwood**

Introductory Section

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WHERE COMMUNITY AND SPIRIT MEET

September 15, 2014

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 (City), Missouri, for the fiscal year ended March 31, 2014, 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 Officer's 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 generally accepted accounting principles promulgated by the Governmental Accounting Standards Board. It is our belief that the accompanying Fiscal Year 2014 Financial Report meets these program standards, and it will be submitted to the Government Finance Officer's 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 generation which has come online. This generation will hopefully assist Kirkwood in stabilizing electric costs. The contracts and weather volatility of the Electric operations poses a significant challenge for the Electric Fund, the 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.

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.

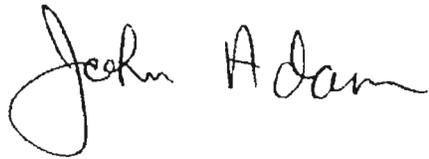
AWARDS AND ACKNOWLEDGEMENTS

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, 2013. 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 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,

A handwritten signature in black ink that reads "John Adams". The signature is written in a cursive style with a large, looping initial "J" and a long, sweeping underline.

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

David Weidler

Purchasing Director

Kevin Campe

Information Systems Director

Jack Plummer

Police Chief

Thomas Openlander

Fire Chief

Todd Rehg

Public Works Director

Mark Petty

Electric Director

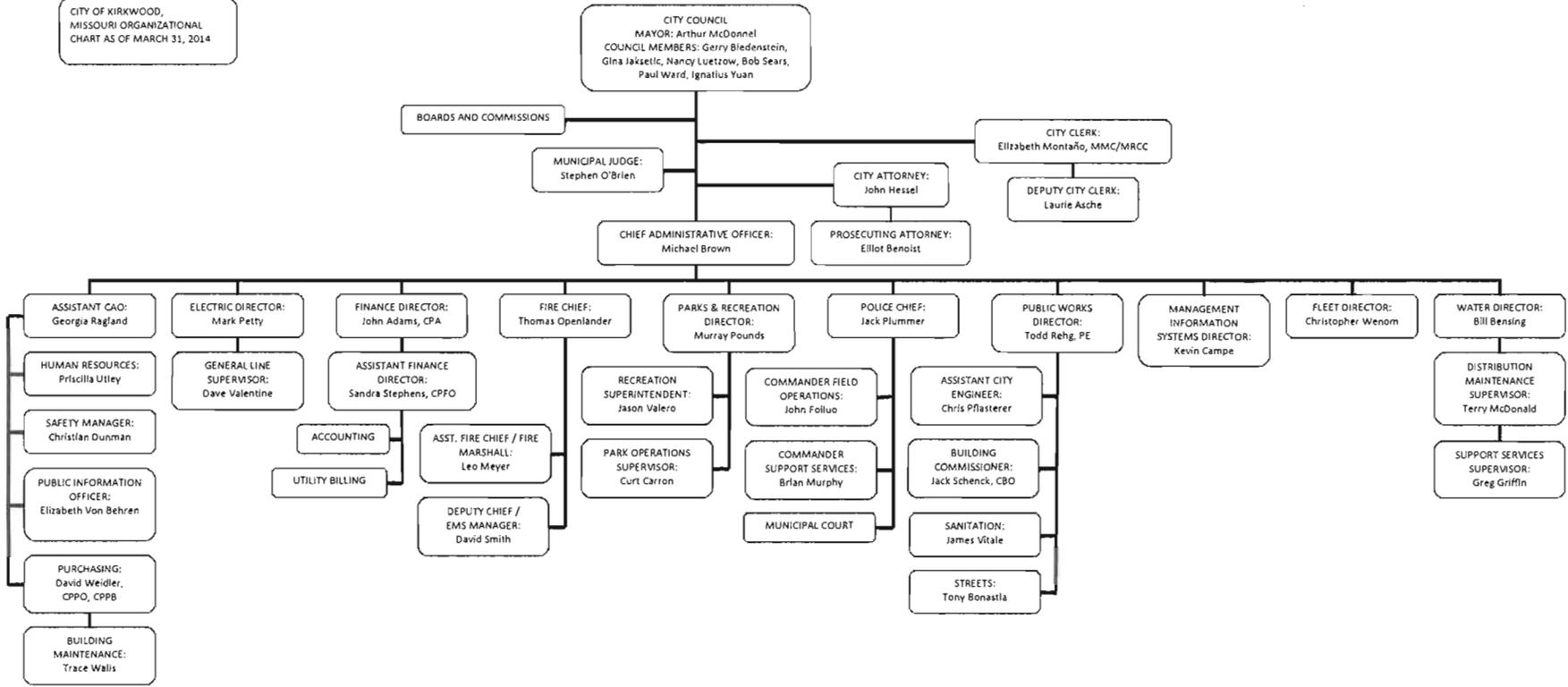
Bill Bensing

Water Director

Murray Pounds

Parks and Recreation Director

CITY OF KIRKWOOD,
MISSOURI ORGANIZATIONAL
CHART AS OF MARCH 31, 2014





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, 2013

Executive Director/CEO

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**City of
Kirkwood**

Financial Section



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

INDEPENDENT AUDITOR'S REPORT

September 15, 2014

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, 2014, 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, 2014, 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 Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary 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 supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary 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 supplementary 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 supplementary 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 15, 2014 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, 2014

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, 2014. 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 of the CITY OF KIRKWOOD exceeded its liabilities at the close of the most recent fiscal year by \$114,744 (*net position*). Of this amount, \$65,994 is invested in capital assets, net of related debt; \$37,729 (*unrestricted net positions*) may be used to meet the government's ongoing obligations to citizens and creditors. While \$11,021 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 \$18,635, an increase of \$566 in comparison with the prior year. A total of \$7,276 is *available for spending* at the government's discretion (*unassigned fund balance*). While \$11,359 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 \$8,780, or 43 percent of total general fund annual 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, 2014

Overview of Financial Statements (continued)

Government-wide 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, 2014

Overview of Financial Statements (continued)

Governmental Funds (continued)

The CITY OF KIRKWOOD maintains 10 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, workers' compensation program and to self-insure for our healthcare needs. 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, 2014

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 74 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 75 through 81 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 82 through 100 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 \$114,744 at the close of the most recent fiscal year.

By far the largest portion of the CITY OF KIRKWOOD'S net positions (58 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 (33 percent).

The following table reflects the condensed statement of net position as of March 31, 2014:

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2014

City of Kirkwood's Net Position

	<u>Governmental</u> Activities		<u>Business-type</u> Activities		<u>Total</u>	
	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>
Current and other assets	\$23,130	\$24,309	\$30,361	\$31,063	\$ 53,491	\$ 55,372
Capital assets	<u>60,247</u>	<u>60,288</u>	<u>20,167</u>	<u>22,122</u>	<u>80,414</u>	<u>82,410</u>
Total Assets	<u>83,377</u>	<u>84,597</u>	<u>50,528</u>	<u>53,185</u>	<u>133,905</u>	<u>137,782</u>
Deferred Outflow of Resources						
Deferred charge on Refunding	<u>325</u>	<u>269</u>	<u>146</u>	<u>138</u>	<u>471</u>	<u>407</u>
Long-term liabilities outstanding	10,352	8,927	9,143	10,495	19,495	19,422
Other liabilities	<u>2,373</u>	<u>2,956</u>	<u>746</u>	<u>1,068</u>	<u>3,119</u>	<u>4,024</u>
Total Liabilities	<u>12,725</u>	<u>11,883</u>	<u>9,889</u>	<u>11,563</u>	<u>22,614</u>	<u>23,446</u>
Net Position						
Net investment in capital assets	52,963	54,137	11,247	11,857	64,210	65,994
Restricted	9,340	10,346	675	675	10,015	11,021
Unrestricted	<u>8,674</u>	<u>8,500</u>	<u>28,863</u>	<u>29,229</u>	<u>37,537</u>	<u>37,729</u>
Total Net Position	<u>\$70,977</u>	<u>\$72,983</u>	<u>\$40,785</u>	<u>\$41,761</u>	<u>\$111,762</u>	<u>\$114,744</u>

A portion of the CITY OF KIRKWOOD'S Governmental Activities net position (14 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net positions* \$8,500 (12 percent) may be used to meet the government's ongoing obligations.

At the end of the current fiscal year, the CITY OF KIRKWOOD is able to report positive balances in all three categories of net assets, 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 \$2,982 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, 2014

City of Kirkwood's Changes in Net Position

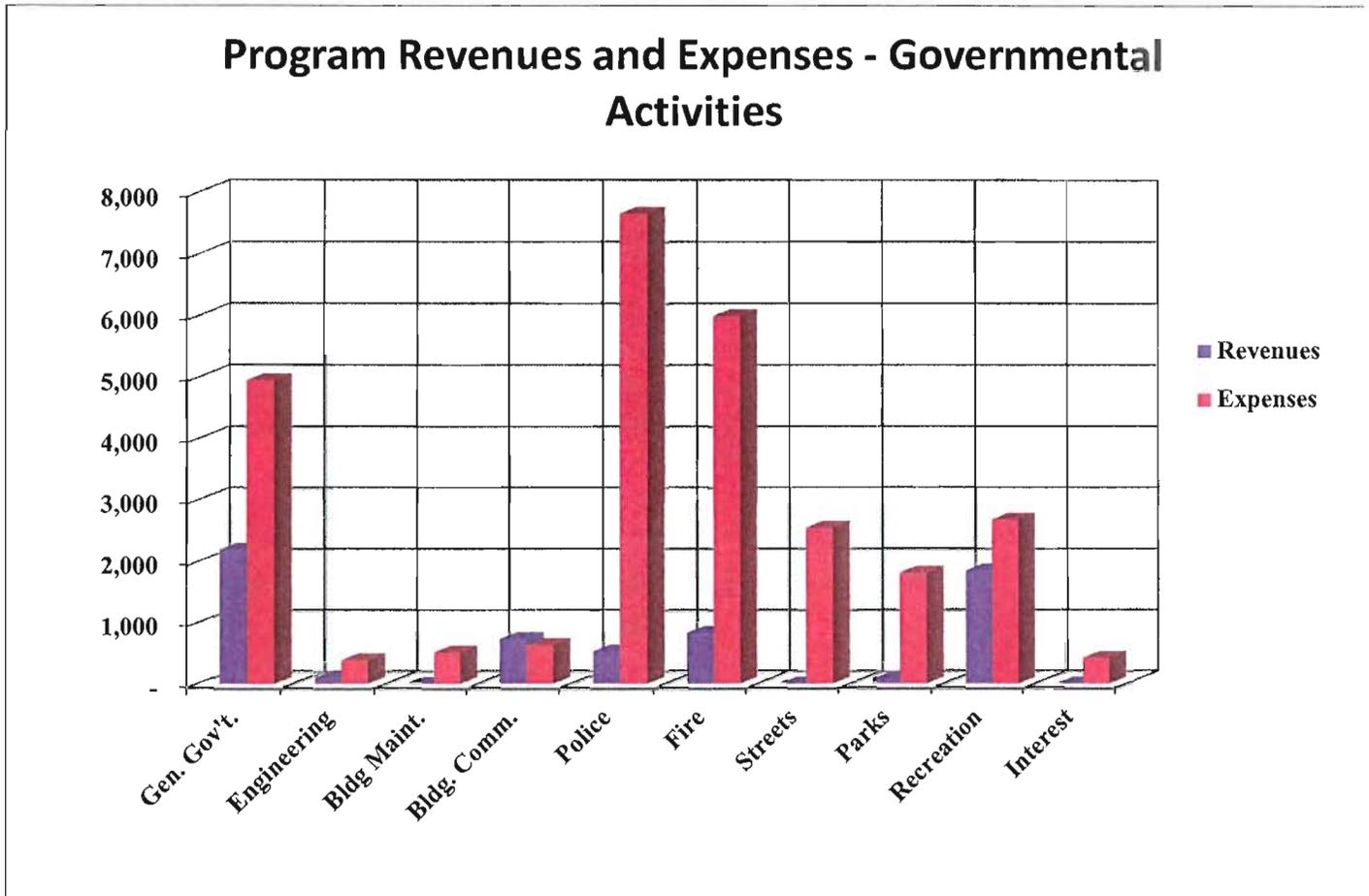
	Governmental Activities		Business-type Activities		Total	
	2013	2014	2013	2014	2013	2014
Revenues:						
Program Revenues:						
Charges for services	\$ 5,841	\$ 5,975	\$29,700	\$30,414	\$ 35,541	\$ 36,389
Operating grants and contributions	186	194	3	--	189	194
Capital grants and contributions	519	103	106	96	625	199
General Revenues:						
Property taxes	4,562	4,568	--	--	4,562	4,568
Other taxes	16,454	16,831	--	--	16,454	16,831
Other revenues	<u>530</u>	<u>420</u>	<u>326</u>	<u>233</u>	<u>856</u>	<u>653</u>
Total Revenues	<u>28,092</u>	<u>28,091</u>	<u>30,135</u>	<u>30,743</u>	<u>58,227</u>	<u>58,834</u>
Expenses:						
General government	3,643	4,938	--	--	3,643	4,938
Engineering	348	378	--	--	348	378
Building maintenance	464	503	--	--	464	503
Building commissioner	588	619	--	--	588	619
Police	7,363	7,662	--	--	7,363	7,662
Fire	5,814	5,990	--	--	5,814	5,990
Streets	2,455	2,536	--	--	2,455	2,536
Parks	1,777	1,808	--	--	1,777	1,808
Recreation	2,619	2,670	--	--	2,619	2,670
Interest on long-term debt	550	416	--	--	550	416
Electric	--	--	17,682	21,157	17,682	21,157
Water	--	--	4,215	4,492	4,215	4,492
Sanitation	--	--	2,614	2,683	2,614	2,683
Total Expenses	<u>25,621</u>	<u>27,520</u>	<u>24,511</u>	<u>28,332</u>	<u>50,132</u>	<u>55,852</u>
Increase in net position before transfers	2,471	571	5,624	2,411	8,095	2,982
Transfers	<u>1,683</u>	<u>1,435</u>	<u>(1,683)</u>	<u>(1,435)</u>	<u>--</u>	<u>--</u>
Increase/decrease in net position	<u>4,154</u>	<u>2,006</u>	<u>3,941</u>	<u>976</u>	<u>8,095</u>	<u>2,982</u>
Net position - April 1, 2013	<u>\$70,977</u>		<u>\$40,785</u>		<u>\$111,762</u>	
Net position - March 31, 2014		<u>\$72,983</u>		<u>\$41,761</u>		<u>\$114,744</u>

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2014

Government-wide Financial Analysis (continued)

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



Governmental activities and Business-type 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 water fund which had an increase in net position of \$737.

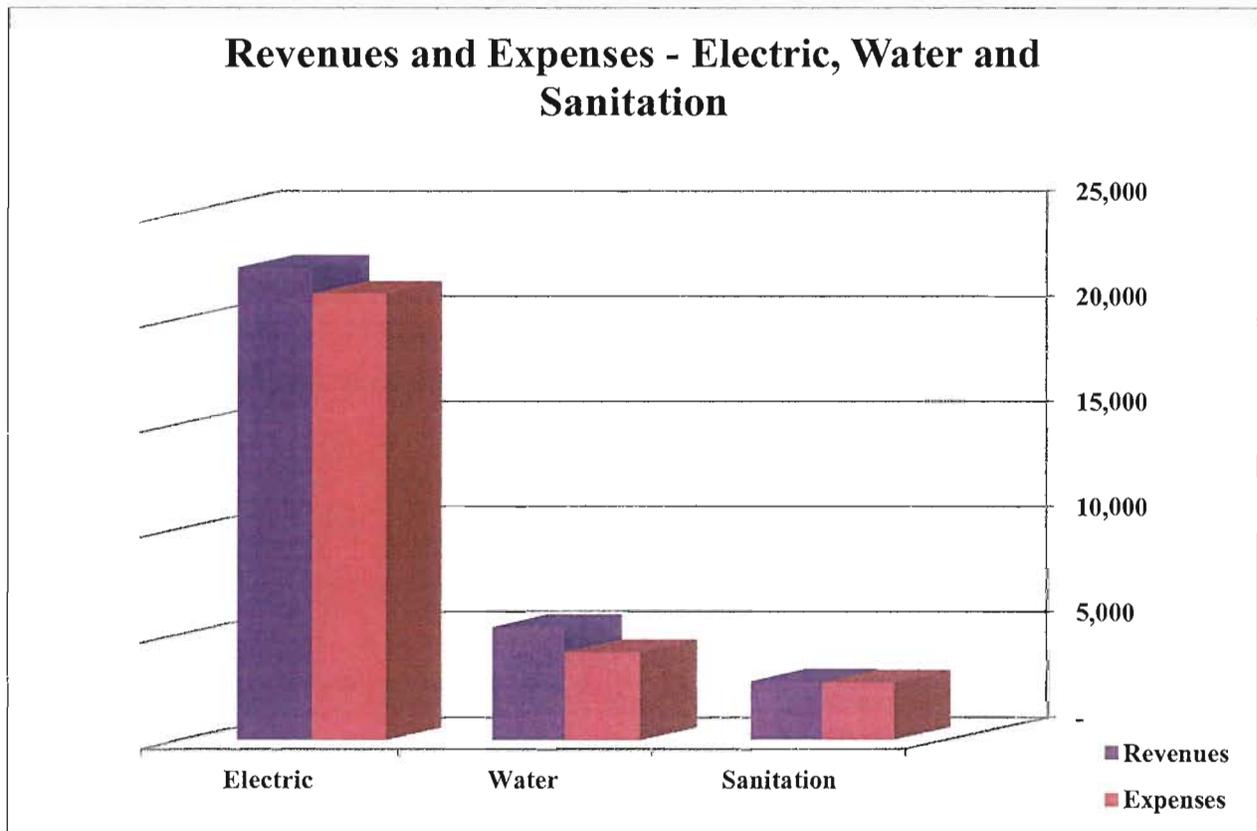
CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2014

Government-wide Financial Analysis (continued)

Business-type Activities (continued)

- Operational revenues for electric, water, and sanitation services increased by \$711 compared to our last fiscal year. Operating expenses compared to the last fiscal year increased by \$3,869. This primary reason for the increase in expenses were increased demand for electricity in the winter months.
- 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 customer 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.



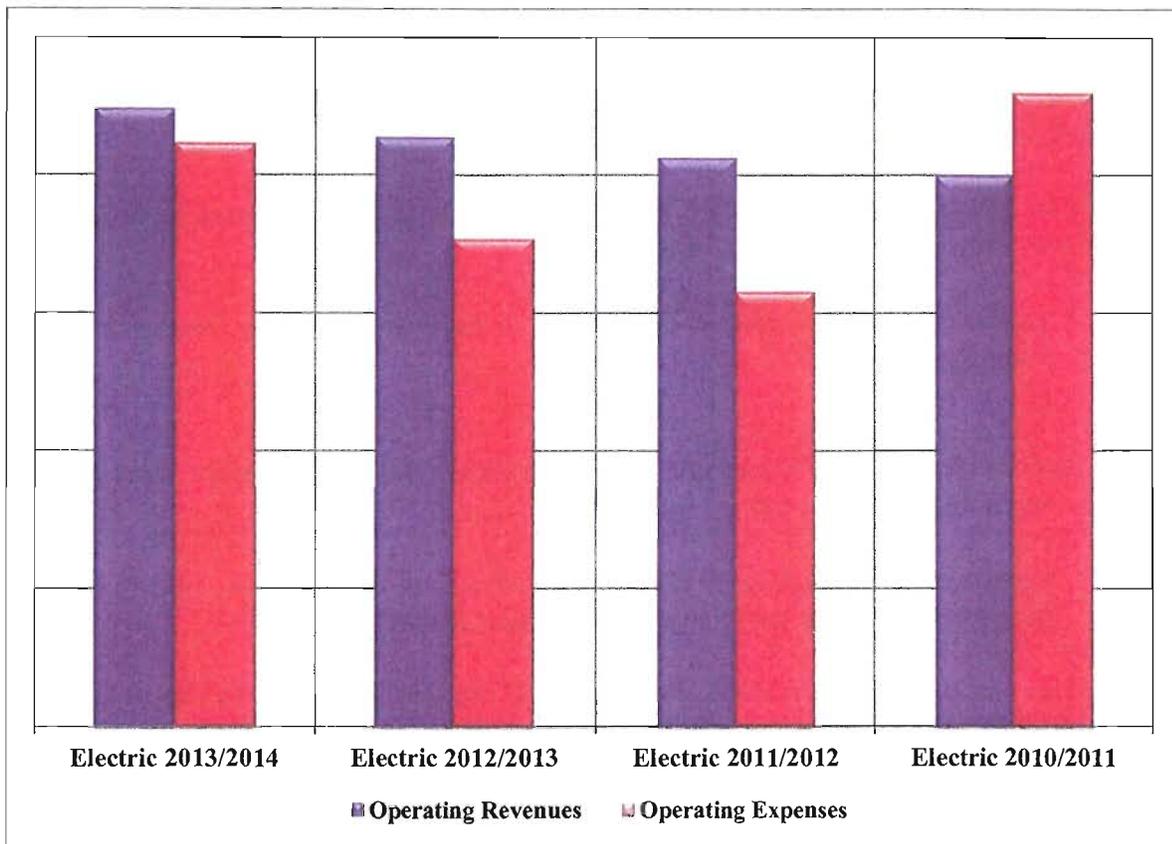
CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2014

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, *unreserved 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 \$18,635, an increase of \$566 in comparison with the prior year.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2014

Financial Analysis of the Government's Funds (continued)

Approximately (46 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 assigned, 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 (\$84), 2) Restricted, legally restricted by outside parties or by law through constitutional provisions or enabling legislation (\$9,855).

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 \$8,780.

The fund balance of the CITY OF KIRKWOOD'S general fund increased by \$51 during the current fiscal year. Key factors in the increase were:

- Increases in taxes collected contributed to the increase in the General Fund's - Fund Balance.

The fund balance of the Public Park Board increased by \$112 during the current fiscal year. Key factors in the increase were:

- Revenues stayed consistent however a decrease in expenditures coupled with an increase in transfers led to a sizeable increase in fund balance.

The fund balance of the Police & Fire property Tax Pension Fund decreased by \$194 during the current fiscal year. Key factors in the decrease were:

- City Council lowered the property tax rate and continues to utilize fund balance until we are at approximately one years of annual pension expenditures.

The fund balance of the Capital Improvement Fund increased by \$708 during the current fiscal year. Key factors in the increase were:

- Transfers includes a dividend transfer from the Electric and Water departments to be used in the capital fund for streets.
- The General Fund transferred over \$500 for a city hall enhancement project to be completed in fiscal year 2014/2015.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2014

Financial Analysis of the Government's Funds (continued)

The fund balance of the Park & Storm Water Improvement Fund decreased by \$99 during the current fiscal year. Key factors of the increase were:

- Spending on capital projects, debt service and transfers were a little more than the operational revenue.

The debt service fund has a total fund balance of \$594, 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 \$463 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 Electric funds at the end of the year increased by \$1,032. The total change in net position for the water fund was \$737, sanitation fund was (\$56) and \$295 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 original budgeted expenditures and the final amended budgeted expenditures was \$303. Some of the larger increases were:

Police Investigations Salaries	109,480
Police Support Services Part Time Salaries	60,000
Administration Consultants	35,750

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, 2014, amounts to \$82,410, net of accumulated depreciation. This investment in capital assets includes land, buildings, distribution 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 \$1,996.

CITY OF KIRKWOOD, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED MARCH 31, 2014

Capital Asset and Debt Administration (continued)

**Capital Assets
Net of Accumulated Depreciation**

	Governmental Activities		Business-type Activities		Total	
	2013	2014	2013	2014	2013	2014
Land	\$ 7,103	\$ 7,103	\$ 351	\$ 351	\$ 7,454	\$ 7,454
Buildings	25,914	26,452	296	281	26,210	26,733
Distribution system	--	--	15,024	14,834	15,024	14,834
Infrastructure	20,803	21,383	13	12	20,816	21,395
Machinery & equipment	2,439	2,254	651	780	3,090	3,034
Automotive equipment	2,593	2,327	1,291	2,893	3,884	5,220
Improvements other than buildings	--	--	162	152	162	152
Construction in progress	<u>1,395</u>	<u>769</u>	<u>2,379</u>	<u>2,819</u>	<u>3,774</u>	<u>3,588</u>
Total	<u>\$60,247</u>	<u>\$60,288</u>	<u>\$20,167</u>	<u>\$22,122</u>	<u>\$80,414</u>	<u>\$82,410</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, 2014

Capital Asset and Debt Administration (continued)

Long-Term Debt. At the end of the current fiscal year, the CITY OF KIRKWOOD had total debt outstanding of \$18,882. Of this amount, \$2,880 comprises debt backed by the full faith and credit of the government and \$2,090 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 which ends in 2017. 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 and capital leases.

City of Kirkwood's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2013	2014	2013	2014	2013	2014
General Obligation						
Bonds	\$3,310	\$2,880	\$ --	\$ --	\$ 3,310	\$ 2,880
Tax Increment Certificates of Participation	\$2,364	\$2,090	\$ --	\$ --	\$ 2,364	\$ 2,090
Capital Leases	\$4,245	\$3,495	\$9,080	\$8,680	\$13,325	\$12,175
	\$ --	\$ --	\$ --	\$1,737	\$ --	\$ 1,737

The CITY OF KIRKWOOD'S total debt decreased by \$117 during the current fiscal year due scheduled payments on the 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 \$68,817, 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, 2014

Economic Factors and Next Year's Budgets and Rates

- Purchased power costs and demand were erratic at best this last fiscal year. While the Electric Fund is healthy our plan is to increase our profit margin by purchasing the lowest cost electric power possible to supplement our long term purchasing contract with Prairie State.
- Council is considering all of our funding options to maintain the current level of services to our citizens. Their discussions will include an analysis of our property taxes in addition to the ¼ cent fire sales taxes.
- The City is preparing to take over all commercial solid waste and recycling in April 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, 2014

	Primary Government			Component Unit Industrial Development Authority
	Governmental Activities	Business-Type Activities	Total	
ASSETS:				
Cash and short-term investments.....	\$ 21,965,141	\$ 26,841,504	\$ 48,806,645	\$ 117,731
Receivables:				
Taxes - net of uncollectible amount of \$11,530.....	2,867,449	-	2,867,449	-
Services.....	325,708	2,294,170	2,619,878	-
Interest.....	16,626	20,214	36,840	92
Other.....	236,235	299,747	535,982	-
Internal balances.....	(1,190,000)	1,190,000	-	-
Inventories.....	79,002	417,609	496,611	-
Prepaid items.....	8,718	-	8,718	-
Capital assets:				
Nondepreciable.....	7,872,184	3,169,378	11,041,562	-
Depreciable.....	52,415,856	18,953,077	71,368,933	-
TOTAL ASSETS.....	\$ 84,596,919	\$ 53,185,699	\$ 137,782,618	\$ 117,823
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred charge on refunding.....	\$ 269,398	\$ 138,325	\$ 407,723	\$ -
TOTAL DEFERRED OUTFLOWS OF RESOURCES..	\$ 269,398	\$ 138,325	\$ 407,723	\$ -
LIABILITIES:				
Accounts payable.....	\$ 793,419	\$ 685,253	\$ 1,478,672	\$ -
Accrued interest.....	102,139	43,536	145,675	-
Other accrued liabilities.....	625,253	143,187	768,440	-
Claims payable.....	441,890	-	441,890	-
Unearned revenues.....	290,130	-	290,130	-
Deposits and escrow funds.....	703,326	196,609	899,935	-
Long-Term Liabilities:				
Due within one year.....	1,709,199	881,013	2,590,212	-
Due in more than one year.....	7,217,580	9,613,699	16,831,279	-
TOTAL LIABILITIES.....	11,882,936	11,563,297	23,446,233	-
NET POSITION:				
Net investment in capital assets.....	54,136,854	11,856,557	65,993,411	-
Restricted for:				
Capital projects.....	3,516,776	-	3,516,776	-
Debt service.....	1,231,319	675,097	1,906,416	-
Law enforcement.....	146,567	-	146,567	-
Park operations.....	1,578,153	-	1,578,153	-
Police and fire pension.....	2,809,567	-	2,809,567	-
Sewer lateral.....	918,456	-	918,456	-
Special Business district.....	145,883	-	145,883	-
Unrestricted.....	8,499,806	29,229,073	37,728,879	117,823
TOTAL NET POSITION.....	\$ 72,983,381	\$ 41,760,727	\$ 114,744,108	\$ 117,823

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED MARCH 31, 2014

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.....	\$ 4,937,697	\$ 2,173,825	\$ 11,010	\$ -	\$ (2,752,862)	\$ -	\$ (2,752,862)	\$ -
Engineering.....	377,683	99,699	-	-	(277,984)	-	(277,984)	-
Building maintenance.....	503,534	-	-	-	(503,534)	-	(503,534)	-
Building commissioner.....	619,165	716,253	-	-	97,088	-	97,088	-
Police.....	7,662,023	357,256	144,865	16,281	(7,143,621)	-	(7,143,621)	-
Fire.....	5,989,740	831,292	-	-	(5,158,448)	-	(5,158,448)	-
Streets.....	2,536,437	525	-	-	(2,535,912)	-	(2,535,912)	-
Parks.....	1,807,512	73,980	-	3,038	(1,730,494)	-	(1,730,494)	-
Recreation.....	2,670,425	1,721,692	38,260	84,065	(826,408)	-	(826,408)	-
Interest and fiscal agent fees on long-term debt.....	415,651	-	-	-	(415,651)	-	(415,651)	-
Total Governmental Activities.....	<u>27,519,867</u>	<u>5,974,522</u>	<u>194,135</u>	<u>103,384</u>	<u>(21,247,826)</u>	<u>-</u>	<u>(21,247,826)</u>	<u>-</u>
Business-Type Activities:								
Electric.....	21,157,397	22,403,293	-	-	-	1,245,896	1,245,896	-
Water.....	4,492,087	5,296,370	-	95,952	-	900,235	900,235	-
Sanitation.....	2,683,206	2,714,588	-	-	-	31,382	31,382	-
Total Business-Type Activities.....	<u>28,332,690</u>	<u>30,414,251</u>	<u>-</u>	<u>95,952</u>	<u>-</u>	<u>2,177,513</u>	<u>2,177,513</u>	<u>-</u>
TOTAL PRIMARY GOVERNMENT.....	<u>\$ 55,852,557</u>	<u>\$ 36,388,773</u>	<u>\$ 194,135</u>	<u>\$ 199,336</u>	<u>\$ (21,247,826)</u>	<u>\$ 2,177,513</u>	<u>\$ (19,070,313)</u>	<u>\$ -</u>
General Revenues:								
Property taxes levied for:								
					\$ 2,118,012	\$ -	\$ 2,118,012	\$ -
General purposes.....					945,865	-	945,865	-
Park.....					907,704	-	907,704	-
P&F Property Tax Pension.....					132,344	-	132,344	-
Special business district.....					464,530	-	464,530	-
Debt service.....								
Sales tax levied for:								
General purposes.....					4,859,859	-	4,859,859	-
Capital improvement purposes.....					2,105,636	-	2,105,636	-
Park and stormwater purposes.....					2,466,705	-	2,466,705	-
Gasoline/motor vehicle sales tax.....					1,015,755	-	1,015,755	-
Utility gross receipts taxes.....					5,123,579	-	5,123,579	-
Cigarette taxes.....					73,008	-	73,008	-
Highway, road and bridge tax.....					747,752	-	747,752	-
Franchise taxes.....					439,097	-	439,097	-
Earnings on investments.....					38,725	190,339	229,064	173
Gain on sale of capital assets.....					-	42,467	42,467	-
Other revenues.....					380,887	-	380,887	-
Transfers in (out).....					1,434,592	(1,434,592)	-	-
TOTAL GENERAL REVENUES.....					<u>23,254,050</u>	<u>(1,201,786)</u>	<u>22,052,264</u>	<u>173</u>
CHANGE IN NET POSITION.....					2,006,224	975,727	2,981,951	173
NET POSITION BEGINNING OF YEAR.....					70,977,157	40,785,000	111,762,157	117,650
NET POSITION END OF YEAR.....					<u>\$ 72,983,381</u>	<u>\$ 41,760,727</u>	<u>\$ 114,744,108</u>	<u>\$ 117,823</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

BALANCE SHEET - GOVERNMENTAL FUNDS

MARCH 31, 2014

	Major Funds					Nonmajor	Total Governmental Funds
	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.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 254,404	\$ 254,404
Restricted.....	681,101	25,000	-	26,050	427,369	-	1,159,520
Unrestricted.....	8,141,473	1,510,803	2,746,970	2,625,131	1,397,134	1,913,594	18,335,105
Receivables, net of allowances where applicable:							
Taxes.....	1,772,760	114,049	109,736	331,859	389,351	149,694	2,867,449
Interest.....	6,806	1,197	2,167	2,085	1,095	1,417	14,767
Ambulance.....	325,708	-	-	-	-	-	325,708
Other.....	109,215	-	-	82,462	26,406	10,490	228,573
Inventory.....	75,070	-	-	-	-	-	75,070
Prepaid items.....	8,718	-	-	-	-	-	8,718
TOTAL ASSETS.....	\$ 11,120,851	\$ 1,651,049	\$ 2,858,873	\$ 3,067,587	\$ 2,241,355	\$ 2,329,599	\$ 23,269,314
LIABILITIES:							
Accounts payable.....	\$ 389,380	\$ 28,252	\$ 39,789	\$ 175,335	\$ 110,109	\$ 12,773	\$ 755,638
Accrued wages and vacation payable.....	537,458	30,480	9,517	2,444	-	5,739	585,638
Due to other funds.....	-	-	-	-	1,190,000	-	1,190,000
Deposits payable.....	681,101	-	-	2,720	-	19,505	703,326
Unearned revenue.....	203,876	14,164	-	-	-	72,090	290,130
Total Liabilities.....	<u>1,811,815</u>	<u>72,896</u>	<u>49,306</u>	<u>180,499</u>	<u>1,300,109</u>	<u>110,107</u>	<u>3,524,732</u>
DEFERRED INFLOWS OF RESOURCES:							
Unavailable revenue-taxes.....	528,832	33,474	30,286	172,199	202,319	56,825	1,023,935
Unavailable revenue-special assessment.....	-	-	-	85,724	-	-	85,724
Total Deferred Inflows of Resources.....	<u>528,832</u>	<u>33,474</u>	<u>30,286</u>	<u>257,923</u>	<u>202,319</u>	<u>56,825</u>	<u>1,109,659</u>
FUND BALANCES:							
Nonspendable:							
Inventory.....	75,070	-	-	-	-	-	75,070
Prepaid items.....	8,718	-	-	-	-	-	8,718
Restricted for:							
Capital projects.....	-	-	-	2,629,165	311,558	-	2,940,723
Debt service.....	-	-	-	-	427,369	594,275	1,021,644
Law enforcement.....	-	-	-	-	-	146,567	146,567
Park operations.....	-	1,544,679	-	-	-	-	1,544,679
Police and fire pension.....	-	-	2,779,281	-	-	-	2,779,281
Sewer lateral.....	-	-	-	-	-	918,456	918,456
Special business district.....	-	-	-	-	-	139,165	139,165
TIF bonds and notes.....	-	-	-	-	-	364,204	364,204
Assigned to:							
Projected use of reserves.....	1,420,265	-	-	-	-	-	1,420,265
Unassigned:							
.....	7,276,151	-	-	-	-	-	7,276,151
Total Fund Balances.....	<u>8,780,204</u>	<u>1,544,679</u>	<u>2,779,281</u>	<u>2,629,165</u>	<u>738,927</u>	<u>2,162,667</u>	<u>18,634,923</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....	\$ 11,120,851	\$ 1,651,049	\$ 2,858,873	\$ 3,067,587	\$ 2,241,355	\$ 2,329,599	\$ 23,269,314

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, 2014

Total fund balance - governmental funds..... \$ 18,634,923

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 \$103,548,231 and the accumulated depreciation is \$43,260,191..... 60,288,040

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..... 1,109,659

The internal service funds are used by the City to charge the cost of medical and workers' 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 assets..... 1,710,279

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 assets. 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, 2014 are:

Accrued compensated absences, vacation.....	(416,195)	
Accrued interest on outstanding debts.....	(102,139)	
Bonds and notes payable.....	(8,465,000)	
Deferred charge on refunding.....	269,398	
Unamortized bond premium.....	(45,584)	
		(8,759,520)

Total net position - governmental activities..... \$ 72,983,381

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, 2014

	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.....	\$ 13,966,121	\$ 946,958	\$ 911,479	\$ 2,050,842	\$ 2,402,275	\$ 862,725	\$ 21,140,400
Intergovernmental.....	489,558	-	-	-	64,065	-	553,623
Licenses, permits, fines and fees.....	2,078,542	77,003	-	-	-	701,919	2,857,464
Investment income.....	19,622	1,720	3,766	5,244	2,588	2,719	35,659
Charges for services.....	2,534,545	-	-	-	-	-	2,534,545
Grants.....	-	-	-	11,921	20,000	-	31,921
Other.....	612,249	15	-	3,434	-	14,493	630,191
Total Revenues.....	19,700,637	1,025,696	915,245	2,071,441	2,488,928	1,581,856	27,783,803
EXPENDITURES:							
Current:							
General government and finance.....	3,459,153	-	-	67,914	5,813	515,636	4,048,516
Engineering.....	363,980	-	-	-	-	-	363,980
Building maintenance.....	451,232	-	-	-	-	-	451,232
Building commissioner.....	612,942	-	-	-	-	-	612,942
Police.....	6,890,912	-	554,593	-	-	-	7,445,505
Fire.....	4,958,967	-	554,593	-	-	-	5,513,560
Streets.....	1,481,168	-	-	-	-	-	1,481,168
Recreation.....	2,073,442	-	-	-	-	-	2,073,442
Parks.....	-	1,328,485	-	-	-	-	1,328,485
Capital outlay.....	25,960	129,232	-	2,343,753	967,857	66,268	3,533,070
Debt Service:							
Principal retirement.....	-	-	-	-	750,000	704,000	1,454,000
Interest and fiscal charges.....	-	-	-	-	92,086	289,898	381,984
Total Expenditures.....	20,317,756	1,457,717	1,109,186	2,411,667	1,815,756	1,575,802	28,687,884
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(617,119)	(432,021)	(193,941)	(340,226)	673,172	6,054	(904,081)
OTHER FINANCING SOURCES (USES):							
Transfers in.....	1,192,000	529,105	-	1,033,000	-	-	2,754,105
Transfers out.....	(524,105)	-	-	-	(772,000)	(18,000)	(1,314,105)
Proceeds from sale of capital assets.....	25	14,493	-	15,118	-	-	29,636
Total Other Financing Sources (Uses).....	667,920	543,598	-	1,048,118	(772,000)	(18,000)	1,469,636
NET CHANGE IN FUND BALANCES.....	50,801	111,577	(193,941)	707,892	(98,828)	(11,946)	565,555
FUND BALANCES, BEGINNING OF YEAR.....	8,729,403	1,433,102	2,973,222	1,921,273	837,755	2,174,613	18,069,368
FUND BALANCES, END OF YEAR.....	\$ 8,780,204	\$ 1,544,679	\$ 2,779,281	\$ 2,629,165	\$ 738,927	\$ 2,162,667	\$ 18,634,923

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, 2014

Net change in fund balances - total governmental funds.....		\$ 565,555
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 capital outlays exceeded depreciation in the current period.		
Capital outlays.....	3,248,915	
Depreciation expense.....	<u>(2,981,222)</u>	267,693
In the statement of activities, the gain (loss) on the disposition of capital assets is reported. The fund financial statements recognize only the proceeds from the sale of those assets.....		
		(226,985)
The governmental funds report bond proceeds as an other 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 position.		
Repayment of bond principal.....	<u>1,454,000</u>	1,454,000
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 governmental funds. The net effect of these differences is as follows:		
Accrued interest on bonds.....	13,652	
Compensated absences.....	(37,938)	
Amortization of premiums on debt issuance.....	9,117	
Amortization of deferred charge on refunding.....	<u>(56,436)</u>	(71,605)
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 fund's costs for the year.		
Total net decrease for the internal service fund.....		(237,506)
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 increased this year.....		
		<u>255,072</u>
Change in net position of governmental activities.....		<u>\$ 2,006,224</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF NET POSITION - PROPRIETARY FUNDS
MARCH 31, 2014

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Electric	Water	Sanitation	Total	
ASSETS:					
Current Assets:					
Cash and investments:					
Restricted.....	\$ 170,596	\$ 23,355	\$ -	\$ 193,951	\$ -
Held by trustees.....	-	675,097	-	675,097	26,017
Unrestricted.....	16,536,496	7,630,804	1,805,156	25,972,456	2,190,095
Receivables, net of allowances:					
Services.....	1,660,002	412,888	221,280	2,294,170	-
Interest.....	12,935	5,933	1,346	20,214	1,859
Other.....	221,988	4,279	73,480	299,747	7,662
Inventory.....	318,271	59,261	40,077	417,609	3,932
Due from other funds.....	595,000	595,000	-	1,190,000	-
Total Current Assets.....	<u>19,515,288</u>	<u>9,406,617</u>	<u>2,141,339</u>	<u>31,063,244</u>	<u>2,229,565</u>
Noncurrent Assets:					
Capital Assets:					
Land and construction in progress.....	2,292,883	590,792	285,703	3,169,378	-
Buildings and system.....	6,690,117	16,567,022	162,910	23,420,049	-
Machinery and equipment.....	2,901,907	1,149,439	3,346,666	7,398,012	-
Less: Accumulated depreciation.....	(6,603,169)	(4,397,784)	(864,031)	(11,864,984)	-
Total Noncurrent Assets.....	<u>5,281,738</u>	<u>13,909,469</u>	<u>2,931,248</u>	<u>22,122,455</u>	<u>-</u>
Total Assets.....	<u>24,797,026</u>	<u>23,316,086</u>	<u>5,072,587</u>	<u>53,185,699</u>	<u>2,229,565</u>
DEFERRED OUTFLOW OF RESOURCES:					
Deferred charge on refunding.....	-	138,325	-	138,325	-
Total Deferred Outflow of Resources.....	<u>-</u>	<u>138,325</u>	<u>-</u>	<u>138,325</u>	<u>-</u>
LIABILITIES:					
Current Liabilities:					
Accounts payable.....	188,929	282,087	214,237	685,253	37,781
Accrued wages and vacation.....	118,226	61,375	54,075	233,676	39,615
Accrued interest payable.....	-	29,828	13,708	43,536	-
Deposits payable from restricted assets.....	173,254	23,355	-	196,609	-
Claims payable.....	-	-	-	-	441,890
Capital lease payable - current.....	-	-	397,264	397,264	-
Bonds payable - current.....	-	410,000	-	410,000	-
Total Current Liabilities.....	<u>480,409</u>	<u>806,645</u>	<u>679,284</u>	<u>1,966,338</u>	<u>519,286</u>
Noncurrent Liabilities:					
Capital lease payable.....	-	-	1,339,711	1,339,711	-
Bonds payable.....	-	8,257,248	-	8,257,248	-
Total Noncurrent Liabilities.....	<u>-</u>	<u>8,257,248</u>	<u>1,339,711</u>	<u>9,596,959</u>	<u>-</u>
Total Liabilities.....	<u>480,409</u>	<u>9,063,893</u>	<u>2,018,995</u>	<u>11,563,297</u>	<u>519,286</u>
NET POSITION:					
Net investment in capital assets.....	5,281,738	5,380,546	1,194,273	11,856,557	-
Restricted for debt service.....	-	675,097	-	675,097	-
Unrestricted.....	19,034,879	8,334,875	1,859,319	29,229,073	1,710,279
TOTAL NET POSITION.....	<u>\$ 24,316,617</u>	<u>\$ 14,390,518</u>	<u>\$ 3,053,592</u>	<u>\$ 41,760,727</u>	<u>\$ 1,710,279</u>

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, 2014

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Electric	Water	Sanitation	Total	
OPERATING REVENUES:					
Electric sales.....	\$21,934,450	\$ -	\$ -	\$21,934,450	\$ -
Water sales.....	-	4,204,670	-	4,204,670	-
Sanitation fees.....	-	-	2,558,264	2,558,264	-
Charges for services.....	-	-	-	-	4,529,818
Other.....	468,843	1,091,700	156,324	1,716,867	49,558
Total Operating Revenues.....	22,403,293	5,296,370	2,714,588	30,414,251	4,579,376
OPERATING EXPENSES:					
Administrative and general.....	1,136,569	468,028	1,150,241	2,754,838	1,122,156
Customer accounting.....	159,543	302,902	110,333	572,778	-
Purchased power.....	17,016,759	-	-	17,016,759	-
Purchased water.....	-	1,034,040	-	1,034,040	-
Distribution maintenance.....	2,106,390	1,571,448	-	3,677,838	-
Maintenance and supplies.....	508,747	340,252	78,469	927,468	-
Pickup, hauling and disposal.....	-	-	1,067,921	1,067,921	-
Claims and insurance premiums.....	-	-	-	-	3,699,125
Depreciation.....	229,389	391,675	262,534	883,598	-
Total Operating Expenses.....	21,157,397	4,108,345	2,669,498	27,935,240	4,821,281
OPERATING INCOME (LOSS).....	1,245,896	1,188,025	45,090	2,479,011	(241,905)
NONOPERATING REVENUES (EXPENSES):					
Investment income.....	160,652	27,054	2,633	190,339	3,066
Interest expense.....	-	(383,742)	(13,708)	(397,450)	-
Gain on sales of capital assets.....	18,154	20,094	4,219	42,467	1,333
Total Nonoperating Revenues (Expenses).....	178,806	(336,594)	(6,856)	(164,644)	4,399
INCOME (LOSS) BEFORE TRANSFERS.....	1,424,702	851,431	38,234	2,314,367	(237,506)
Capital contributions-Federal subsidy.....	-	95,952	-	95,952	-
Capital contributions-Fixed asset donation.....	-	-	5,408	5,408	-
Transfers in (out).....	(1,130,000)	(210,000)	(100,000)	(1,440,000)	-
CHANGE IN NET POSITION.....	294,702	737,383	(56,358)	975,727	(237,506)
NET POSITION, BEGINNING OF YEAR....	24,021,915	13,653,135	3,109,950	40,785,000	1,947,785
NET POSITION, END OF YEAR.....	\$24,316,617	\$14,390,518	\$3,053,592	\$41,760,727	\$1,710,279

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, 2014

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Electric	Water	Sanitation	Total	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers.....	\$ 21,273,350	\$ 4,729,077	\$ 2,523,223	\$ 28,525,650	\$ -
Receipts from interfund services provided.....	776,376	48,235	29,615	854,226	4,529,818
Other receipts.....	66,890	480,100	99,959	646,949	41,896
Payments to suppliers.....	(18,705,542)	(2,158,948)	(1,005,863)	(21,870,353)	(4,260,603)
Payments to employees.....	(1,956,828)	(1,014,526)	(834,161)	(3,805,515)	(457,346)
Payments for interfund services.....	(229,074)	(430,179)	(398,304)	(1,057,557)	(25,823)
Net Cash Provided By (Used In)					
Operating Activities.....	<u>1,225,172</u>	<u>1,653,759</u>	<u>414,469</u>	<u>3,293,400</u>	<u>(172,058)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers out.....	(1,130,000)	(210,000)	(100,000)	(1,440,000)	-
Receipt of interfund borrowing.....	85,000	85,000	-	170,000	-
Net Cash Provided By (Used In)					
Noncapital Financing Activities.....	<u>(1,045,000)</u>	<u>(125,000)</u>	<u>(100,000)</u>	<u>(1,270,000)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition and construction of capital assets.....	(188,477)	(733,467)	(184,113)	(1,106,057)	-
Proceeds from sale of capital assets.....	19,477	23,359	8,813	51,649	1,333
Capital contribution-Federal subsidy.....	-	95,952	-	95,952	-
Principal paid on bonds.....	-	(400,000)	-	(400,000)	-
Interest paid on bonds and capital leases.....	-	(376,698)	-	(376,698)	-
Net Cash Provided By (Used In) Capital and Related Financing Activities.....	<u>(169,000)</u>	<u>(1,390,854)</u>	<u>(175,300)</u>	<u>(1,735,154)</u>	<u>1,333</u>
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:					
Interest received on investments.....	170,188	31,177	3,518	204,883	4,298
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....	181,360	169,082	142,687	493,129	(166,427)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	16,525,732	8,160,174	1,662,469	26,348,375	2,382,539
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	<u>\$ 16,707,092</u>	<u>\$ 8,329,256</u>	<u>\$ 1,805,156</u>	<u>\$ 26,841,504</u>	<u>\$ 2,216,112</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, 2014

RECONCILIATION OF OPERATING INCOME
(LOSS) TO NET CASH PROVIDED BY
(USED IN) OPERATING ACTIVITIES:

Operating income (loss).....	\$ 1,245,896	\$ 1,188,025	\$ 45,090	\$ 2,479,011	\$ (241,905)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation expense	229,389	391,675	262,534	883,598	-
(Increase) decrease in assets:					
Service receivable.....	(84,724)	(40,777)	(5,425)	(130,926)	-
Miscellaneous receivables.....	(200,913)	2,480	(56,364)	(254,797)	(7,662)
Inventory.....	(12,536)	7,229	(2,365)	(7,672)	(1,499)
Increase (decrease) in liabilities:					
Accounts payable.....	35,364	97,684	166,946	299,994	(12,232)
Accrued wages and vacation.....	13,736	8,103	4,053	25,892	6,089
Deposits held for others.....	(1,040)	(660)	-	(1,700)	-
Claims payable.....	-	-	-	-	85,151
Total adjustments.....	<u>(20,724)</u>	<u>465,734</u>	<u>369,379</u>	<u>814,389</u>	<u>69,847</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....	<u>\$ 1,225,172</u>	<u>\$ 1,653,759</u>	<u>\$ 414,469</u>	<u>\$ 3,293,400</u>	<u>\$ (172,058)</u>
NONCASH OPERATING, FINANCING AND INVESTING ACTIVITIES:					
ISSUANCE OF CAPITAL LEASE.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,736,975</u>	<u>\$ 1,736,975</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, 2014

	<u>Pension Trust</u>	<u>Agency</u>
ASSETS:		
Cash and investments:		
Held by trustees:		
Short-term reserves.....	\$ 3,972,312	\$ -
Bond funds.....	4,511,130	-
Balanced funds.....	11,733,253	-
Domestic stock funds.....	24,754,396	-
International stock funds.....	4,139,284	-
Stable value money market funds.....	88,632	-
Specialty stock fund.....	259,746	-
Vanguard brokerage option fund.....	1,980,422	-
Restricted.....	-	33,830
Receivables, net of allowances:		
Contribution receivable.....	64,596	-
Total Assets.....	<u>51,503,771</u>	<u>33,830</u>
LIABILITIES:		
Accounts payable.....	2,100	-
Deposits payable.....	-	33,830
Total Liabilities.....	<u>2,100</u>	<u>33,830</u>
NET POSITION:		
Net position held in trust for pension benefits.....	<u>\$ 51,501,671</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, 2014

	<u>Pension Trust Fund</u>
ADDITIONS:	
Contributions:	
Employer.....	\$ 1,546,209
Employee, net of refunds.....	<u>484,437</u>
Total Contributions.....	<u>2,030,646</u>
Investment income:	
Interest and dividends.....	1,706,877
Net appreciation in the fair value of plan investments.....	<u>4,929,379</u>
Total investment income.....	6,636,256
Less: investment expenses.....	<u>55,084</u>
Net investment income.....	<u>6,581,172</u>
Total Additions.....	<u>8,611,818</u>
DEDUCTIONS:	
Benefit payments.....	<u>1,766,439</u>
Administrative and general expenses:	
Insurance, taxes and other premiums.....	186,623
Professional fees.....	<u>87,882</u>
Total administrative and general expenses.....	<u>274,505</u>
Total Deductions.....	<u>2,040,944</u>
CHANGE IN NET POSITION.....	6,570,874
NET POSITION HELD IN TRUST FOR EMPLOYEE PENSION BENEFITS	
BEGINNING OF YEAR.....	<u>44,930,797</u>
END OF YEAR.....	<u>\$ 51,501,671</u>

See accompanying notes to the basic financial statements

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2014

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, 2014

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, 2014

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 that are not generated by programs 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, 2014

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 Improvement - 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, 2014

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 fund's 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, 2014

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 Position.

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.

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 position. The statement of changes in 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.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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, 2014, 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.

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.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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, 2014

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 market 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 positions. 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, 2014

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 became 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, 2014

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:

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

Restricted - This consists of 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 "net 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, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Fund Balances (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, 2014

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, 2014

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, 2014, and reported at fair value, are as follows:

Type	Carrying Value
Deposits:	
Demand deposits	\$ 19,522,390
Cash on hand	3,240
Non-negotiable Certificates of Deposit	<u>2,000,000</u>
	<u>21,525,630</u>
 Pooled Investments:	
Money Market Mutual Funds	1,356,870
Negotiable Certificates of Deposit	3,699,552
U.S. Treasury Note	3,961,914
Federal Farm Credit Banks	7,981,100
Federal Home Loan Banks	9,779,233
Federal National Mortgage Association	<u>653,907</u>
	<u>27,432,576</u>
 Pension Trust Investments:	
Mutual funds:	
Short-Term reserves	3,972,312
Vanguard brokerage option funds	1,980,422
International stock funds	4,139,284
Balanced funds	11,733,254
Bond funds	4,511,130
Stable value money market funds	88,632
Specialty stock fund	259,746
Domestic stock funds	<u>24,754,396</u>
	<u>51,439,176</u>
 Total Deposits and Investments	 <u>\$100,397,382</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2014

2. CASH AND INVESTMENTS (continued)

Type	Carrying Value
Reconciliation to the Financial Statements:	
Statement of Net Assets:	
Cash and Investments:	
Governmental Activities	\$ 21,965,141
Business-Type Activities	26,841,504
Component Unit.....	117,731
Statement of Fiduciary Net Assets:	
Cash and Investments:	
Held by trustees – Pension Trust Funds.....	51,439,176
Restricted:	
Agency Fund.....	33,830
	<u>\$100,397,382</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, 2014, the City's bank balance of \$12,651,645, including \$117,731 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, 2014 are as follows:

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2014

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.....	\$1,356,870	\$1,356,870	\$ --
Negotiable Certificates of Deposit.....	3,699,552	1,303,838	2,395,714
U.S. Treasury Note.....	3,961,914	--	3,961,914
Federal Farm Credit Banks.....	7,981,100	--	7,981,100
Federal Home Loan Banks.....	9,779,233	--	9,779,233
Federal National Mortgage Association	653,907	--	653,907

Investment Credit Risk - The City's investment policy and state law limit its investment choices, as documented above. At March 31, 2014, 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	\$18,414,240

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 market value of the portfolio may be invested in bankers' acceptances issued by any one commercial bank and no more than 5% of the total market value of the portfolio may be invested in commercial paper of any one issuer.

At March 31, 2014, the City had the following investments that were more than 5% of the City's total investments:

<u>Description</u>	<u>Concentration</u>
Federal Home Loan Banks.....	26.7%
Federal Farm Credit Banks	21.7%

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2014

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, 2014, 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, 2014

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, 2014, 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, 2014

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 29.7 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		Personal Property
	Residential	Commercial	
General government services	\$.297	\$.306	\$.269
Maintenance and operation of parks.....	.133	.138	.121
Police Officers' and Fire Fighters' Retirement Fund.....	.119	.145	.172
Debt service	<u>.065</u>	<u>.065</u>	<u>.065</u>
	<u>\$.614</u>	<u>\$.654</u>	<u>\$.627</u>

Additionally, the SBD levies an additional tax of \$0.458 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, 2014

4. CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2014:

	<u>Balance April 1, 2013</u>	<u>Additions And Transfers</u>	<u>Disposals And Transfers</u>	<u>Balance March 31, 2014</u>
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land and land rights.....	\$ 7,102,789	\$ -	\$ -	\$ 7,102,789
Construction in Progress.....	<u>1,394,885</u>	<u>701,216</u>	<u>1,326,706</u>	<u>769,395</u>
Total Capital Assets, Not Being Depreciated.....	<u>8,497,674</u>	<u>701,216</u>	<u>1,326,706</u>	<u>7,872,184</u>
Capital Assets, Being Depreciated:				
Buildings.....	28,203,154	37,030	35,478	28,204,706
Building improvements.....	12,071,343	1,849,750	19,592	13,901,501
Machinery and equipment.....	6,802,485	184,526	11,380	6,975,631
Automotive equipment.....	5,587,432	230,627	106,784	5,711,275
Traffic Lights/Street Lights.....	<u>39,781,542</u>	<u>1,572,472</u>	<u>471,080</u>	<u>40,882,934</u>
Total Capital Assets, Being Depreciated.....	<u>92,445,956</u>	<u>3,874,405</u>	<u>644,314</u>	<u>95,676,047</u>
Less – Accumulated Depreciation For:				
Buildings.....	11,849,176	872,748	8,870	12,713,054
Building improvement.....	2,511,704	449,006	19,592	2,941,118
Machinery and equipment.....	4,363,402	369,916	11,380	4,721,938
Automotive equipment.....	2,993,808	491,533	101,377	3,383,964
Traffic Lights/Street Lights.....	<u>18,978,208</u>	<u>798,019</u>	<u>276,110</u>	<u>19,500,117</u>
Total Accumulated Depreciation.....	<u>40,696,298</u>	<u>2,981,222</u>	<u>417,329</u>	<u>43,260,191</u>
Total Capital Assets Being Depreciated, Net	<u>51,749,658</u>	<u>893,183</u>	<u>226,985</u>	<u>52,415,856</u>
Governmental Activities, Capital Assets, Net.....	<u>\$ 60,247,332</u>	<u>\$1,594,399</u>	<u>\$1,553,691</u>	<u>\$ 60,288,040</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2014

4. CAPITAL ASSETS (continued)

	Balance April 1, 2013	Additions And Transfers	Disposals And Transfers	Balance March 31, 2014
Business-Type Activities:				
Electric:				
Capital Assets, Not Being Depreciated:				
Land and land rights.....	\$ 185,466	\$ -	\$ -	\$ 185,466
Construction in Progress.....	2,105,690	1,727	-	2,107,417
Total Capital Assets, Not Being Depreciated.....	2,291,156	1,727	-	2,292,883
Capital Assets, Being Depreciated:				
Buildings.....	297,891	-	-	297,891
Distribution system.....	6,335,725	56,501	-	6,392,226
Machinery and equipment.....	1,865,541	40,455	-	1,905,996
Automotive equipment.....	958,068	89,794	69,426	978,436
Traffic Lights/Street Lights.....	17,475	-	-	17,475
Total Capital Assets, Being Depreciated.....	9,474,700	186,750	69,426	9,592,024
Less – Accumulated Depreciation For:				
Buildings.....	211,291	3,000	-	214,291
Distribution system.....	3,924,426	163,389	-	4,087,815
Machinery and equipment.....	1,649,345	30,458	-	1,679,803
Automotive equipment.....	652,627	31,843	68,103	616,367
Traffic Lights/Street Lights.....	4,194	699	-	4,893
Total Accumulated Depreciation.....	6,441,883	229,389	68,103	6,603,169
Total Capital Assets Being Depreciated, Net	3,032,817	(42,639)	1,323	2,988,855
Electric:				
Capital Assets, Net.....	5,323,973	(40,912)	1,323	5,281,738
Water:				
Capital Assets, Not Being Depreciated:				
Land and land rights.....	31,274	-	-	31,274
Construction in Progress.....	273,405	559,518	273,405	559,518
Total Capital Assets, Not Being Depreciated.....	304,679	559,518	273,405	590,792
Capital Assets, Being Depreciated:				
Buildings.....	178,543	-	-	178,543
Distribution system.....	15,898,962	236,563	8,500	16,127,025
Improvements other than buildings.....	261,454	-	-	261,454
Machinery and equipment.....	300,309	130,765	-	431,074
Automotive equipment.....	655,711	80,026	17,372	718,365
Total Capital Assets, Being Depreciated.....	17,294,979	447,354	25,872	17,716,461

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2014

4. CAPITAL ASSETS (continued)

	Balance April 1, 2013	Additions And Transfers	Disposals And Transfers	Balance March 31, 2014
Business-Type Activities (continued):				
Water (continued):				
Less – Accumulated Depreciation For:				
Buildings.....	52,400	7,029	-	59,429
Distribution system.....	3,286,834	315,986	5,235	3,597,585
Improvements other than buildings.....	98,893	10,472	-	109,365
Machinery and equipment.....	172,302	17,631	-	189,933
Automotive equipment	418,287	40,557	17,372	441,472
Total Accumulated Depreciation.....	4,028,716	391,675	22,607	4,397,784
Total Capital Assets Being Depreciated, Net	13,266,263	55,679	3,265	13,318,677
Water:				
Capital Assets, Net.....	13,570,942	615,197	276,670	13,909,469
Sanitation:				
Capital Assets, Not Being Depreciated:				
Land and land rights.....	134,057	-	-	134,057
Construction in Progress.....	-	151,646	-	151,646
Total Capital Assets, Not Being Depreciated.....	134,057	151,646	-	285,703
Capital Assets, Being Depreciated:				
Buildings.....	162,910	-	-	162,910
Machinery and equipment.....	545,559	32,465	-	578,024
Automotive equipment.....	1,277,807	2,026,909	536,074	2,768,642
Total Capital Assets, Being Depreciated.....	1,986,276	2,059,374	536,074	3,509,576
Less – Accumulated Depreciation For:				
Buildings.....	79,227	4,503	-	83,730
Machinery and equipment.....	239,237	26,474	-	265,711
Automotive equipment.....	529,989	274,217	289,616	514,590
Total Accumulated Depreciation.....	848,453	305,194	289,616	864,031
Total Capital Assets Being Depreciated, Net	1,137,823	1,754,180	246,458	2,645,545
Sanitation:				
Capital Assets, Net.....	1,271,880	1,905,826	246,458	2,931,248
Business-Type Activities, Capital Assets, Net.....	\$ 20,166,795	\$2,480,111	\$ 524,451	\$ 22,122,455

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2014

4. CAPITAL ASSETS (continued)

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

Government Activities:	
General government.....	\$ 333,260
Building maintenance.....	16,907
Building commissioner.....	6,381
Engineering.....	8,639
Police.....	176,150
Fire.....	448,352
Streets.....	1,054,835
Recreation.....	502,398
Parks.....	<u>434,300</u>
Total depreciation expense - governmental-type activities.....	<u>\$ 2,981,222</u>
Business-Type Activities	
Electric.....	\$ 229,389
Water.....	391,675
Sanitation.....	<u>262,534</u>
Total depreciation expense - business-type activities.....	<u>\$ 883,598</u>

A transfer was made to the Sanitation Fund from the governmental activities of automotive equipment with a cost of \$48,068 and accumulated depreciation of \$42,660.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2014

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, 2014, there were 178 active Plan members, 30 terminated members, 11 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 \$22,530.

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 2014:

Contributions required	\$ 629,253
Less: Forfeitures used	<u>22,530</u>
Contributions made	<u>\$ 606,723</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, 2014

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, 2014

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

Civilian Plan for Retirees of Previous Plan (continued)

During 2013, 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 50 or 100 years. The calculated reserve is as follows:

	<u>50 Years</u>	<u>100 Years</u>
Future benefit obligation	<u>\$2,376,043</u>	<u>\$2,711,538</u>

Actuarial assumptions used in the calculation are as follows:

Interest rate on invested assets:	7.0% per annum
Inflation rate:	2.5% per annum
Mortality rates:	1983 GAM
LTD benefit changes:	It was assumed that the annual maximum benefit will be increased by 3.0% per annum
Benefit payout period:	50 or 100 years
Discount rate:	7.0% per annum

At March 31, 2014, the fair value of assets available to fund future uplift payments and other benefits was \$5,104,441 and are included in the accompanying fiduciary fund financial statements.

In August 2014, the City passed a resolution which authorizes the allocation of assets in excess of \$3.4 million from Trust II, the remaining assets of the former defined benefit pension plan, to current and certain former PLAN participants.

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, 2014, there were 105 active Plan members, 17 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, 2014

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 \$54,452.

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 2014:

Contributions made and required:	
City contribution required	\$ 993,938
Less: Forfeitures used	54,452
City contributions made	<u>\$ 939,486</u>
Employees' contribution made and required	<u>\$ 484,437</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, 2014

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 2013, 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 50 or 100 years. The calculated reserve was as follows:

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2014

5. EMPLOYEES' RETIREMENT SYSTEMS (continued)

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

	<u>50 Years</u>	<u>100 Years</u>
Future benefit obligation	<u>\$2,633,548</u>	<u>\$3,000,988</u>

Actuarial assumptions used in the calculation are as follows:

Interest rate on invested assets:	7.0% per annum
Inflation rate:	2.5% per annum
Mortality rates:	1983 GAM
LTD benefit changes:	It was assumed that the annual maximum benefit will be increased by 3.0% per annum
Benefit payout period:	50 or 100 years
Discount rate:	7.0% per annum

At March 31, 2014, the fair value of plan assets available to fund future uplift payments and other benefits was \$5,464,015 and are included in the accompanying fiduciary fund financial statements.

In August 2014, the City passed a resolution which authorizes the allocation of assets in excess of \$3.5 million from Trust II, the remaining assets of the former defined benefit pension plan, to current and certain former PLAN participants.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2014

6. LONG-TERM LIABILITIES

The following is a summary of changes in the City's long-term liabilities for the year ended March 31, 2014:

	<u>Original Issuance Amounts</u>	<u>Balance April 1, 2013</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance March 31, 2014</u>	<u>Current Portion</u>
Governmental Activities						
General Obligation Bonds:						
Series 2009 Refunding	\$ 4,185,000	\$ 3,310,000	\$ -	\$ (430,000)	\$ 2,880,000	\$ 440,000
Certificate of Participation:						
Series 2012 Refunding	5,000,000	4,245,000	-	(750,000)	3,495,000	765,000
Tax Increment Revenue Notes:						
Series 1998	4,000,000	2,364,000	-	(274,000)	2,090,000	165,000
Accrued compensated absences	<u>-</u>	<u>378,257</u>	<u>1,056,410</u>	<u>(1,018,472)</u>	<u>416,195</u>	<u>339,199</u>
	<u>\$13,185,000</u>	<u>10,297,257</u>	<u>1,056,410</u>	<u>(2,472,472)</u>	<u>8,881,195</u>	<u>\$1,709,199</u>
Add: Unamortized premium, net		<u>54,701</u>	<u>-</u>	<u>(9,117)</u>	<u>45,584</u>	
Total Governmental Activities		<u>\$10,351,958</u>	<u>\$1,056,410</u>	<u>\$(2,481,589)</u>	<u>\$ 8,926,779</u>	
For compensated absences, the general fund historically liquidates 93.0 percent, and the Park and Special Business District funds historically liquidate 4.5 percent and 2.0 percent respectively. The remaining 0.5 percent is liquidated in the Sewer Lateral and Capital Improvement funds.						
Business-Type Activities						
Certificate of Participation						
Series 2009	\$ 6,450,000	\$ 5,740,000	\$ -	\$ (240,000)	\$ 5,500,000	\$ 245,000
Series 2012 Refunding	3,520,000	3,340,000	-	(160,000)	3,180,000	165,000
Capital Leases	1,736,975	-	1,736,975	-	1,736,975	397,264
Accrued compensated absences	<u>-</u>	<u>76,655</u>	<u>292,976</u>	<u>(279,142)</u>	<u>90,489</u>	<u>73,749</u>
	<u>\$11,706,975</u>	<u>9,156,655</u>	<u>2,029,951</u>	<u>(679,142)</u>	<u>10,507,464</u>	<u>\$ 881,013</u>
Less: Unamortized discount, net		<u>(13,558)</u>	<u>-</u>	<u>806</u>	<u>(12,752)</u>	
Total Business-Type Activities		<u>\$ 9,143,097</u>	<u>\$2,029,951</u>	<u>\$ (678,336)</u>	<u>\$10,494,712</u>	

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS MARCH 31, 2014

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, 2014 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 position. At March 31, 2014 the outstanding balance of the defeased debt is \$4,140,000. The defeased bonds will be redeemed on March 1, 2014.

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, 2014

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%.

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, 2014 are as follows:

Governmental Activities

<u>Year ending March 31</u>	General Obligation Bonds Payable/ Certificates of Participation		
	Principal	Interest	Total
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	870,000	36,555	906,555
2020	525,000	17,588	542,588
Total.....	<u>\$6,375,000</u>	<u>\$432,381</u>	<u>\$6,807,381</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2014

6. LONG-TERM LIABILITIES (continued)

Tax Increment Financing (TIF) Notes Payable

All tax increment financing 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 issue:

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 June 2012, the City issued \$3,520,000 in Certificates of Participation Refunding Series 2012 (“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 2012 COPS mature on September 1, 2030 and bear interest at varying rates from 1.25% to 3.25%.

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 US Treasury Interest Subsidy will be paid directly to the City. The City intends to apply, but has not pledged, the US 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.

On September 1, 2009, Taxable Certificates of Participation (“2009 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.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2014

6. LONG-TERM LIABILITIES (continued)

Certificates of Participation (continued)

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 2009 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 2009 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, 2014 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>
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.....	445,000	310,811	755,811
2020 – 2024.....	2,430,000	1,285,855	3,715,855
2025 – 2029.....	2,845,000	688,973	3,533,973
2030 – 2031.....	<u>1,260,000</u>	<u>64,750</u>	<u>1,324,750</u>
Total.....	<u>\$8,680,000</u>	<u>\$3,730,391</u>	<u>\$12,410,391</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2014

6. LONG-TERM LIABILITIES (continued)

Capital Leases

In July 2013 the City of Kirkwood, Missouri entered into a capital lease for sanitation trucks. The will be lease financing four Wayne Phoenix model trucks and five Labrie Sanitation trucks. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through the capital leases are as follows:

	March 31, 2014
Vehicles.....	\$1,978,840
Less – Accumulated depreciation.....	71,508
Net Book Value.....	<u>\$1,907,332</u>

A schedule of future minimum lease payments under the capital leases and the present value of the net minimum lease payments as of March 31, 2014 are as follows:

For The Years Ended March 31	Amount
2015	\$ 415,542
2016	415,542
2017	415,541
2018	270,863
2019	270,863
	1,788,351
Less – Amount representing interest	51,376
Present Value of Minimum Lease Payments	<u>\$1,736,975</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2014

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 - 2013 tax year.....		<u>\$711,029,030</u>
Debt limit - 10% of assessed valuation		\$ 71,102,903
Amount of debt applicable to debt limit:		
Total general obligation bonded debt	2,880,000	
Less: Amount available in debt service fund	<u>(594,275)</u>	
Bonded indebtedness applicable to debt limit		<u>2,285,725</u>
Legal Debt Margin		<u>\$ 68,817,178</u>

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2014

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, 2014, cash and investment in the Revenue Fund total \$254,404 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, 2014, 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, 2014, 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, 2014, cash and investments in the COPS Series 2009 reserve fund was \$438,767.

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, 2014, there were no cash and investments in the COPS Series 2009 project fund.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2014

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, 2014, 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, 2014, cash and investments in the Refunding COPS Series 2012 reserve fund was \$663,699.

(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 Fund 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, 2014, utility deposits restricted total \$170,596 for the Electric Fund and total \$23,355 for the Water Fund.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2014

8. RECONCILIATION OF INTERFUND TRANSACTIONS

The following represents a reconciliation of transfers between individual funds for the year ended March 31, 2014.

	<u>Transfers From</u>	<u>Transfers To</u>	<u>Net Transfers</u>
Major Funds:			
General Fund.....	\$ (524,105)	\$ 1,192,000	\$ 667,895
<i>Special Revenue:</i>			
Park Board.....	-	529,105	529,105
<i>Capital Improvement:</i>			
Capital Improvement.....	-	1,033,000	1,033,000
Park & Storm Water Improvement....	(772,000)	-	(772,000)
Non-Major Funds	(18,000)	-	(18,000)
Major Enterprise Funds			
Electric.....	(1,130,000)	-	(1,130,000)
Water.....	(210,000)	-	(210,000)
Sanitation.....	(100,000)	-	(100,000)
Total.....	<u>\$ (2,754,105)</u>	<u>\$ 2,754,105</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 or budget requires to expend them primarily for operating or capital purposes. See Note 4 for transfer of capital asset.

Individual fund interfund receivable and payable balances as of March 31, 2014, are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Major Funds		
<i>Capital Projects</i>		
Park & Storm Water Improvements.....	\$ -	\$ 1,190,000
Major Enterprise Funds		
Electric.....	595,000	-
Water.....	595,000	-
Total.....	<u>\$ 1,190,000</u>	<u>\$ 1,190,000</u>

The amounts due to or from individual funds represents 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, 2014

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, 2014, the City's total estimated liability for payment of incurred (both reported and unreported) but unpaid claims for self-insured employee benefit programs was \$441,890 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 Year Ended March 31</u>	<u>Liability - Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Liability - End of Year</u>
2013	\$ 256,351	\$ 1,965,449	\$ 1,865,061	\$ 356,739
2014	\$ 356,739	\$ 3,158,902	\$ 3,073,751	\$ 441,890

The City utilizes self-insurance internal service funds to account for and finance its uninsured risk of loss for medical and workers' compensation. The City self-funds insurance for workers' 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 workers' compensation coverage.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2014

10. MUNICIPAL COURT TRAFFIC VIOLATIONS FINES AND COSTS

Missouri House Bill No. 103 amending RSMo Section 302.341.2 became effective on August 28, 2013. The amendments to the statute now require municipalities to report an accounting of the percent of “annual general operating revenue” from fines and costs for traffic violations. All fines and costs from traffic violations in excess of 30% of the City’s “annual general operating revenue” is required to be remitted to the director of the department of revenue for annual distribution to the schools of the county. The City was not required to and did not account for the fines and court cost for traffic violations separately from the total fines and court costs prior to August 28, 2013. Therefore, the City cannot provide the percent related specifically to traffic violations for the entire fiscal year ending March 31, 2014. Total fines and court costs revenues for the fiscal year, which include fines and court costs related to traffic violations, summed to \$599,254. “Annual general operating revenue of the City” is not defined in the amended statute and may or may not include various sources of the City’s revenues. The City is defining “annual general operating revenues of the City” as “Total General Fund Revenues” excluding “General Fund Other Financing Sources (Uses).”

Total court fines and costs (all case types).....	\$ 599,254
Total general operating revenue of the city.....	<u>19,671,604</u>
Court fines and costs as a percentage of total general operating revenue of the city.....	 <u>3.05%</u>

11. 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.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2014

11. COMMITMENTS AND CONTINGENCIES (continued)

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 2014, 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.

AmerenUE effective June 1, 2011 through September 30, 2014 to purchase wholesale capacity at quantities that vary monthly at \$1.72 per kilowatt-month and effective October 1, 2014 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, 2014 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, 2014 to purchase 10 megawatts of 7 X 24 wholesale energy at \$37.57 per megawatt and effective June 1, 2014 through August 31, 2014 to purchase 20 megawatts of 5 X 16 wholesale energy at \$56.10 per megawatt.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

MARCH 31, 2014

11. COMMITMENTS AND CONTINGENCIES (continued)

Major Supplier (continued)

American Electric Power Service Corporation effective June 1, 2014 through August 31, 2014 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 2014.

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.

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.

CITY OF KIRKWOOD, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS
MARCH 31, 2014

11. COMMITMENTS AND CONTINGENCIES (continued)

Joint Venture (continued)

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.

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 generally accepted accounting principles (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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED MARCH 31, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES:				
Taxes, including interest and penalties:				
Gasoline/motor vehicle sales.....	\$ 995,000	\$ 995,000	\$ 1,008,207	\$ 13,207
Utility gross receipts.....	4,659,000	4,659,000	5,101,346	442,346
Property.....	2,050,045	2,050,045	2,083,371	33,326
Sales.....	4,235,000	4,235,000	4,510,696	275,696
Cigarette.....	75,000	75,000	72,963	(2,037)
Highway road and bridge.....	720,000	720,000	738,015	18,015
Franchise.....	400,000	400,000	434,799	34,799
Total Taxes.....	<u>13,134,045</u>	<u>13,134,045</u>	<u>13,949,397</u>	<u>815,352</u>
Intergovernmental.....	<u>413,000</u>	<u>575,521</u>	<u>481,958</u>	<u>(93,563)</u>
Licenses, Permits, Fines and Fees:				
Motor vehicle licenses and fees.....	128,000	128,000	134,585	6,585
Business licenses.....	530,000	530,000	542,740	12,740
Alcoholic beverage licenses.....	28,000	28,000	27,060	(940)
Building and plumbing permits.....	545,000	545,000	612,873	67,873
Excavation and sign permits.....	24,300	24,300	33,451	9,151
Fines and court costs.....	631,000	631,000	599,254	(31,746)
Miscellaneous fees.....	88,000	88,000	121,216	33,216
Total Licenses, Permits, Fines and Fees.....	<u>1,974,300</u>	<u>1,974,300</u>	<u>2,071,179</u>	<u>96,879</u>
Investment income.....	<u>50,000</u>	<u>50,000</u>	<u>23,864</u>	<u>(26,136)</u>
Charges For Services:				
Skating rink.....	634,450	634,450	686,804	52,354
Aquatic facility.....	430,700	430,700	388,692	(42,008)
Ambulance fees.....	600,000	600,000	790,153	190,153
Program fees.....	673,250	673,250	668,896	(4,354)
Total Charges For Services.....	<u>2,338,400</u>	<u>2,338,400</u>	<u>2,534,545</u>	<u>196,145</u>
Other	<u>594,847</u>	<u>607,317</u>	<u>610,661</u>	<u>3,344</u>
Total Revenues.....	<u>\$ 18,504,592</u>	<u>\$ 18,679,583</u>	<u>\$ 19,671,604</u>	<u>\$ 992,021</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES:				
Current:				
General Government and Finance:				
Personnel services.....	2,003,546	2,047,548	1,975,599	71,949
Contractual services.....	1,226,874	1,323,531	1,084,037	239,494
Commodities.....	431,420	215,281	92,038	123,243
Capital outlay.....	24,925	21,753	15,319	6,434
Interdepartmental charges, net.....	283,919	288,663	285,338	3,325
Total General Government and Finance....	<u>3,970,684</u>	<u>3,896,776</u>	<u>3,452,331</u>	<u>444,445</u>
Engineering:				
Personnel services.....	321,330	314,311	311,035	3,276
Contractual services.....	51,349	46,455	35,810	10,645
Commodities.....	7,954	8,754	6,866	1,888
Capital outlay.....	800	700	682	18
Interdepartmental charges, net.....	9,620	10,820	8,741	2,079
Total Engineering.....	<u>391,053</u>	<u>381,040</u>	<u>363,134</u>	<u>17,906</u>
Building Maintenance:				
Personnel services.....	173,815	177,074	176,276	798
Contractual services.....	232,308	231,721	223,015	8,706
Commodities.....	44,200	44,953	44,346	607
Capital outlay.....	2,500	2,500	2,340	160
Interdepartmental charges, net.....	10,034	10,034	8,015	2,019
Total Building Maintenance.....	<u>462,857</u>	<u>466,282</u>	<u>453,992</u>	<u>12,290</u>
Building Commissioner:				
Personnel services.....	527,933	547,432	536,659	10,773
Contractual services.....	86,481	85,259	50,302	34,957
Commodities.....	9,960	11,182	9,817	1,365
Interdepartmental charges, net.....	15,578	15,578	12,276	3,302
Total Building Commissioner.....	<u>639,952</u>	<u>659,451</u>	<u>609,054</u>	<u>50,397</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
EXPENDITURES (CONTINUED)				
Current (continued):				
Police:				
Personnel services.....	5,838,992	6,002,309	5,823,435	178,874
Contractual services.....	642,823	667,900	580,929	86,971
Commodities.....	134,197	142,339	120,639	21,700
Capital outlay.....	9,780	9,780	6,617	3,163
Interdepartmental charges, net.....	359,690	397,435	346,507	50,928
Total Police.....	<u>6,985,482</u>	<u>7,219,763</u>	<u>6,878,127</u>	<u>341,636</u>
Fire:				
Personnel services.....	4,263,020	4,340,892	4,237,095	103,797
Contractual services.....	412,962	417,747	376,590	41,157
Commodities.....	119,390	120,950	103,991	16,959
Interdepartmental charges, net.....	263,007	266,277	222,461	43,816
Total Fire.....	<u>5,058,379</u>	<u>5,145,866</u>	<u>4,940,137</u>	<u>205,729</u>
Streets:				
Personnel services.....	836,844	875,706	861,894	13,812
Contractual services.....	214,893	221,290	207,718	13,572
Commodities.....	244,450	218,330	189,539	28,791
Capital outlay.....	10,000	2,361	1,002	1,359
Interdepartmental charges, net.....	251,875	275,214	225,857	49,357
Total Streets.....	<u>1,558,062</u>	<u>1,592,901</u>	<u>1,486,010</u>	<u>106,891</u>
Recreation:				
Personnel services.....	1,055,301	1,054,595	1,034,923	19,672
Contractual services.....	674,220	682,046	653,181	28,865
Commodities.....	149,421	140,582	125,340	15,242
Interdepartmental charges, net.....	249,396	258,608	255,231	3,377
Total Recreation.....	<u>2,128,338</u>	<u>2,135,831</u>	<u>2,068,675</u>	<u>67,156</u>
Total Expenditures.....	<u>21,194,807</u>	<u>21,497,910</u>	<u>20,251,460</u>	<u>1,246,450</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, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	(2,690,215)	(2,818,327)	(579,856)	(2,238,471)
OTHER FINANCING SOURCES (USES):				
Transfers in.....	1,300,000	1,303,380	1,192,000	(111,380)
Transfers out.....	(519,595)	(519,595)	(524,105)	4,510
Proceeds from sale of capital assets.....	-	-	25	25
Total Other Financing Sources (Uses).....	<u>780,405</u>	<u>783,785</u>	<u>667,920</u>	<u>(106,845)</u>
NET CHANGE IN FUND BALANCE.....	<u>\$ (1,909,810)</u>	<u>\$ (2,034,542)</u>	<u>88,064</u>	<u>\$ (2,345,316)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			29,033	
Expenditure accrual adjustments.....			(66,296)	
Total Adjustments To Reconcile to GAAP Basis.....			<u>(37,263)</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS.....			50,801	
FUND BALANCE, BEGINNING OF YEAR.....			<u>8,729,403</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 8,780,204</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes, including interest and penalties.....	\$ 925,000	\$ 925,000	\$ 934,795	\$ 9,795
Licenses, permits, fines and fees.....	69,550	69,550	77,002	7,452
Investment income.....	10,000	10,000	2,458	(7,542)
Other.....	-	-	15	15
Total Revenues.....	1,004,550	1,004,550	1,014,270	9,720
EXPENDITURES:				
Current:				
Parks.....	1,408,392	1,411,106	1,326,937	84,169
Capital outlay.....	249,000	279,276	129,232	150,044
Total Expenditures.....	1,657,392	1,690,382	1,456,169	234,213
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	(652,842)	(685,832)	(441,899)	(243,933)
OTHER FINANCING SOURCES:				
Transfers in.....	541,550	541,550	529,105	(12,445)
Proceeds from sale of capital assets.....	-	-	14,493	14,493
Total Other Financing Sources.....	541,550	541,550	543,598	2,048
NET CHANGE IN FUND BALANCES.....	\$ (111,292)	\$ (144,282)	101,699	\$ (245,981)
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			11,426	
Expenditure accrual adjustments.....			(1,548)	
Total Adjustments To Reconcile to GAAP Basis.....			9,878	
NET CHANGE IN FUND BALANCE - GAAP BASIS.....			111,577	
FUND BALANCE, BEGINNING OF YEAR.....			1,433,102	
FUND BALANCE, END OF YEAR.....			\$ 1,544,679	

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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes, including interest and penalties.....	\$ 881,575	\$ 881,575	\$ 899,494	\$ 17,919
Investment income.....	14,000	14,000	5,684	(8,316)
Total Revenues.....	<u>895,575</u>	<u>895,575</u>	<u>905,178</u>	<u>9,603</u>
EXPENDITURES:				
Police.....	618,574	627,574	548,151	79,423
Fire.....	618,574	627,574	548,151	79,423
Total Expenditures.....	<u>1,237,148</u>	<u>1,255,148</u>	<u>1,096,302</u>	<u>158,846</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	<u>\$ (341,573)</u>	<u>\$ (359,573)</u>	<u>(191,124)</u>	<u>\$ (168,449)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			10,067	
Expenditure accrual adjustments.....			(12,884)	
Total Adjustments To Reconcile to GAAP Basis.....			<u>(2,817)</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS.....			(193,941)	
FUND BALANCE, BEGINNING OF YEAR.....			<u>2,973,222</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 2,779,281</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, 2014

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.

2. LEGAL COMPLIANCE - BUDGETS

The following is a listing of expenditures at the legal level control which exceeded budget appropriations:

	<u>Final Budget</u>	<u>Actual</u>	<u>Over Budget</u>
GENERAL FUND:			
Streets			
Personnel services:			
Overtime.....	\$ 45,000	\$ 45,145	\$ 145
Social Security Taxes.....	40,742	40,960	218
Medicare.....	9,529	9,580	51

The over expenditures were financed by revenues which exceeded the budgeted amounts.

CITY OF KIRKWOOD, MISSOURI

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
MARCH 31, 2014

	Combined Nonmajor Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS:			
Cash held by trustees.....	\$ 254,404	\$ -	\$ 254,404
Cash and investments - unrestricted.....	1,356,769	556,825	1,913,594
Receivables, net of allowances:			
Taxes.....	93,948	55,746	149,694
Interest.....	993	424	1,417
Other.....	10,490	-	10,490
TOTAL ASSETS.....	\$ 1,716,604	\$ 612,995	\$ 2,329,599
LIABILITIES:			
Accounts payable.....	\$ 12,178	\$ 595	\$ 12,773
Accrued wages and vacation.....	5,739	-	5,739
Deposits payable.....	19,505	-	19,505
Unearned revenue.....	72,090	-	72,090
Total Liabilities.....	109,512	595	110,107
DEFERRED INFLOWS OF RESOURCES:			
Unavailable revenue-taxes.....	38,700	18,125	56,825
Total Deferred Inflows of Resources.....	38,700	18,125	56,825
FUND BALANCES:			
Restricted for:			
Debt service.....	-	594,275	594,275
Law enforcement.....	146,567	-	146,567
Sewer lateral.....	918,456	-	918,456
Special business district.....	139,165	-	139,165
TIF bonds and notes.....	364,204	-	364,204
Total Fund Balances.....	1,568,392	594,275	2,162,667
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES.....	\$ 1,716,604	\$ 612,995	\$ 2,329,599

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, 2014

	<u>Combined Nonmajor Special Revenue Funds</u>	<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES:			
Taxes, including interest and penalties.....	\$ 400,159	\$ 462,566	\$ 862,725
Licenses, permits, fines and fees.....	701,919	-	701,919
Investment income.....	1,675	1,044	2,719
Other.....	14,493	-	14,493
	<u>1,118,246</u>	<u>463,610</u>	<u>1,581,856</u>
EXPENDITURES:			
General government and finance.....	515,636	-	515,636
Capital outlay.....	66,268	-	66,268
Debt service:			
Principal retirement.....	274,000	430,000	704,000
Interest and fiscal charges.....	195,495	94,403	289,898
	<u>1,051,399</u>	<u>524,403</u>	<u>1,575,802</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	66,847	(60,793)	6,054
OTHER FINANCING USES:			
Transfers out.....	(18,000)	-	(18,000)
	<u>(18,000)</u>	<u>-</u>	<u>(18,000)</u>
NET CHANGE IN FUND BALANCES.....	48,847	(60,793)	(11,946)
FUND BALANCES, BEGINNING OF YEAR.....	1,519,545	655,068	2,174,613
FUND BALANCES, END OF YEAR.....	<u>\$ 1,568,392</u>	<u>\$ 594,275</u>	<u>\$ 2,162,667</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
MARCH 31, 2014

	Downtown Special Business District	Equitable Sharing	Sewer Lateral	Kirkwood Commons TIF	Total
ASSETS:					
Cash held by trustees.....	\$ -	\$ -	\$ -	\$254,404	\$ 254,404
Cash and investments - unrestricted.....	197,568	146,453	932,500	80,248	1,356,769
Receivables, net of allowances:					
Taxes.....	32,464	-	-	61,484	93,948
Interest.....	154	114	725	-	993
Other.....	4,191	-	6,249	50	10,490
TOTAL ASSETS.....	\$ 234,377	\$ 146,567	\$ 939,474	\$396,186	\$ 1,716,604
LIABILITIES:					
Accounts payable.....	\$ 11,130	\$ -	\$ 1,048	\$ -	\$ 12,178
Accrued wages and vacation.....	5,274	-	465	-	5,739
Deposits payable.....	-	-	19,505	-	19,505
Unearned revenue.....	72,090	-	-	-	72,090
Total Liabilities.....	88,494	-	21,018	-	109,512
DEFERRED INFLOWS OF RESOURCES:					
Unavailable revenue-taxes.....	6,718	-	-	31,982	38,700
Total Deferred Inflows of Resources.....	6,718	-	-	31,982	38,700
FUND BALANCES:					
Restricted for:					
Law enforcement.....	-	146,567	-	-	146,567
Sewer lateral.....	-	-	918,456	-	918,456
Special business district.....	139,165	-	-	-	139,165
TIF bonds and notes.....	-	-	-	364,204	364,204
Total Fund Balances.....	139,165	146,567	918,456	364,204	1,568,392
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES.....	\$ 234,377	\$ 146,567	\$ 939,474	\$396,186	\$ 1,716,604

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, 2014

	Downtown Special Business District	Equitable Sharing	Sewer Lateral	Kirkwood Commons TIF	Total
REVENUES:					
Taxes, including interest and penalties.....	\$ 131,738	\$ -	\$ -	\$ 268,421	\$ 400,159
Licenses, permits, fines and fees.....	152,823	81,465	274,349	193,282	701,919
Investment income.....	329	189	1,157	-	1,675
Miscellaneous.....	14,493	-	-	-	14,493
Total Revenues.....	299,383	81,654	275,506	461,703	1,118,246
EXPENDITURES:					
General government and finance.....	291,259	-	224,377	-	515,636
Capital outlay.....	30,551	35,717	-	-	66,268
Debt service:					
Principal retirement.....	-	-	-	274,000	274,000
Interest and fiscal charges.....	-	-	-	195,495	195,495
Total Expenditures.....	321,810	35,717	224,377	469,495	1,051,399
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	(22,427)	45,937	51,129	(7,792)	66,847
OTHER FINANCING USES:					
Transfers out.....	(18,000)	-	-	-	(18,000)
Total Other Financing Uses.....	(18,000)	-	-	-	(18,000)
NET CHANGE IN FUND BALANCES.....	(40,427)	45,937	51,129	(7,792)	48,847
FUND BALANCES, BEGINNING OF YEAR.....	179,592	100,630	867,327	371,996	1,519,545
FUND BALANCES, END OF YEAR.....	<u>\$ 139,165</u>	<u>\$ 146,567</u>	<u>\$ 918,456</u>	<u>\$ 364,204</u>	<u>\$ 1,568,392</u>

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, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
REVENUES:				
Taxes, including interest and penalties.....	\$ 130,000	\$ 130,000	\$ 132,344	\$ 2,344
Licenses, permits, fines and fees.....	181,600	181,600	151,024	(30,576)
Investment income.....	2,200	2,200	472	(1,728)
Miscellaneous.....	7,000	7,000	14,493	7,493
Total Revenues.....	<u>320,800</u>	<u>320,800</u>	<u>298,333</u>	<u>(22,467)</u>
EXPENDITURES:				
General government and finance.....	330,200	311,500	290,466	21,034
Capital outlay.....	33,800	59,500	30,551	28,949
Total Expenditures.....	<u>364,000</u>	<u>371,000</u>	<u>321,017</u>	<u>49,983</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	<u>(43,200)</u>	<u>(50,200)</u>	<u>(22,684)</u>	<u>(27,516)</u>
OTHER FINANCING USES:				
Transfers out.....	(25,000)	(43,000)	(18,000)	(25,000)
Total Other Financing Uses.....	<u>(25,000)</u>	<u>(43,000)</u>	<u>(18,000)</u>	<u>(25,000)</u>
NET CHANGE IN FUND BALANCES.....	<u>\$ (68,200)</u>	<u>\$ (93,200)</u>	<u>(40,684)</u>	<u>\$ (52,516)</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			1,050	
Expenditure accrual adjustments.....			(793)	
Total Adjustments To Reconcile to GAAP Basis.....			<u>257</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS.....			(40,427)	
FUND BALANCE, BEGINNING OF YEAR.....			<u>179,592</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 139,165</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Licenses, permits, fines and fees.....	\$ -	\$ -	\$ 81,465	\$ 81,465
Investment income.....	-	-	225	225
Total Revenues.....	-	-	81,690	81,690
EXPENDITURES:				
Capital outlay.....	-	40,395	35,717	4,678
Total Expenditures.....	-	40,395	35,717	4,678
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	\$ -	\$ (40,395)	45,973	\$ 86,368
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			(36)	
Expenditure accrual adjustments.....			-	
Total Adjustments To Reconcile to GAAP Basis.....			(36)	
NET CHANGE IN FUND BALANCE - GAAP BASIS.....			45,937	
FUND BALANCE, BEGINNING OF YEAR.....			100,630	
FUND BALANCE, END OF YEAR.....			\$ 146,567	

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, 2014

	<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	\$ 270,863	\$ (24,137)
Investment income.....	5,000	5,000	1,628	(3,372)
Total Revenues.....	<u>300,000</u>	<u>300,000</u>	<u>272,491</u>	<u>(27,509)</u>
EXPENDITURES:				
General government and finance.....	<u>167,607</u>	<u>267,607</u>	<u>224,318</u>	<u>43,289</u>
Total Expenditures.....	<u>167,607</u>	<u>267,607</u>	<u>224,318</u>	<u>43,289</u>
EXCESS REVENUES OVER (UNDER)				
EXPENDITURES.....	<u>\$ 132,393</u>	<u>\$ 32,393</u>	<u>48,173</u>	<u>\$ 15,780</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			3,015	
Expenditure accrual adjustments.....			(59)	
Total Adjustments To Reconcile to GAAP Basis.....			<u>2,956</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS.....			51,129	
FUND BALANCE, BEGINNING OF YEAR.....			<u>867,327</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 918,456</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes, including interest and penalties.....	\$ 446,952	\$ 446,952	\$ 456,880	\$ 9,928
Investment income.....	4,000	4,000	1,324	(2,676)
Total Revenues.....	<u>450,952</u>	<u>450,952</u>	<u>458,204</u>	<u>7,252</u>
EXPENDITURES:				
Debt Service:				
Principal retirement.....	410,000	430,000	430,000	-
Interest and fiscal charges.....	<u>151,921</u>	<u>131,921</u>	<u>94,403</u>	<u>37,518</u>
Total Expenditures.....	<u>561,921</u>	<u>561,921</u>	<u>524,403</u>	<u>37,518</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	<u><u>\$ (110,969)</u></u>	<u><u>\$ (110,969)</u></u>	<u><u>(66,199)</u></u>	<u><u>\$ 44,770</u></u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			5,406	
Expenditure accrual adjustments.....			-	
Total Adjustments To Reconcile to GAAP Basis.....			<u>5,406</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS.....			(60,793)	
FUND BALANCE, BEGINNING OF YEAR.....			<u>655,068</u>	
FUND BALANCE, END OF YEAR.....			<u><u>\$ 594,275</u></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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes, including interest and penalties.....	\$ 1,990,000	\$ 1,990,000	\$ 2,052,831	\$ 62,831
Grants.....	7,200	7,200	11,921	4,721
Investment income.....	45,000	45,000	5,757	(39,243)
Other.....	-	-	3,434	3,434
Total Revenues.....	<u>2,042,200</u>	<u>2,042,200</u>	<u>2,073,943</u>	<u>31,743</u>
EXPENDITURES:				
General government and finance.....	65,606	68,282	67,601	681
Capital outlay.....	2,884,200	3,623,264	2,343,753	1,279,511
Total Expenditures.....	<u>2,949,806</u>	<u>3,691,546</u>	<u>2,411,354</u>	<u>1,280,192</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	<u>(907,606)</u>	<u>(1,649,346)</u>	<u>(337,411)</u>	<u>1,311,935</u>
OTHER FINANCING SOURCES:				
Transfers in.....	1,033,000	1,033,000	1,033,000	-
Proceeds from sale of capital assets.....	60,000	60,000	15,118	(44,882)
Total Other Financing Sources.....	<u>1,093,000</u>	<u>1,093,000</u>	<u>1,048,118</u>	<u>(44,882)</u>
NET CHANGE IN FUND BALANCES....	<u>\$ 185,394</u>	<u>\$ (556,346)</u>	<u>710,707</u>	<u>\$ 1,267,053</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			(2,502)	
Expenditure accrual adjustments.....			(313)	
Total Adjustments To Reconcile to GAAP Basis.....			<u>(2,815)</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS.....			707,892	
FUND BALANCE, BEGINNING OF YEAR.....			<u>1,921,273</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 2,629,165</u>	

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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes, including interest and penalties.....	\$ 2,200,000	\$ 2,200,000	\$ 2,404,600	\$ 204,600
Intergovernmental.....	64,069	64,069	64,065	(4)
Investment income.....	17,000	17,000	3,723	(13,277)
Grants.....	20,000	20,000	20,000	-
Total Revenues.....	<u>2,301,069</u>	<u>2,301,069</u>	<u>2,492,388</u>	<u>191,319</u>
EXPENDITURES:				
General government and finance.....	8,000	8,000	5,813	(2,187)
Capital outlay.....	950,000	1,536,108	967,857	(568,251)
Debt Service:				
Principal retirement.....	920,000	920,000	750,000	(170,000)
Interest and fiscal charges.....	93,060	93,077	92,086	(991)
Total Expenditures.....	<u>1,971,060</u>	<u>2,557,185</u>	<u>1,815,756</u>	<u>(741,429)</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES.....	330,009	(256,116)	676,632	932,748
OTHER FINANCING USES:				
Transfers out.....	(800,000)	(772,000)	(772,000)	-
Total Other Financing Uses.....	<u>(800,000)</u>	<u>(772,000)</u>	<u>(772,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES.....	<u>\$ (469,991)</u>	<u>\$ (1,028,116)</u>	<u>(95,368)</u>	<u>\$ 932,748</u>
ADJUSTMENTS TO RECONCILE TO GAAP BASIS				
Revenue accrual adjustments.....			(3,460)	
Expenditure accrual adjustments.....			-	
Total Adjustments To Reconcile to GAAP Basis.....			<u>(3,460)</u>	
NET CHANGE IN FUND BALANCE - GAAP BASIS.....			(98,828)	
FUND BALANCE, BEGINNING OF YEAR.....			<u>837,755</u>	
FUND BALANCE, END OF YEAR.....			<u>\$ 738,927</u>	

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS
MARCH 31, 2014

	<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.....	\$ -	\$ -	\$ 26,017	\$ 26,017
Unrestricted.....	906,621	100,278	1,183,196	2,190,095
Interest receivable.....	705	234	920	1,859
Other receivable.....	6,544	1,118	-	7,662
Inventory.....	-	3,932	-	3,932
Total Assets.....	913,870	105,562	1,210,133	2,229,565
LIABILITIES:				
Accounts payable.....	3,767	27,748	6,266	37,781
Accrued wages and vacation.....	-	35,695	3,920	39,615
Claims payable.....	208,771	-	233,119	441,890
Total Current Liabilities.....	212,538	63,443	243,305	519,286
NET POSITION				
Unrestricted.....	701,332	42,119	966,828	1,710,279
TOTAL NET POSITION.....	\$ 701,332	\$ 42,119	\$ 966,828	\$ 1,710,279

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, 2014

	Medical Self Insurance	Fleet Services	Workers' Compensation Self Insurance	Total
OPERATING REVENUES:				
Charges for services.....	\$ 2,882,871	\$ 752,682	\$ 894,265	\$ 4,529,818
Other.....	40,501	8,590	467	49,558
Total Operating Revenues.....	<u>2,923,372</u>	<u>761,272</u>	<u>894,732</u>	<u>4,579,376</u>
OPERATING EXPENSES:				
Administrative and general.....	12,867	893,154	216,135	1,122,156
Claims and insurance premiums.....	2,830,490	-	868,635	3,699,125
Total Operating Expenses.....	<u>2,843,357</u>	<u>893,154</u>	<u>1,084,770</u>	<u>4,821,281</u>
OPERATING INCOME (LOSS).....	<u>80,015</u>	<u>(131,882)</u>	<u>(190,038)</u>	<u>(241,905)</u>
NONOPERATING REVENUES:				
Gain on sale of capital assets.....	-	1,333	-	1,333
Investment income.....	1,170	320	1,576	3,066
Total Nonoperating Revenues.....	<u>1,170</u>	<u>1,653</u>	<u>1,576</u>	<u>4,399</u>
CHANGE IN NET POSITION.....	81,185	(130,229)	(188,462)	(237,506)
NET POSITION, BEGINNING OF YEAR.....	<u>620,147</u>	<u>172,348</u>	<u>1,155,290</u>	<u>1,947,785</u>
NET POSITION, END OF YEAR.....	<u>\$ 701,332</u>	<u>\$ 42,119</u>	<u>\$ 966,828</u>	<u>\$ 1,710,279</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, 2014

	Medical Self Insurance	Fleet Services	Workers' Compensation Self Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from interfund services provided.....	\$ 2,882,871	\$ 752,682	\$ 894,265	\$ 4,529,818
Other receipts.....	33,957	7,472	467	41,896
Payments to suppliers.....	(2,784,330)	(485,203)	(991,070)	(4,260,603)
Payments to employees.....	-	(394,943)	(62,403)	(457,346)
Payments for interfund services.....	-	(15,823)	(10,000)	(25,823)
Net Cash Provided By (Used In) Operating Activities.....	<u>132,498</u>	<u>(135,815)</u>	<u>(168,741)</u>	<u>(172,058)</u>
CASH FLOWS PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from Sale of Capital Assets.....	-	1,333	-	1,333
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:				
Interest received on investments.....	1,426	401	2,471	4,298
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....	133,924	(134,081)	(166,270)	(166,427)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	<u>772,697</u>	<u>234,359</u>	<u>1,375,483</u>	<u>2,382,539</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	<u>\$ 906,621</u>	<u>\$ 100,278</u>	<u>\$ 1,209,213</u>	<u>\$ 2,216,112</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss).....	\$ 80,015	\$ (131,882)	\$ (190,038)	\$ (241,905)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
(Increase) decrease in assets:				
Miscellaneous receivables.....	(6,544)	(1,118)	-	(7,662)
Inventory.....	-	(1,499)	-	(1,499)
Increase (decrease) in liabilities:				
Accounts payable.....	(167)	(5,630)	(6,435)	(12,232)
Accrued wages and vacation.....	-	4,314	1,775	6,089
Claims payable.....	59,194	-	25,957	85,151
Total adjustments.....	<u>52,483</u>	<u>(3,933)</u>	<u>21,297</u>	<u>69,847</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....	<u>\$ 132,498</u>	<u>\$ (135,815)</u>	<u>\$ (168,741)</u>	<u>\$ (172,058)</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING STATEMENT OF NET POSITION - PENSION TRUST FUNDS
MARCH 31, 2014

	<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.....	\$ 2,309,745	\$ 1,662,567	\$ 3,972,312
Bond funds.....	3,077,590	1,433,540	4,511,130
Balanced funds.....	5,459,952	6,273,301	11,733,253
Domestic stock funds.....	18,333,313	6,421,083	24,754,396
International stock funds.....	3,168,270	971,014	4,139,284
Stable value money market funds.....	31,133	57,499	88,632
Specialty stock funds.....	-	259,746	259,746
Vanguard brokerage option fund.....	1,980,422	-	1,980,422
Contributions receivable.....	40,101	24,495	64,596
	<u>34,400,526</u>	<u>17,103,245</u>	<u>51,503,771</u>
LIABILITIES:			
Accounts payable.....	<u>2,100</u>	<u>-</u>	<u>2,100</u>
	<u>2,100</u>	<u>-</u>	<u>2,100</u>
NET POSITION:			
Net Position Held in Trust for Pension Benefits.....	<u>\$ 34,398,426</u>	<u>\$ 17,103,245</u>	<u>\$ 51,501,671</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, 2014

	Police Officers' and Fire Retirement	Civilian Employees Retirement	Total
ADDITIONS:			
Contributions:			
Employer.....	\$ 939,486	\$ 606,723	\$ 1,546,209
Employee, net of refunds.....	484,437	-	484,437
Total Contributions.....	<u>1,423,923</u>	<u>606,723</u>	<u>2,030,646</u>
Investment income:			
Interest and dividends.....	1,222,064	484,813	1,706,877
Net appreciation in the fair value of plan investments.....	3,301,890	1,627,489	4,929,379
Total Investment Income.....	<u>4,523,954</u>	<u>2,112,302</u>	<u>6,636,256</u>
Less: investment expenses.....	54,853	231	55,084
Net investment income.....	<u>4,469,101</u>	<u>2,112,071</u>	<u>6,581,172</u>
TOTAL ADDITIONS.....	<u>5,893,024</u>	<u>2,718,794</u>	<u>8,611,818</u>
DEDUCTIONS:			
Benefit payments.....	<u>946,559</u>	<u>819,880</u>	<u>1,766,439</u>
Administrative and general expenses:			
Insurance, taxes and other premiums.....	94,912	91,711	186,623
Professional and administrative fees.....	43,255	44,627	87,882
Total Administrative and General Expenses.....	<u>138,167</u>	<u>136,338</u>	<u>274,505</u>
TOTAL DEDUCTIONS.....	<u>1,084,726</u>	<u>956,218</u>	<u>2,040,944</u>
CHANGE IN NET POSITION.....	4,808,298	1,762,576	6,570,874
NET POSITION HELD IN TRUST FOR EMPLOYEE PENSION BENEFITS, BEGINNING OF YEAR.....			
	<u>29,590,128</u>	<u>15,340,669</u>	<u>44,930,797</u>
END OF YEAR.....	<u>\$ 34,398,426</u>	<u>\$ 17,103,245</u>	<u>\$ 51,501,671</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

COMBINING BALANCE SHEET - AGENCY FUND
MARCH 31, 2014

	<u>Appearance Bond Deposits</u>
ASSETS:	
Cash and investments:	
Restricted.....	\$ 33,830
TOTAL ASSETS.....	<u>\$ 33,830</u>
LIABILITIES:	
Deposits payable.....	\$ 33,830
TOTAL LIABILITIES.....	<u>\$ 33,830</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, 2014

	Balance April 1, 2013	Additions	Deletions	Balance March 31, 2014
Appearance Bond Deposits				
ASSETS:				
Cash and investments - restricted.....	\$ 28,600	\$ 97,614	\$ 92,384	\$ 33,830
Total Assets.....	<u>\$ 28,600</u>	<u>\$ 97,614</u>	<u>\$ 92,384</u>	<u>\$ 33,830</u>
LIABILITIES:				
Deposits payable.....	\$ 28,600	\$ 97,614	\$ 92,384	\$ 33,830
Total Liabilities.....	<u>\$ 28,600</u>	<u>\$ 97,614</u>	<u>\$ 92,384</u>	<u>\$ 33,830</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

BALANCE SHEET - INDUSTRIAL DEVELOPMENT AUTHORITY
(A DISCRETELY PRESENTED COMPONENT UNIT)
MARCH 31, 2014

	<u>Total</u>
ASSETS:	
Cash and investments:	
Unrestricted.....	\$ 117,731
Interest receivable.....	92
	<hr/>
Total Assets.....	117,823
	<hr/>
LIABILITIES:	
Accounts payable.....	-
	<hr/>
Total Current Liabilities.....	-
	<hr/>
NET POSITION	
Unrestricted.....	117,823
	<hr/>
TOTAL NET POSITION.....	<u>\$ 117,823</u>

See accompanying independent auditor's report

CITY OF KIRKWOOD, MISSOURI

STATEMENT OF REVENUES, EXPENSES AND CHANGE
IN NET POSITION - INDUSTRIAL DEVELOPMENT AUTHORITY
(A DISCRETELY PRESENTED COMPONENT UNIT)
FOR THE FISCAL YEAR ENDED MARCH 31, 2014

	<u>Total</u>
REVENUES:	
Investment income.....	\$ 173
Total Revenues.....	<u>173</u>
EXPENDITURES:	
Administrative and general.....	<u>-</u>
Total Expenditures.....	<u>-</u>
CHANGE IN NET POSITION.....	173
NET POSITION, BEGINNING OF YEAR.....	<u>117,650</u>
NET POSITION, END OF YEAR.....	<u><u>\$ 117,823</u></u>

See accompanying independent auditor's report

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**City of
Kirkwood**

Statistical Section

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.

Contents

Page

Financial Trends

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

101

Revenue Capacity

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

108

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.

116

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.

121

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.

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

	2005 ^a	2006 ^b	2007	2008 ^c	2009 ^d	2010 ^e	2011	2012 ^f	2013	2014
Governmental Activities:										
Net investment in capital assets.....	\$ 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	\$ 54,136,854
Restricted for:										
Capital projects.....	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	3,516,776
Debt service.....	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	1,231,319
Law enforcement.....	-	-	-	208,857	258,582	130,511	104,620	236,162	100,630	146,567
Park operations.....	-	-	-	-	-	1,164,982	1,244,613	1,384,988	1,433,102	1,578,153
Police and fire pension.....	-	-	-	-	3,458,067	3,479,833	3,279,934	3,118,751	2,973,222	2,809,567
Sewer lateral.....	-	-	-	-	-	463,476	596,602	771,756	867,327	918,456
Special business district.....	-	-	-	-	-	179,197	204,396	191,749	179,592	145,883
TIF bonds and notes.....	4,282,196	4,493,256	4,341,267	736,158	815,238	-	-	-	-	-
Unrestricted.....	(13,268,059)	(9,369,624)	(5,477,925)	2,329,558	6,669,276	6,585,255	7,335,848	6,748,336	8,674,045	8,499,806
Total Governmental Activities Net Position.....	\$ 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	\$ 72,983,381
Business-Type Activities:										
Net investment in capital assets.....	\$ 9,597,615	\$ 8,355,320	\$ 6,075,873	\$ 7,383,260	\$ 8,086,717	\$ 8,194,874	\$ 10,249,193	\$ 11,237,213	\$ 11,023,698	\$ 11,856,557
Restricted for Debt Service.....	-	-	-	-	266,246	704,360	704,368	704,381	675,039	675,097
Unrestricted.....	24,638,724	28,570,350	32,067,905	35,687,581	32,881,540	25,521,922	19,966,392	24,901,871	29,086,263	29,229,073
Total Business-Type Activities Net Position.....	\$ 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	\$ 41,760,727
Primary Government:										
Net investment in capital assets.....	\$ 38,077,449	\$ 36,895,492	\$ 35,975,275	\$ 40,726,515	\$ 44,059,174	\$ 48,584,035	\$ 56,402,848	\$ 61,250,943	\$ 63,987,163	\$ 65,993,411
Restricted for:										
Capital projects.....	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	3,516,776
Debt service.....	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	1,906,416
Law enforcement.....	-	-	-	208,857	258,582	130,511	104,620	236,162	100,630	146,567
Park operations.....	-	-	-	-	-	1,164,982	1,244,613	1,384,988	1,433,102	1,578,153
Police and fire pension.....	-	-	-	-	3,458,067	3,479,833	3,279,934	3,118,751	2,973,222	2,809,567
Sewer lateral.....	-	-	-	-	-	463,476	596,602	771,756	867,327	918,456
Special business district.....	-	-	-	-	-	179,197	204,396	191,749	179,592	145,883
TIF bonds and notes.....	4,282,196	4,493,256	4,341,267	736,158	815,238	-	-	-	-	-
Unrestricted.....	11,370,665	19,200,726	26,589,980	38,017,139	39,550,816	32,107,177	27,302,240	31,650,207	37,760,308	37,728,879
Total Primary Government Net Position.....	\$ 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	\$ 114,744,108

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

Governmental Activities
Net investment in 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 \$59,731 to write-off debt issuance costs 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 debt issuance cost in compliance with GASB 65.

CITY OF KIRKWOOD, MISSOURI

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses:										
Governmental Activities:										
General government.....	\$ 4,768,694	\$ 4,935,628	\$ 4,297,905	\$ 4,373,999	\$ 3,669,761	\$ 3,491,882	\$ 3,021,818	\$ 3,822,665	\$ 3,257,778	\$ 4,937,697
Purchasing(a).....	239,462	236,820	235,499	236,315	323,155	348,064	355,320	370,231	384,978	-
Engineering.....	451,564	358,580	366,342	308,752	299,729	381,851	344,617	331,728	347,880	377,683
Building maintenance.....	296,923	249,024	250,774	269,987	409,579	392,958	419,619	477,318	464,338	503,534
Building commissioner.....	618,930	588,369	647,741	601,951	618,245	642,225	633,227	587,664	588,061	619,165
Police.....	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	7,662,023
Fire.....	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	5,989,740
Streets.....	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	2,536,437
Parks.....	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	1,807,512
Recreation.....	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	2,670,425
Interest on long-term debt.....	2,142,644	1,600,102	1,461,984	1,592,120	973,108	1,021,841	733,959	607,851	549,588	415,651
Total Governmental Activities Expenses.....	<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>	<u>27,519,867</u>
Business-Type Activities Expenses:										
Electric.....	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	21,157,397
Water.....	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	4,492,087
Sanitation.....	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	2,683,206
Total Business-Type Activities Expenses.....	<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>	<u>28,332,690</u>
Total Primary Government Expenses.....	<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>	<u>\$ 55,852,557</u>
Program Revenues:										
Governmental Activities:										
Charges for Services:										
General government.....	\$ 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	\$ 2,173,825
Building commissioner.....	802,837	959,339	836,284	925,287	668,134	582,796	823,535	750,809	626,011	716,253
Fire.....	558,272	521,594	469,010	651,217	690,494	567,230	674,579	725,835	787,223	831,292
Recreation.....	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	1,721,692
Other activities.....	322,148	335,285	411,499	424,759	372,539	418,996	456,255	414,433	466,831	531,460
Operating grants and contributions.....	96,606	172,234	290,150	553,706	231,323	151,388	183,938	397,780	186,525	194,135
Capital grants and contributions.....	60,380	345,158	230,520	9,704	135,842	512,625	203,389	1,143,090	518,559	103,384
Total Governmental Activities Program Revenues.....	<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>	<u>6,272,041</u>
Business-Type Activities:										
Charges for Services:										
Electric.....	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	22,403,293
Water.....	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	5,296,370
Sanitation.....	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	2,714,588
Operating grants and contributions.....	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	95,952
Total Business-Type Activities Program Revenues.....	<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>	<u>30,510,203</u>
Total Primary Government Program Revenues.....	<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>	<u>\$ 36,782,244</u>

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net (Expense)/Revenue:										
Governmental activities.....	\$ (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)	\$ (21,247,826)
Business-type activities.....	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	2,177,513
Total Primary Government Net Expense.....	\$ (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)	\$ (19,070,313)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Taxes:										
Property taxes.....	\$ 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	\$ 4,568,455
Sales taxes.....	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	9,432,200
Other taxes.....	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	7,399,191
Investment earnings.....	5,333	450,160	901,413	1,218,193	683,612	328,843	149,812	369,438	125,889	38,725
Gain on sale of capital assets.....	-	24,377	60,499	109,682	92,921	-	24,571	70,873	-	-
Miscellaneous.....	421,097	354,300	478,194	386,453	391,449	417,228	494,988	349,562	403,990	380,887
Transfers.....	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	1,434,592
Total Government Activities.....	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	23,254,050
Business-Type Activities										
Investment earnings.....	4,759	846,432	1,759,153	2,736,571	1,128,570	519,343	267,698	531,897	300,843	190,339
Gain/(loss) on sale of capital assets.....	7,762	15,340	(1,552,062)	-	-	-	159,604	30,574	25,186	42,467
Transfers.....	(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)	(1,434,592)
Total Business-Type Activities.....	(2,095,197)	(210,637)	135,923	1,160,279	(2,048,485)	(357,722)	(1,099,763)	(519,100)	(1,357,377)	(1,201,786)
Total Primary Government.....	\$ 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	\$ 22,052,264
Change in Net Position:										
Governmental activities.....	\$ 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	\$ 2,006,224
Business-type activities.....	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	975,727
Total Primary Government.....	\$ 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	\$ 2,981,951
Total Primary Government Net Position										
Governmental activities										
Net position, beginning.....	\$ 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
Prior period adjustment.....	663,443	(40,530)	-	(43,436)	3,321,734	-	-	-	(131,056)	-
Net position, beginning, as restated.....	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	70,977,157
Net position, ending.....	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	72,983,381
Business-type activities										
Net position, beginning.....	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
Prior period adjustment.....	(10,610)	-	-	-	-	-	-	-	(92,673)	-
Net position, beginning, as restated.....	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	40,785,000
Net position, ending.....	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	41,760,727
Total Primary Government.....	\$ 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	\$ 114,744,108

NOTES:

(a) Purchasing is now included in General government and finance. This change was made to be consistent in putting all administrative and service departments in this category.

CITY OF KIRKWOOD, MISSOURI

PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program:	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental Activities:										
General government and finance...	\$ 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	\$ 2,184,835
Engineering.....	64,133	78,510	123,015	116,740	77,255	52,050	75,545	75,125	84,645	99,699
Building commissioner.....	802,837	959,339	836,284	925,287	668,134	582,796	823,535	750,809	626,011	716,253
Police.....	244,557	278,861	240,227	296,892	395,856	378,783	447,086	655,922	430,280	518,402
Fire.....	558,272	541,927	471,630	651,217	690,494	590,515	676,579	728,835	787,223	831,292
Streets.....	14,969	-	-	-	-	17,325	122,329	644,744	155,128	525
Parks.....	74,207	52,112	77,162	65,786	91,510	147,902	59,083	63,521	87,509	77,018
Recreation.....	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	1,844,017
Subtotal Governmental Activities.....	<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>	<u>6,272,041</u>
Business-Type Activities:										
Electric.....	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	22,403,293
Water.....	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	5,392,322
Sanitation.....	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	2,714,588
Subtotal Business-Type Activities.....	<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>	<u>30,510,203</u>
Total Primary Government.....	<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>	<u>\$ 36,782,244</u>

CITY OF KIRKWOOD, MISSOURI

FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund:										
Nonspendable:										
Inventory.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71,342	\$ 75,303	\$ 76,868	\$ 73,950	\$ 75,070
Prepaid items.....	-	-	-	-	-	6,062	8,072	3,897	13,391	8,718
Assigned to:										
Projected use of reserves.....	-	-	-	-	-	2,811,462	2,530,257	1,332,554	1,909,810	1,420,265
Unassigned:										
Reserved.....	77,801	70,936	69,125	80,441	81,193	-	-	-	-	-
Unreserved.....	2,684,763	3,723,530	3,602,703	6,534,191	8,719,619	-	-	-	-	-
Total General Fund.....	\$ 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	\$ 8,780,204
All Other Governmental Funds:										
Restricted for:										
Capital projects.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,217,404	\$ 2,465,998	\$ 2,415,994	\$ 2,331,658	\$ 2,940,723
Debt service.....	-	-	-	-	-	2,142,334	1,586,419	1,592,510	1,082,438	1,021,644
Law enforcement.....	-	-	-	-	-	130,511	104,620	236,162	100,630	146,567
Park operations.....	-	-	-	-	-	1,118,546	1,244,613	1,384,988	1,433,102	1,544,679
Police and fire pension.....	-	-	-	-	-	3,442,950	3,279,934	3,118,751	2,973,222	2,779,281
Sewer lateral.....	-	-	-	-	-	463,476	596,602	771,756	867,327	918,456
Special business district.....	-	-	-	-	-	164,190	204,396	191,749	179,592	139,165
TIF bonds and notes.....	-	-	-	-	-	669,766	680,217	354,091	371,996	364,204
Reserved.....	7,514,854	8,626,964	9,145,210	9,057,122	9,104,098	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds.....	5,570,229	5,960,028	6,062,062	2,545,753	6,129,017	-	-	-	-	-
Total All Other Governmental Funds.....	\$ 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	\$ 9,854,719

CITY OF KIRKWOOD, MISSOURI

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues:										
Taxes.....	\$ 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	\$ 21,140,400
Intergovernmental.....	336,019	354,689	500,815	768,934	436,572	461,501	522,915	479,014	425,188	553,623
Licenses, permits, fines and fees.....	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	2,857,464
Interest on investments.....	9,769	408,716	839,394	1,173,612	659,439	310,834	139,449	341,129	112,395	35,659
Charges for services.....	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	2,534,545
Grants and contributions.....	40,850	341,738	227,450	-	-	452,828	116,893	1,044,132	516,163	31,921
Other.....	634,342	660,594	725,697	683,852	698,802	715,179	692,495	654,804	648,060	630,191
Total Revenues.....	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	27,783,803
Expenditures:										
General government.....	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	4,048,516
Purchasing (a).....	233,086	235,377	235,431	233,930	314,537	334,393	350,191	366,809	381,138	-
Engineering.....	439,124	352,496	355,279	306,993	292,086	375,395	337,229	332,089	331,305	363,980
Building maintenance.....	289,670	243,889	245,393	268,139	343,642	334,676	379,951	393,925	428,068	451,232
Building commissioner.....	605,929	589,390	620,905	593,720	610,481	636,016	635,226	579,708	580,761	612,942
Police.....	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	7,445,505
Fire.....	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	5,513,560
Streets.....	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	1,481,168
Recreation.....	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	2,073,442
Parks.....	898,517	865,626	889,524	1,012,809	1,079,354	1,174,145	1,211,238	1,229,760	1,301,437	1,328,485
Capital outlay.....	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	3,533,070
Debt service:										
Issuance Costs.....	-	-	-	-	-	58,700	-	-	113,813	-
Interest.....	2,038,944	1,523,784	1,427,706	1,217,210	1,990,000	840,620	2,155,000	567,047	407,148	381,984
Principal.....	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	1,454,000
Payments to escrow agent.....	-	-	-	-	-	311,200	-	-	-	-
Total Expenditures.....	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	28,687,884
Excess of revenues over (under) expenditures.....	(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)	(904,081)
Other Financing Sources (Uses):										
Issuance of refunding debt.....	-	-	-	-	-	4,185,000	-	-	5,000,000	-
Discount on refunding debt.....	-	-	-	-	-	(27,202)	-	-	-	-
Premium on refunding debt.....	-	-	-	-	-	-	-	-	63,818	-
Payments to escrow agent.....	-	-	-	-	-	(4,099,098)	-	-	(5,394,474)	-
Proceeds from sale of capital assets.....	43,047	173,846	94,921	149,952	137,484	61,819	40,709	147,382	41,568	29,636
Transfers in.....	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	2,754,105
Transfers out.....	(660,000)	(486,402)	(550,000)	(1,187,040)	(426,104)	(983,223)	(605,465)	(2,342,237)	(834,224)	(1,314,105)
Total Other Financing Sources (Uses).....	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	1,469,636
Net Change In Fund Balances.....	\$ (236,277)	\$ 2,533,811	\$ 497,642	\$ (618,157)	\$ 2,494,686	\$ (1,954,572)	\$ (3,089,779)	\$ (1,131,653)	\$ 211,445	\$ 565,555
Debt service as a percentage of noncapital expenditures.....	23.7%	27.6%	27.5%	31.3%	12.4%	11.9%	11.5%	8.8%	7.4%	7.2%

(a) Purchasing is now included in General government and finance. This change was made to be consistent in putting all administrative and service departments in this category.

CITY OF KIRKWOOD, MISSOURI

TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended</u> <u>March 31</u>	<u>Sales & Use</u>	<u>Property</u>	<u>Utility Gross</u> <u>Receipts</u>	<u>Gasoline/Motor</u> <u>Vehicle Sales</u>	<u>Highway Road</u> <u>and Bridge</u>	<u>Franchise</u>	<u>Cigarette</u>	<u>Total</u>
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
2014	9,186,519	4,561,918	5,123,579	1,008,285	747,752	439,097	73,250	21,140,400
Change 2005-2014	-13.4%	26.7%	54.9%	-11.7%	39.4%	89.7%	-25.9%	8.3%

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>
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
2014	533,417,190	104,833,670	72,778,170	711,029,030	0.636	3,353,420,459	21.203

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>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>	<u>2014</u>
City of Kirkwood Direct Rates:										
General Fund.....	\$ -	\$ -	\$ -	\$ 0.276	\$ 0.276	\$ 0.280	\$ 0.274	\$ 0.293	\$ 0.295	\$ 0.295
Kirkwood Park Fund.....	0.136	0.130	0.130	0.130	0.130	0.132	0.127	0.138	0.139	0.133
Police and Firemen Retirement Fund.....	0.158	0.154	0.158	0.136	0.138	0.129	0.133	0.136	0.137	0.128
Debt Service Fund.....	0.279	0.199	0.190	0.120	0.120	0.090	0.090	0.078	0.065	0.065
Total Direct Rate.....	<u>\$ 0.573</u>	<u>\$ 0.483</u>	<u>\$ 0.478</u>	<u>\$ 0.662</u>	<u>\$ 0.664</u>	<u>\$ 0.631</u>	<u>\$ 0.624</u>	<u>\$ 0.645</u>	<u>\$ 0.636</u>	<u>\$ 0.621</u>
Overlapping Rates:										
County and State.....	0.610	0.588	0.588	0.588	0.588	0.553	0.553	0.553	0.553	0.553
Kirkwood Public Library.....	0.219	0.193	0.195	0.174	0.286	0.302	0.302	0.302	0.302	0.302
Special Business District.....	0.571	0.415	0.466	0.421	0.448	0.456	0.456	0.456	0.454	0.458
School Districts.....	4.882	4.777	5.081	5.179	5.042	5.236	5.400	5.520	5.516	5.715
Sewer Districts.....	0.135	0.129	0.129	0.127	-	-	0.160	0.166	0.148	0.173
Other.....	0.361	0.347	0.343	0.303	0.303	0.323	0.334	0.351	0.352	0.369

Source: St. Louis County Department of Revenue

CITY OF KIRKWOOD, MISSOURI

PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO

Tax Payer	2014			2005		
	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.....	\$ 16,969,660	1	2.39%	\$ -	-	- %
Kirkwood Commons LLC.....	5,493,220	2	0.77%	4,868,680	1	0.92%
Chaminade College Society.....	4,668,060	3	0.66%	3,224,160	4	0.61%
MLMT 2005-CIPI Office 1001 LLC.....	4,660,900	4	0.66%	-	-	- %
Kirkwood Station Acquisition LLC.....	4,296,820	5	0.60%	-	-	- %
Mills Timberlake Apartments.....	4,082,990	6	0.57%	2,740,090	7	0.51%
Pioneer Place LLC.....	3,295,510	7	0.46%	-	-	- %
Dayton Hudson Corporate.....	2,913,350	8	0.41%	3,018,850	5	0.57%
Lowes Home Centers Inc.....	2,913,090	9	0.41%	3,704,080	3	0.70%
RJC Partnership LLC.....	2,552,130	10	0.36%	-	-	- %
Kirkwood Crossing LLC.....	-	-	-	2,749,030	6	0.52%
Novus Investment LLC.....	-	-	-	4,097,790	2	0.77%
SBC Communications (Southwestern Bell).....	-	-	-	2,604,751	8	0.49%
Ameren UE (Union Electric).....	-	-	-	2,591,998	9	0.49%
Supervalu Holdings Inc.....	-	-	-	2,001,280	10	0.38%
Total.....	\$ 51,845,730		7.29%	\$ 31,600,709		5.96%

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
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	120,443	2,880,114	98.99
2008	4,816,711	4,351,879	90.35	391,316	4,743,195	98.47
2009	4,950,386	4,439,169	89.67	483,428	4,922,597	99.44
2010	4,433,098	3,949,385	89.09	438,951	4,388,336	98.99
2011	4,405,908	3,973,019	90.17	381,788	4,354,807	98.84
2012	4,229,527	3,800,812	89.86	325,330	4,126,142	97.56
2013	4,467,045	3,961,521	88.68	375,038	4,336,559	97.08
2014	4,465,960	3,903,043	87.40	-	3,903,043	87.40

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>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>	<u>2014</u>
Type of Customer:										
Residential	93,947	103,135	101,909	105,280	97,988	96,092	114,458	101,132	102,392	101,411
Commercial by type:										
Electric Primary	24,676	25,737	24,512	23,395	22,800	10,880	9,647	8,526	8,293	7,886
Small Commercial	35,081	37,310	37,684	44,684	43,365	42,292	45,693	40,244	38,694	39,122
Large User	<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>	<u>66,106</u>
Total	<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>	<u>214,525</u>
Total direct rate per megawatt hour.....	\$ 60.79	\$ 60.45	\$ 60.46	\$ 61.25	\$ 61.87	\$ 67.25	\$ 82.24	\$ 94.75	\$ 95.95	\$ 101.85

Source: City of Kirkwood Finance Department

CITY OF KIRKWOOD, MISSOURI

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Type of Customer:										
Residential.....	953,555	1,067,935	1,032,301	1,110,604	904,757	884,399	953,661	965,730	1,078,098	963,864
Commercial.....	502,332	537,645	518,626	518,681	459,273	392,984	418,779	434,473	482,561	439,534
Total.....	1,455,887	1,605,580	1,550,927	1,629,285	1,364,030	1,277,383	1,372,440	1,400,203	1,560,659	1,403,398
Total direct rate per hundred cubic feet.....	\$ 2.07	\$ 2.13	\$ 2.35	\$ 2.36	\$ 2.74	\$ 3.17	\$ 3.12	\$ 3.38	\$ 3.34	\$ 3.43

Source: City of Kirkwood Finance Department

CITY OF KIRKWOOD, MISSOURI

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Apparel Stores	\$ 549	\$ 1,237	\$ 1,168	\$ 1,778	\$ 3,954	\$ 2,679	\$ 3,495	\$ 5,887	\$ 13,513	\$ 11,299
General Merchandise Stores	3,198	6,538	14,930	10,430	50,224	55,077	83,736	95,347	108,340	103,847
Food Stores	32,641	31,712	31,792	33,300	37,092	37,251	38,036	38,195	40,994	41,336
Eating and Drinking Establishments	31,937	33,048	35,267	37,571	46,377	48,539	47,728	48,987	50,192	53,886
Miscellaneous Retail Stores	44,706	41,598	42,840	41,156	37,674	43,359	45,756	48,150	49,093	49,424
Home Furnishings and Appliances	11,319	11,455	12,854	28,510	42,796	13,199	17,186	17,495	19,332	18,863
Building Material	8,185	7,371	7,649	9,303	21,036	44,924	45,171	50,833	48,325	41,901
Automotive Dealers and Gasoline Service	14,792	15,034	16,024	15,062	15,424	15,015	15,323	15,223	14,999	13,150
Automotive Repair Service and Garages	3,494	4,296	5,762	6,163	5,628	5,961	5,733	5,556	5,902	7,028
Construction-Special Trade Contractors	1,924	2,739	3,162	3,181	2,697	2,335	2,328	3,161	3,242	3,896
Printing, Publishing	1,038	1,226	1,143	879	743	584	483	430	360	419
Medical Instruments and Supplies	522	643	1,024	1,184	1,140	854	726	937	745	612
Miscellaneous Manufacturing Industry	105	295	287	125	176	364	318	484	406	303
Communication	18,915	18,122	19,138	19,679	19,641	21,493	20,660	17,520	14,681	13,588
Wholesale Trade-Durable Goods	2,433	3,168	3,260	3,374	2,227	2,184	2,061	2,428	2,417	2,301
Wholesale Trade-Nondurable Goods	10,379	15,696	9,058	8,173	18,370	21,690	21,843	21,131	18,890	17,989
Personal Services	1,683	1,853	3,347	3,318	3,615	3,079	3,162	2,754	3,089	2,541
Business Services	3,295	2,842	3,276	3,694	3,065	2,205	2,241	2,127	2,168	2,514
Health Services	562	549	691	672	837	704	959	901	1,250	1,399
Miscellaneous Services	15,858	13,639	9,965	11,900	8,970	2,807	2,490	2,575	2,826	3,538
All other industries	88,257	80,783	83,116	76,794	61,541	52,397	52,174	55,967	58,171	62,715
Total	\$ 295,792	\$ 293,844	\$ 305,753	\$ 316,246	\$ 383,227	\$ 376,700	\$ 411,609	\$ 436,088	\$ 458,935	\$ 452,549
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>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>	<u>2014</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	0.750	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	0.250
Emergency Communitations.....	-	-	-	-	-	-	0.100	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>5.325</u>	<u>5.925</u>	<u>5.925</u>	<u>5.925</u>	<u>5.925</u>
Total Sales Tax Rate.....	<u>7.325</u>	<u>7.325</u>	<u>7.325</u>	<u>7.325</u>	<u>7.325</u>	<u>7.575</u>	<u>8.175</u>	<u>8.175</u>	<u>8.175</u>	<u>8.175</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	Capital Leases	Certificates of Participation				
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	
2014	2,880,000	-	3,540,584	2,090,000	-	1,736,975	8,667,248	18,914,807	1.49%	687	

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 2005-2014 is based on the U.S. Census Bureau's 2000 Census. See page 121 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
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
2014	2,880,000	594,275	2,285,725	0.07%	83

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 108: Assessed Value and Actual Value of Taxable Property.

^b Population data can be found on page 121: Demographic and Economic Statistics.

CITY OF KIRKWOOD, MISSOURI

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

	<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>	<u>2014</u>
Assessed valuation.....	<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>	<u>\$711,029</u>
Debt limit - 10% of assessed valuation.....	<u>\$ 53,092</u>	<u>\$ 62,073</u>	<u>\$ 63,507</u>	<u>\$ 75,871</u>	<u>\$ 76,322</u>	<u>\$ 71,690</u>	<u>\$ 71,251</u>	<u>\$ 68,932</u>	<u>\$ 71,179</u>	<u>\$ 71,103</u>
Amount of debt applicable to debt limit:										
Total general obligation bonded debt.....	9,246	8,536	7,766	6,956	6,065	4,853	3,867	3,491	3,310	2,723
Less: Amount related to street improvements.....	-	-	-	-	-	-	-	-	-	-
Less: Amount available in debt service fund.....	<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>	<u>(594)</u>
Bonded indebtedness applicable to debt limit.....	<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>	<u>2,129</u>
Legal Debt Margin.....	<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>	<u>\$ 68,974</u>
Legal debt margin as a percentage of the debt limit.....	86.56%	89.82%	91.44%	93.82%	94.71%	95.00%	95.57%	95.97%	96.27%	97.01%

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, 2014

Governmental Unit	Debt Outstanding ^a	Estimated Percentage Applicable ^b	Estimated Share of Overlapping Debt ^c
St. Louis County.....	\$ 109,755,000	3.18%	\$ 3,490,209
Kirkwood School District			
General obligation bonds.....	34,440,000	57.99%	19,971,756
Leasehold revenue bonds.....	19,220,000	57.99%	<u>11,145,678</u>
Subtotal, Overlapping Debt.....			<u>34,607,643</u>
City of Kirkwood, Direct Debt			
General obligation bonds.....			2,880,000
Certificate of Participation.....			3,495,000
Tax Increment Revenue notes.....			<u>2,090,000</u>
Subtotal, Direct Debt.....			<u>8,465,000</u>
Total Direct and Overlapping Debt.....			<u><u>\$ 43,072,643</u></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 2013 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		
	Property Tax	Sales Tax	Business License Revenue	Total Available Revenue	Principal	Interest	Coverage
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	-	318,398	165,348	483,746	244,000	216,530	1.05
2014	-	268,421	193,282	461,703	274,000	195,495	0.98

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 (%)		
2004	27,324	\$ 874,696	\$ 32,012	41.0	42.7%	51.5%	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						5,554	6.3%
2013	27,540	\$ 1,266,675	\$ 45,994		96.0%	59.4%	5,608	3.9%

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	2014		2005	
		Employees	Rank	Employees	Rank
Kirkwood School District R-7.....	Education	625	1	644	2
Junior College District of St. Louis, St. Louis County Missouri.....	Education	396	2	509	4
The Lutheran Church-Missouri Synod.....	Church Headquarters	347	3	554	3
City of Kirkwood.....	City Government	270	4	255	7
Ashfield Active Living and Wellness.....	Retirement Residence	163	5	-	-
Shop 'n Save Supermarket.....	Retail Grocer	128	6	275	6
Wal-Mart.....	Retail	127	7	400	5
St. Agnes Home.....	Long-Term Care	94	8	85	10
Lowe's.....	Retail	82	9	200	8
Schnuck Markets, Inc.....	Retail Grocer	80	10	-	-
St. Joseph Hospital.....	Health Care	-	-	961	1
Target.....	Retail	*	-	190	9
Total.....		<u>2,312</u>		<u>4,073</u>	

Source: Office of the Chief Administrative Officer

Note: Percentage of total city employment column has been omitted for both 2014 and 2005 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

<u>Function/Program</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>	<u>2014</u>
General government:										
City clerk.....	1.0	1.0	1.0	1.0	2.0	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	-	-	-	-	-	-	-	-	-
Finance ^b	8.0	7.5	7.5	7.5	7.5	7.5	7.5	7.5	8.0	8.0
Municipal court.....	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.5	2.5	2.8
Special Business District.....	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.3	2.6	2.6
Purchasing.....	4.0	3.5	3.8	3.0	3.8	4.3	4.3	4.5	4.5	3.5
Engineering ^c	5.0	4.0	4.0	3.0	5.0	5.0	5.0	5.0	5.0	5.0
Building maintenance.....	3.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Building commissioner.....	9.6	9.6	9.6	8.3	8.0	8.0	7.0	7.2	7.3	7.5
Police.....										
Commissioned Officers.....	55.0	53.0	53.0	52.0	56.0	58.0	59.0	60.0	60.0	60.0
Civilians.....	12.6	8.0	13.5	13.5	14.0	11.8	13.3	13.0	13.0	13.7
Fire:										
Officers, firefighters, and EMS.....	43.0	41.0	41.0	46.0	45.0	46.0	46.0	46.0	46.0	44.0
Civilians.....	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Streets.....	19.0	17.0	11.0	13.0	14.0	13.0	13.0	12.0	12.0	13.0
Parks.....	12.3	12.0	12.5	11.5	10.8	12.7	12.3	12.3	12.5	13.0
Recreation.....	19.3	18.0	25.3	18.7	18.8	17.5	18.8	17.0	17.0	17.0
Electric.....	19.5	18.5	20.5	22.0	21.0	21.0	21.0	21.0	21.0	21.0
Water.....	19.5	18.5	12.5	13.0	15.0	16.0	18.0	17.0	18.0	17.0
Sanitation ^d	18.8	16.8	20.0	18.6	19.0	20.6	17.8	16.0	17.8	16.8
Workers' compensation.....	1.0	1.0	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Fleet services.....	6.8	6.8	6.8	6.8	6.8	7.3	7.3	7.0	7.0	7.0
Total.....	<u>277.3</u>	<u>256.1</u>	<u>261.9</u>	<u>258.8</u>	<u>267.5</u>	<u>271.6</u>	<u>273.2</u>	<u>268.6</u>	<u>272.5</u>	<u>270.2</u>

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.

^dCustomer service assistant included in Sanitation is funded 33-1/3% by Fleet Services until Fiscal Year 2012.

CITY OF KIRKWOOD, MISSOURI

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General government:										
Business/Liquor Licenses Issued.....	1,076	1,084	1,082	1,050	1,067	1,054	1,096	1,056	1,110	1,046
AP Checks Issued.....	6,877	5,403	5,278	5,453	5,455	4,875	4,754	4,838	4,466	3,994
Electronic Vendor Payments Processed.....	-	-	-	-	-	419	600	571	536	963
Payroll Checks Issued.....	2,340	170	140	165	147	128	122	125	42	28
Purchasing:										
Purchase Orders Issued.....	629	546	579	673	828	865	884	989	998	1,013
Invoices Processed.....	2,635	2,255	1,699	1,465	1,928	1,973	2,325	2,297	2,371	2,582
Formal Bids.....	71	45	54	78	54	93	100	187	197	212
Engineering:										
Concrete Street Replacement (Square Yds).....	3,350	6,580	6,800	7,171	7,293	13,226	13,570	16,499	20,385	17,978
Asphaltic Concrete Overlays (Tons) ^a	5,390	3,235	5,480	10,770	6,247	9,464	124,227	8,667	46,320	6,594
Planning & Zoning Applications including										
Performance Guarantee Administration.....	26	41	37	26	25	22	20	31	22	27
Excavation Deposits.....	178	268	302	253	84	141	148	162	200	225
Sewer Lateral Insurance Applications.....	138	123	141	144	144	94	140	120	141	174
Single Family Site Plan Reviews.....	66	75	69	58	30	25	19	28	41	52
Building Maintenance:										
Work Orders Completed.....	276	266	276	370	499	525	812	491	726	614
Building Commissioner:										
Cost Recovery Rate.....	131%	162%	134%	156%	109%	92%	143% ^b	130%	108%	116%
Permits Issued:										
Building.....	2,998	2,933	2,665	2,600	2,162	1,952	1,943	1,994	676	2,371
Occupancy.....	1,343	1,396	1,303	1,517	1,331	1,461	1,517	1,544	1,471	1,477
Inspections Performed:										
Construction.....	7,531	7,804	6,383	7,229	5,862	5,079	4,755	5,267	5,532	6,339
Re-Occupancy.....	3,033	3,024	2,776	2,809	2,429	2,856	3,026	3,049	2,746	2,490
Board of Adjustment Cases.....	43	60	39	60	24	14	19	25	27	33
Architectural Review Cases.....	72	76	57	66	68	43	57	49	204	216
Police:										
Number of Calls.....	19,396	21,424	21,877	21,495	20,712	18,442	18,451	20,893	22,929	22,730
Number of Code Violation Complaints.....	1,684	1,701	1,946	1,948 ^f	1,011	2,578	2,999	1,694	2,109	1,461

CITY OF KIRKWOOD, MISSOURI

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

<u>Function/Program</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>	<u>2014</u>
Fire:										
Number of Calls.....										
Fire.....	1,051	1,038	1,454	1,282	1,305	1,170	1,234	1,317	1,096	1,088
EMS.....	1,980	1,818	2,036	2,185	2,236	2,207	2,180	2,703	2,568	2,625
Percentage of "At Risk" Property Saved.....	98.26%	97.52%	97.91%	96.34%	97.55%	95.71%	93.24%	97.74%	98.98%	98.80%
Streets:										
Maintenance - Asphaltic Concrete (Tons).....	1,321	1,314	768	541	426	866	15,462	440	424	387
Maintenance - Crack Seal after FY2003 (Pounds)...	15,984	15,145	10,656	-	1,332	4,107	2,143	4,847	4,551	6,750
Ground/Forestry Maintenance (Hours).....	1,377	3,343	5,499	2,336	3,269	3,053	4,137	4,804	5,067	5,021
Snow Removal:										
Salt Used (Tons).....	649	791	2,375	3,598	1,548	1,920	3,413	919	1,206	3,008
Labor (Hours).....	278	528	1,437	2,122	1,490	1,163	1,809	469	1,173	2,031
Parks:										
Park Maintenance Cost per Acre.....	\$ 2,946	\$ 2,734	\$ 2,916	\$ 3,072	\$ 3,493	\$ 3,617	\$ 3,719	\$ 3,739	\$ 3,941	\$ 4,108
Recreation:										
Aquatic Facility Attendance.....	61,581	76,947	73,934	75,283	71,812	62,995	74,014	67,519	61,754	55,048
Ice Rink Facility Attendance.....	25,081	28,422	26,732	24,982	26,073	28,383	27,623	33,734	37,528	41,675
Cost Recovery Rate.....	85%	91%	90%	87%	86%	90%	85%	84%	87%	84%
Electric:										
Number of Customer Accounts:										
Residential.....	8,759	8,960	8,956	8,825	8,832	8,948	8,804	8,763	8,878	8,790
Commercial.....	1,079	1,088	1,095	1,354	1,317	1,405	1,349	1,259	1,276	1,263
Personnel Cost/Customer Accounts.....	\$ 147	\$ 146	\$ 158	\$ 176	\$ 167	\$ 174	\$ 185	\$ 188	\$ 196	\$ 200
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	\$ 19,738
Water:										
Number of Customer Accounts:										
Residential.....	9,448	9,392	9,513	9,497	9,468	9,633	9,465	9,252	9,470	9,444
Commercial.....	811	816	825	830	828	836	831	801	832	820
Personnel Cost/Customer Accounts.....	\$ 123	\$ 125	\$ 127	\$ 98	\$ 120	\$ 124	\$ 137	\$ 144	\$ 135	\$ 132

CITY OF KIRKWOOD, MISSOURI

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

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Sanitation:										
Number of Customer Accounts										
Residential.....	9,436	9,344	9,259	9,297	9,247	9,275	9,338	9,324	9,325	9,187
Commercial.....	164	156	152	151	145	144	150	144	150	167
Personnel Cost/Customer Accounts ^c	\$ 92	\$ 119	\$ 103	\$ 114	\$ 124	\$ 122	\$ 121	\$ 117	\$ 115	\$ 110
Material Collected:										
Recycling Material Collected (Tons).....	3,730	3,534	3,765	3,850	3,096	2,733	2,929	4,163	4,162	4,203
Waste Disposal (Tons).....	11,225	10,744	10,622	10,082	9,228	8,923	8,378	6,974	6,737	7,071
Landfill Diversion Rate (% Recycled/Total)....	25%	25%	26%	28%	25%	23%	26%	37%	38%	37%
Yard Waste (Cubic Yards).....	7,261	7,135	9,054 ^e	6,155	7,724	6,955	7,034	7,814	6,437	7,748
Workers' Compensation^d:										
Number of Claims.....	68	41	47	92	52	31	21	15	43	38
Average Cost per Claim.....	\$ 9,801	\$32,376	\$ 23,420	\$ 14,415	\$ 15,936	\$ 24,580	\$ 12,459	\$ 5,511	\$ 9,648	\$ 12,190
Fleet Services:										
Average Age of Vehicles.....	5.4	6.5	7.0	6.9	9.7	8.4	6.2	6.2	6.1	6.3
Maintenance Cost per Vehicle.....	\$ 5,578	\$ 5,925	\$ 5,363	\$ 6,139	\$ 6,339	\$ 5,827	\$ 6,115	\$ 6,139	\$ 7,084	\$ 5,720

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

<u>Function/Program</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>	<u>2014</u>
General Government:										
Vehicles.....	2	2	2	2	2	2	2	2	2	2
Purchasing:										
Vehicles.....	1	1	1	1	1	2	2	1	1	1
Engineering:										
Vehicles.....	3	3	3	3	3	4	3	3	3	3
Building Maintenance:										
Vehicles.....	2	2	2	2	4	3	2	2	2	3
Building commissioner:										
Vehicles.....	5	5	5	4	4	4	4	4	4	4
Police:										
Stations.....	1	1	1	1	1	1	1	1	1	1
Vehicles.....	31	27	27	23	25	29	27	28	29	29
Fire:										
Stations.....	3	3	3	3	3	3	3	3	3	3
Vehicles.....										
Pumpers.....	3	3	3	4	4	4	4	3	3	4
Aerial Ladder.....	2	2	2	1	1	1	1	1	1	1
Ambulance.....	2	2	2	2	2	4	4	4	4	4
Hazmat/Rescue/Utility.....	2	2	2	2	2	2	2	2	2	5
Command Vehicles.....	4	4	4	4	4	4	4	4	4	4
Streets:										
Miles of Streets.....	109	109	109	109	109	109	109	221	221	221
Miles of Sidewalks.....	111	111	111	111	111	111	111	111	111	111
Vehicles.....	25	21	21	21	19	22	21	21	20	21
Parks and Recreation:										
Acres of Parks.....	305	305	305	309	325	325	326	330	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	16	14	14	12	13

CITY OF KIRKWOOD, MISSOURI

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

<u>Function/Program</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>	<u>2014</u>
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	12	12	12	14	14	16	16
Water:										
Water Treatment Plant ^a	1	1	-	-	-	-	-	-	-	-
Pumping Stations.....	3	3	6	6	6	6	6	6	6	6
Inter Connect Valves.....	-	-	2	2	2	2	2	2	2	2
Miles of Water Line.....	135	135	135	135	135	135	135	135	135	135
Vehicles.....	16	16	16	14	14	17	15	15	15	14
Sanitation:										
Collection Trucks.....	8	8	8	8	8	8	8	8	8	12
Other Vehicles.....	4	4	4	4	4	6	4	4	4	6
Recycling Equipment.....	4	4	4	4	4	4	4	4	4	4
Worker Compensation:										
Vehicles.....	1	-	-	-	-	-	-	-	-	-
Fleet Services:										
Vehicles.....	4	4	4	4	4	2	5	4	4	3

Source: Various city departments

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