

ST. LOUIS



2001



COMPREHENSIVE

ANNUAL FINANCIAL REPORT SAINT LOUIS, MISSOURI
FISCAL YEAR ENDED JUNE 30

acknowledgments

The People Project

Front Cover

(left to right recognition)

Title Geena Ballerina
Artist Kimber Mallett
Sponsor Emerson

Title Dragonfly
Artist Jacob Hauck & Brian McMurray
Sponsor The AIDS Foundation St. Louis

Title Intelligent Design
Artist Kathy Burns
Sponsor Andersen

Title Makin' Time
Artist Angela Hunter-Knight
Sponsor Crossroads School

The City of
Saint Louis, Missouri



Comprehensive Annual
Financial Report
Fiscal Year Ended, June 30, 2001

Prepared By
Office of the Comptroller
Darlene Green
Comptroller



COMPLIMENTS OF THE COMPTROLLER

CITY OF ST. LOUIS, MISSOURI
COMPTROLLER



DARLENE GREEN



Donation Angel
Artist Mary Sprague
Sponsor Peggy Walter Symes



Same . . . Different . . . All One Life
Artist Soo Sunny Park
Sponsor Enterprise Rent-A-Car

In Praise of St. Louis Architecture
Artist Shirley Sarrach
Sponsor Anheuser-Busch Companies



Long Necker
Artist Rich Brooks
Sponsor Anheuser-Busch Companies



See Me In St. Louis
Artist Nancy B. Grimes
Sponsor STLtoday.com



A World of People In St. Louis
Artist Michael Joslyn
Sponsor Bank of America

people project





The St. Louis Regional Arts Commission and FOCUS St. Louis joined forces to produce The People Project, a fun and accessible public art event for the greater bi-state St. Louis region. In the Spring of 2000, area citizens were asked to submit their ideas for the type of "city critter" they thought best represented the St. Louis region. After evaluating over 1,200 letters, emails and faxes, it was clear that it's the people who make the St. Louis region great...and The People Project was born.

The People Project was a fun and innovative temporary public art event that featured 180 unique art works affectionately known as "People Figures" which were displayed throughout the region during the summer of 2001.

Over 550 designs were submitted by regional artists and assembled into a portfolio for Corporate and Individual Sponsors to review and "adopt" their favorite "People." Once sponsored, the artist received a life-size, flexible wooden mannequin that they transformed into a work of art based on their original design. The People Figures were displayed throughout the bi-state region for six months and then gathered together for a giant, three-day "Family Reunion" in Downtown St. Louis.

In October and November 2001, the People Figures were auctioned - live and over the Internet - to raise money for art education and public art programs and sponsor selected charities.

The primary goals of The People Project were to bring the region together while promoting and supporting the arts and, above all, having FUN!

PEOPLE PROJECT

INTRODUCTORY SECTION	<u>Page</u>
Letter of Transmittal	I-XVI
Certificate of Achievement for Excellence in Financial Reporting	XVII
Elected Officials	XVIII
Organization Charts	XIX-XX
 FINANCIAL SECTION	
Independent Auditors' Report	1
General Purpose Financial Statements:	
Combined Balance Sheet – All Fund Types, Account Groups and Discretely Presented Component Units	4-7
Combined Statement of Revenues, Expenditures and Changes in Fund Balances – All Governmental Fund Types, Similar Expendable Trust Fund and Discretely Presented Component Units	8-9
Combined Statement of Revenues and Expenditures – Budget Basis – All Governmental Fund Types	10-11
Combined Statement of Revenues, Expenses and Changes in Fund Equity – Proprietary Fund Types and Discretely Presented Component Units	12
Combined Statement of Cash Flows – Proprietary Fund Types and Discretely Presented Component Units	13
Combined Statement of Changes in Plan Net Assets	14
Notes to General Purpose Financial Statements	15-76
	<u>Schedule</u>
Supplementary Data:	
Governmental Fund Types:	
General Fund:	
Schedule of Revenues and Expenditures – Budget and Actual – Budget Basis	1 77-79
Schedule of Expenditures – Budget and Actual – Budget Basis	2 80-81
Special Revenue Funds:	83
Combining Balance Sheet	3 84
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	4 85
Combining Schedule of Revenues and Expenditures – Budget and Actual – Budget Basis – Special Revenue Funds	5 86-87
Combining Schedule of Revenues and Expenditures – Budget and Actual – Budget Basis – Other Special Revenue Funds	6 88-89
Capital Projects Funds:	91
Combining Balance Sheet	7 92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	8 93
Combining Schedule of Revenues and Expenditures – Budget and Actual – Budget Basis	9 94
Proprietary Fund Types:	
Enterprise Funds:	
Combining Balance Sheet	10 95-97
Combining Statement of Revenues, Expenses and Changes in Fund Equity	11 98
Combining Statement of Cash Flows	12 99

Supplementary Data (Continued):	<u>Schedule</u>	<u>Page</u>
Internal Service Funds:		101
Combining Balance Sheet	13	102
Combining Statement of Revenues, Expenses and Changes in Fund Equity	14	103
Combining Statement of Cash Flows	15	104
Fiduciary Fund Type – Trust and Agency Funds:		105
Combining Balance Sheet	16	106
Pension Trust Funds:		
Combining Statement of Plan Net Assets	17	107
Combining Statement of Changes in Plan Net Assets	18	108
Agency Funds:		
Combining Balance Sheet	19	109
Combining Statement of Changes in Assets and Liabilities	20	110-111
General Fixed Assets Account Group:		113
Schedule of General Fixed Assets by Source	21	114
Schedule of General Fixed Assets by Function and Activity	22	115
Schedule of Changes in General Fixed Assets by Function and Activity	23	116
 STATISTICAL SECTION	 <u>Table</u>	
General Fund Expenditures by Function – Last Ten Fiscal Years	1	117
General Fund Revenues by Source – Last Ten Fiscal Years	2	118
General and Debt Service Funds – Property Tax Levies and Collection – Last Ten Fiscal Years	3	119
Assessed and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years	4	120
Property Tax Rates Per \$100 Assessed Value – Direct and Overlapping Governments – Last Ten Fiscal Years	5	121
Principal Taxpayers	6	122
Computation of Legal Debt Margin	7	123
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita – Last Ten Fiscal Years	8	124
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Fund Expenditures	9	125
Computation of Direct and Overlapping Bonded Debt – General Obligation Bonds	10	126
Schedule of Revenue Bond Coverage – Last Ten Fiscal Years	11	127
Demographic Statistics – Last Ten Calendar Years	12	128
Property Value, Construction and Bank Deposits – Last Ten Fiscal Years	13	129
Miscellaneous Statistics	14	130-132

Freedom



Artist Cheryl A. Sander
Sponsor Fair Saint Louis

Introductory Section



OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



DARLENE GREEN
Comptroller

212 City Hall
(314) 622-3297
FAX 622-4026

December 10, 2001

The Honorable Francis G. Slay, Mayor
The Honorable Members of the Board of Aldermen
City of Saint Louis, Missouri:

The Comprehensive Annual Financial Report of the City of St. Louis, Missouri ("City"), for the fiscal year ended June 30, 2001, is submitted herewith. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

LEGAL REQUIREMENT

This report has been prepared pursuant to, and to demonstrate compliance with, Article VIII, Section 10, of the City Charter, and recognizes the City's past and current practices of financial disclosure. The financial statements and statistical tables included are in conformance with the standards for financial reporting of the Governmental Accounting Standards Board and the Government Finance Officers Association of the United States and Canada (GFOA).

FORMAT

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial and Statistical. The Introductory Section includes this transmittal letter, a list of elected officials, and the City's organizational chart. The Financial Section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the independent auditors' report on the general purpose financial statements and schedules. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

REPORTING ENTITY

The City, an independent municipality not within any county of the State of Missouri, provides a full range of municipal as well as county services to the residents and businesses located within its borders. For financial reporting purposes, the City has included all funds, account groups, agencies, commissions, and boards for which, in the opinion of City officials, the City is financially accountable. The City is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either is able to impose its will on the organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific burden on, the primary government. In addition, the City is financially accountable for organizations that are fiscally dependent on it.



REPORTING ENTITY (Continued)

A number of separately elected county officials and other legally separate not-for-profit organizations are responsible for the provision of specific public services such as public financing and tax collection. Due to the nature of the operations of not-for-profit organizations, they are considered to be component units of the City and are blended within the City's reporting entity for financial reporting purposes.

Police protection is provided to the residents of the City by The Metropolitan Police Department of the City (Police Department), the affairs of which are administered by an independent board appointed by the Governor of the State of Missouri. Although the activities of the Police Department are totally dependent on financial resources appropriated by and approved by the City's Board of Aldermen, the Police Department is a legally separate entity and is presented as a discrete component unit.

The St. Louis Development Corporation (SLDC), a not-for-profit organization which handles economic development and Harry S. Truman Restorative Center (HSTRC), a skilled nursing facility operated as a not-for-profit entity supported by the City and located in a City-owned building are also presented as discrete component units.

LOCAL ECONOMIC CONDITION AND OUTLOOK

The City has remained a significant source of employment for the region. Job growth in the City has been concentrated in the service sector and anticipates strong long-term growth in the areas of medical, business and technology, as well as education and the tourism and convention business. With five Fortune 1000 companies headquartered in the City of St. Louis and eighteen total in the metro area, the City thrives on a national reputation for being a corporate stronghold. The success of St. Louis sports teams, such as the Football RAMS, the Baseball Cardinals and Blues Hockey, has brought a continued boost to the economy.

Since 1995, there has been more than \$1 billion of development completed in and around downtown St. Louis. With 8 million square feet of on-going renovation, rehabilitation and revitalization, the future of the City is here. Projects such as the Forest Park Master Plan Implementation, the Highlands (Arena)—a 26-acre campus style workplace, Washington Avenue loft district, the Convention Center Hotel, and the Near Southside Redevelopment area are just a few examples of the strides St. Louis is making.

MAJOR INITIATIVES

Circuit Clerk's Office

The Finance Department of the Circuit Clerk's Office has enhanced the computerized criminal cashier system to track the probation dates of defendants who were ordered to pay restitution and court costs. As a result, the Circuit Attorney's Office will be able to better enforce the terms of the defendant's probation.

Communications Division

The Communications Division inaugurated "live" station breaks between programs, featuring programming and general information delivered by one of several staff or volunteer announcer talents.

A new monthly program titled "Ahora San Luis" began for the Hispanic community, produced entirely in the Spanish language. It is believed to be the only Spanish-language program available exclusively on a government access channel in this area.

MAJOR INITIATIVES (Continued)

Forestry Division

Through the efforts of Forestry personnel, the City of St. Louis once again received commendation and an award for TREE CITY USA status by the National Arbor Foundation. Also the division received the Missouri Treescape Citation of Merit from the Missouri Department of Conservation for their tree planting efforts.

Over ½ million decorative lights were installed in conjunction with efforts from the Christmas in St. Louis organization.

Family Court – Juvenile Division

Family Court—Juvenile Division commenced the Truancy Initiative, a collaborative effort with the St. Louis Public Schools, The St. Louis Metropolitan Police Department, Missouri Division of Family Services and City Court to increase school attendance.

A Special Services Unit was created for the Family Court—Juvenile Division in order to increase services to clients.

The Victim Offender Mediation program was initiated in the Family Court—Juvenile Division to ensure that minor offenders make restitution to their victims and the community, and be held accountable for their actions.

Continued collaboration by the Family Court with St. Louis University and Washington University provides guardian ad litem services in the Domestic Relations and Juvenile divisions.

Fire Department

Plans for the development of an Opticom Pre-emption System are underway which would give fire apparatus the ability to preempt the traffic signal in their favor to a green light. This would decrease response times, provide greater safety through intersections, and decrease the emissions from stopping and starting.

Firefighters participated in the bridge testing which ensures that firefighters have the competency to ride on Emergency Medical Service (EMS) units in circumstances where the department is short of EMS personnel.

All EMS cellular phones were replaced with Nextel two-way radio capability resulting in significant cost savings.

A Professional Standards Committee was formed to develop a new and enhanced quality improvement program for communications, first response and EMS transport.

An infectious control protocol was established for the Fire Department. The St. Louis Fire Department is often used as an example to other first response agencies for establishing such a protocol and has been featured by Fire Engineering Magazine. The policy protects both the employee and department through documentation and laboratory testing and offers the employee the best possible care.

MAJOR INITIATIVES (Continued)

Fire Department (Continued)

Two "Home for the Holidays" programs were conducted, one at Thanksgiving and the other at Christmas. This program is an added value service to provide transportation for those individuals who do not have the financial means to hire a private ambulance service so they can spend the day at home with their loved ones. Individuals in nursing homes are taken home by members of the Fire Department and returned that evening to the nursing home.

The R.U.O.K. Program was implemented with approximately 100 subscribers. This program is a computer based, telephone reassurance program for senior citizens, disabled and homebound individuals in hopes of preventing delays in medical and life-threatening emergencies.

Department of Personnel

During FY01, the Department of Personnel installed a new Applicant Management System, SIGMA IV, replacing a 20-year-old system. SIGMA is a PC-based system that allows for better, faster processing of job applicants and eligible lists.

A new web-based employment application system has been installed. It will allow job seekers to review employment opportunities and submit job applications 24 hours a day.

DEFINITION OF FUNDS

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 changes in financial position rather than upon net income. The following are the City's governmental fund types:

General Fund - This 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.

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

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

Capital Project Funds - These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary fund types).

DEFINITION OF FUNDS (Continued)

Proprietary Funds

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. Enterprise funds have been established for Lambert-St. Louis International Airport, the Water Division and the Parking Division.

Internal Service - Internal Service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis. Internal Service funds include Mail Room Services and Public Facilities Protection Corporation.

Fiduciary Funds

Trust and Agency Funds - These funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other government units, or other funds. These include expendable trust, pension trust, and agency funds. Expendable trust funds are accounted for and reported in the same manner as governmental funds. Pension trust funds are accounted for and reported in the same manner as enterprise funds since capital maintenance is critical. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Account Groups

Account Groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term debt as follows:

General Fixed Assets Account Group - This group of accounts is established to account for all fixed assets of the City, other than those accounted for in the proprietary funds.

General Long-Term Debt Account Group - This group of accounts is established to account for all long-term obligations of the City except those accounted for in the proprietary funds.

ACCOUNTING SYSTEM, INTERNAL CONTROLS, AND BUDGETARY CONTROL

The City utilizes a fully computerized Accounting Information Management System ("AIMS"). This system is based on a single input of information. The AIMS system provides: 1) integrated, general and subsidiary accounting of all funds; 2) appropriation/encumbrance accounting and control; 3) generation of cost/expenditure data in a multitude of formats useful for budgetary control and other managerial purposes.

In developing and evaluating the City's accounting system, consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding:

- the safeguarding of assets against loss from unauthorized use or disposition, and
- the reliability of financial records for preparing financial statements and maintaining accountability for assets.

ACCOUNTING SYSTEM, INTERNAL CONTROLS, AND BUDGETARY CONTROL (Continued)

The concept of reasonable assurance recognizes that:

- the cost of a control should not exceed the benefits likely to be derived, and
- the evaluation of assets and benefits requires estimates and judgments by management.

All internal control evaluations occur within this framework. Therefore, the Comptroller's Office believes that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Through annual appropriations, the City maintains budgetary control at the fund level. Cost classifications are categorized in the following groups: personnel services, supplies, materials, contractual services and equipment.

Encumbrances are recorded by the Control Section or in some cases by the requesting department through an on-line budgetary control module before requisitions are sent to the Purchasing Division. If sufficient appropriations are not available to cover a purchase, the requisition is returned to the originating department for transfer of appropriations or cancellation. Departmental appropriations are allowed to be adjusted by a transfer of appropriations between departments with prior approval of the Board of Estimate and Apportionment. A formal monthly expense monitoring procedure has been established to help eliminate rejected requisitions and related cancellations, and to minimize line item transfers. Encumbrances are detailed for current year budgetary presentations. While appropriation balances lapse at the end of the fiscal year, appropriation balances for encumbrances remain.

BUDGET PROCESS

The City's fiscal year is July 1 through June 30. The budget process begins in the preceding October with a revenue forecast for the upcoming fiscal year. By December, department budget requests are submitted to the Budget Division, and the review process begins in January.

The Budget Division works closely with the Board of Estimate and Apportionment in developing, within forecasted revenue constraints, the proposed budget. By law, the Board of Estimate and Apportionment must recommend a budget to the Board of Aldermen, the City's legislative body, sixty days prior to the start of a new fiscal year. The Board of Aldermen may decrease but not increase any recommended amount. The Board of Aldermen, however, may recommend changes in the proposed budget. Any changes must be mutually agreed upon between the Board of Aldermen and the Board of Estimate and Apportionment. If a budget cannot be agreed upon prior to July 1, the final budget presented by the Board of Estimate and Apportionment becomes the official budget.

GENERAL FUND REVENUE AND EXPENDITURE TRENDS

Revenues (Non-GAAP Budgetary Basis)

General fund revenues totaled \$377,270,175 for the FY2001, an increase of 6.1% from the prior FY2000.

The amounts of revenue from various sources and the change from last year are shown in the following schedule:

	Year Ended June 30, 2001 (Thousands)	Year Ended June 30, 2000 (Thousands)	Increase (Decrease) (Thousands)
City Earnings Tax	\$122,594	\$117,305	\$ 5,289
Franchise Tax	57,189	50,646	6,543
Sales Taxes	49,807	48,135	1,672
Property Taxes and Penalties	39,830	38,023	1,807
Payroll Tax	34,719	31,435	3,284
Motor Fuel Tax	10,220	10,552	(332)
Motor Vehicle Sales Tax	4,135	3,671	464
Gross Receipts Tax other than Franchise	11,305	9,375	1,930
Other Taxes	<u>951</u>	<u>846</u>	<u>105</u>
Total Taxes	330,750	309,988	20,762
Graduated Business License	7,105	7,501	(396)
Licenses and Permits	8,005	8,437	(432)
Intergovernmental	5,511	3,644	1,867
Charges for Services	15,934	14,567	1,367
Court Fines and Forfeitures	4,293	5,199	(906)
Interest	2,668	2,909	(241)
Miscellaneous	<u>3,004</u>	<u>3,219</u>	<u>(215)</u>
Total Revenues	<u>\$377,270</u>	<u>\$355,464</u>	<u>\$21,806</u>

The change in revenue can be attributed to several factors:

- Economically sensitive revenues such as earnings tax and payroll tax reflected the increase in economic activity in St. Louis.
- The cost of natural gas increased causing the franchises tax to increase \$5 million. Ordinance 65143 earmarked \$1.125 million of these taxes for the Equitable Relief from Utility Tax Fund.
- Receipts of the 5% tax on tickets for RAM's games are being deposited into the general fund. In previous years, the tax was deposited into a special fund to finance the cooperation agreement for the RAM's practice facility which was paid off in August 2000.

GENERAL FUND REVENUE AND EXPENDITURE TRENDS (Continued)

Expenditures (Non-GAAP Budgetary Basis)

General fund expenditures were \$259,176,797 for FY2001, an increase of 4.0% over FY2000.

The amount of expenditures for major functions of the City compared with last year, is presented in the following schedule:

	Year Ended June 30, 2001 (Thousands)	Year Ended June 30, 2000 (Thousands)	Increase (Decrease) (Thousands)
General Government	\$40,744	\$40,220	\$ 524
Convention & Tourism	2,154	1,939	215
Parks and Recreation	16,991	16,091	900
Judicial Offices	35,886	33,277	2,609
Streets	29,761	28,457	1,304
Public Safety	76,798	75,487	1,311
Health & Welfare	12,348	11,952	396
Public Services	22,765	20,353	2,412
Debt Service	<u>21,730</u>	<u>21,491</u>	<u>239</u>
Total Expenditures	<u>\$259,177</u>	<u>\$249,267</u>	<u>\$9,910</u>

The change in expenditures can be attributed to several factors:

- Additional renovation costs to the Civil Courts and Juvenile Courts account for the large increase in Judicial Offices.
- Extraordinarily high natural gas prices during the winter caused an increase in Facilities Management within the Public Service classification.

General Fund Balance (Non-GAAP Budgetary Basis)

The General Fund fund balance of \$41,690,139 includes the twenty-seventh pay reserve of \$5,875,361, and a rainy day reserve of \$695,000.

PROPERTY TAX DATA

Assessed valuation of \$2,729,119,829 represents a 1.7% increase over the preceding year.

Current real and personal property tax collections, net of commissions, for general municipal operations were \$34,492,126 representing an 88.5% collection rate of the taxes levied as compared to an 86.1% collection rate last year. The protested collections are not reflected in the collection rate. Delinquent real and personal property tax collections for general municipal operations were \$3,972,758 for FY2001.

The City's property tax rate levied on St. Louis residents (per \$100 assessed valuation) for the calendar years ended December 31, 2000 and 1999 were \$1.633 and \$1.62, respectively.

PROPRIETY OPERATIONS

Water Division

The Water Division Fund is used to account for the sale of water to the general public and the operation of the water delivery system. The total fund equity of the Water Division at June 30, 2001 was \$136,954,000 which includes contributed capital of \$5,994,000.

Lambert-St. Louis International Airport

The Lambert-St. Louis International Airport Fund is used to account for the activities of the Airport. The principal services provided are financed primarily through landing fees and terminal concession revenue. The total fund equity of the Airport at June 30, 2001 was \$800,255,000 which includes contributed capital of \$227,090,000.

Parking Division

The Parking Division is used to account for revenue generated by parking activity and parking violations. The total fund equity of the Parking Division at June 30, 2001 was \$12,984,000 which includes contributed capital of \$2,929,000.

DEBT ADMINISTRATION

General Obligation Bonds

During June 1999, the City issued \$64,999,742 in Public Safety General Obligation Bonds. Principal of \$2,620,000 was paid during FY2001. The amount outstanding as of June 30, 2001 was \$60,249,742. Over the next five years, the City will retire \$14,875,000 or 24.7% of the bonds. The fund balance in the debt service fund as of June 30, 2001 was \$10,134,000.

General Fund Tax and Revenue Anticipation Notes

The City of St. Louis issued \$42,000,000 of General Fund Tax and Revenue Anticipation Notes (TRANS) dated July 1, 2000 and redeemed on June 28, 2001. The notes were rated MIG 1 by Moody's Investor's Service, SP 1+ by Standard and Poor's and F 1+ by Fitch Investor's Service, which are the highest ratings available on short-term notes. This was the eighteenth seasonal borrowing for the City and the market accepted it with a 5.25% interest cost. The improved cash flow allowed more prompt vendor payments and encouraged additional vendors to bid on City business. An additional TRANS issue of \$43,000,000 was delivered July 2, 2001, which is due on June 27, 2002.

Airport Revenue Bonds

The City of St. Louis issued \$87,165,000 Letter of Intent (LOI) Double Barrel Revenue Bonds in July 2000. The Bonds will be paid solely from LOI Grant Receipts and Airport Development Fund (ADF) proceeds. In May 2001, \$435,185,000 Airport Revenue Bonds, Series 2001A were issued for the Airport Development Program.

The total amount outstanding on all Airport revenue bonds as of June 30, 2001 was \$934,975,000. Over the next five years, the Airport will retire \$198,300,000 or 21.2% of the outstanding bonds.

DEBT ADMINISTRATION (Continued)

Water Revenue Bonds

The amount outstanding on Water Revenue Bonds as of June 30, 2001 was \$42,990,000. Over the next five years, the Water Division will retire \$11,170,000 or 26.0% of the outstanding bonds.

Parking Revenue Bonds

The amount outstanding on Parking Revenue Bonds as of June 30, 2001 was \$43,335,000. Over the next five years, the Parking Division will retire \$4,920,000 or 11.4% of the outstanding bonds.

Tax Increment Revenue Bonds

Tax Increment Financing (TIF) is a method whereby the City can stimulate private development by providing financing for the necessary public improvements. The tax increment over and above previous taxes collected had the redevelopment never taken place are used to either finance debt issued or for pay-as-you-go projects.

Currently the City has eleven TIF districts:

- ◆ Marketplace (Scullin Redevelopment Area)
- ◆ Cupples
- ◆ 4548 West Pine
- ◆ Argyle
- ◆ Chouteau/Compton
- ◆ Convention Center Hotel
- ◆ Edison Brothers Warehouse
- ◆ St. Louis Riverfront Mooring Sites (Robert E. Lee)
- ◆ Emerging Technology
- ◆ 100 North Condominium
- ◆ 3800 Park (passed August 2001)

The City issued \$15,000,000 of TIF Bonds for the St. Louis Marketplace (Scullin Redevelopment Area) during July 1991. The Bonds have the full backing of the general fund. During FY2001, the City retired \$655,000 of the debt. Over the next five years \$4,405,000 or 38.5% of the outstanding \$11,455,000 will be retired.

During FY98, the City issued \$300,000 of TIF Notes for the 4548 West Pine Redevelopment Area. During FY2001, \$6,799 of the debt was retired. Funding for this note is strictly from the payment in lieu of taxes (PILOT) captured by this redevelopment. The amount outstanding as of June 30, 2001 was \$293,201.

During FY00, the Parking Division issued \$11,420,000 of revenue bonds in order to build a parking garage in the Argyle TIF district. If operating revenues are not sufficient to pay the debt, incremental taxes are to be used from the district. In the event an excess of incremental revenues are available, the special allocation fund will be used for pay-as-you-go projects within the district.

DEBT ADMINISTRATION (Continued)

Federal Financing Bank Advances

In 1997, the City signed a contract and loan agreements for a Section 108 loan guarantee in the amount of \$1,000,000 to develop a Multi-modal distribution center which integrates trucking, railway and waterway transportation channels. The purpose of the distribution center is to improve commerce within the City functioning as a prominent distribution point within the Midwest. The loan, consisting of 20 notes, is to be repaid over a twenty-year period ending August, 2016. During FY2001, payments were applied as follows: \$61,408 for interest and \$25,000 for principal. The amount outstanding as of June 30, 2001 is \$900,000.

Section 108 Loan Guarantee Programs

During FY2001, the City entered into a contract with the US Department of Housing and Urban Development (HUD) for Section 108-loan guarantee assistance in the amount of \$50 million to finance a downtown convention headquarters hotel project. The project is intended to spur redevelopment in the downtown area. The note is a twenty-year note with final payment due FY2021. During FY2001, \$1,122,221 was paid in interest. At June 30, 2001, the full note is outstanding with the first payment of principal to be paid in FY2004.

During FY2001, a \$5 million advance was drawn on HUD Section 108 contract for loan guarantee assistance for the Darst-Webbe Housing Redevelopment project. Interest of \$105,777 was paid during FY2001. The note became a permanent loan during FY2002 when the remaining \$13.8 million of the contract was received. The first principal payment of the note is due during FY2003 with the final payment due during FY2021.

Note Payable - Carnahan Building Promissory Note

In April 2001 the City entered into a promissory note in the amount of \$1,980,000 with the General Services Administration (GSA) of the United States of America to purchase the Federal Building located at Tucker and Market Streets. It is a twenty-year note at an interest rate of 4% per annum. A payment of \$36,073 is due the first day of each quarter. The outstanding balance as of June 30, 2001 was \$1,964,000.

Master Note Purchase Agreement - City Homebuyer's Incentive Program (CHIP)

In February 2000, the St. Louis Municipal Finance Corporation (SLMFC), the City and the Federal National Mortgage Association (Fannie Mae) entered into a Master Note Purchase Agreement to provide a low interest second mortgage for use as down payment and/or to pay other purchase costs to those who buy a single family residence in the City. The City provided a deposit of \$250,000 into a note reserve account and SLMFC pledged all payments of interest and principal from the homeowner's as payment for the \$1,250,000 loan. The SLMFC obligation is limited to the monies in various accounts established by the agreement including the note reserve account. A trustee holds the loan proceeds to be used exclusively for the CHIP Program. The loan bears interest at the rate of 8.27% per annum and will mature on March 1, 2011 subject to prepayment based on the payment of the second loans to homeowners. During FY2001, principal payments of \$51,907 were paid. The amount outstanding as of June 30, 2001 was \$1,198,093.

DEBT ADMINISTRATION (Continued)

Bond Ratings

	<u>Fitch</u>	<u>Moody's</u>	<u>Standard & Poor's</u>
General Obligation Bonds:			
Public Safety Improvement Series 1999	AAA*	Aaa*	AAA*
Airport Bonds:			
Airport Refunding and Improvement, Series 1992	AAA*	Aaa*	AAA*
Airport Revenue Refunding Bonds, Series 1993	AAA*	Aaa*	AAA*
Airport Revenue Bonds, Series 1993A	AAA*	Aaa*	AAA*
Airport Revenue Refunding Bonds, Series 1996	Not rated	Aaa*	AAA*
Airport Revenue Bonds, Series 1997	AAA*	Aaa*	AAA*
Airport Revenue Refunding Bonds, Series 1998	AAA*	Aaa*	AAA*
Airport Letter of Intent Double Barrel Revenue Bonds, Series 2000	Not rated	Baa3	BBB-
Airport Revenue Bonds, Series 2001A	AAA	Aaa	AAA
Water Bonds:			
Water Revenue Refunding and Improvement Bonds, Series 1994	AAA*	Aaa*	AAA*
Water Revenue Refunding Bonds, Series 1998	Not rated	Aaa*	AAA*
Parking Bonds:			
Parking Revenue Bonds, Series 1996	AAA*	Aaa*	AAA*
Parking Revenue Bonds, Series 1998A and B	AAA*	Aaa*	AAA*
Parking Revenue Bonds, Series 1999	Not rated	Aaa*	Not rated

* Insured

Lease-Purchase and Capital Lease Agreements

In an effort to maximize cash flow and to improve the services provided to the citizens, the City has entered into several lease-purchase agreements. These lease-purchase agreements include:

- **Police Area Command Buildings** - In prior years, the Board of Police Commissioners entered into a \$13,725,000 lease-purchase agreement to refinance the previous lease-purchase used for the construction of three new Police Area Command Buildings. Over the next five years, \$5,120,000 or 57.3% of the outstanding \$8,940,000 will be retired.
- **Convention Center Financing** - In prior years, the St. Louis Municipal Finance Corporation (SLMFC) issued \$153,607,205 Leasehold Revenue Refunding Bonds (1993 Bonds). The 1993 Bonds have two series, Series 1993A, in the amount of \$144,362,205, which were tax exempt and Series 1993B, in the amount of \$9,245,000, which were taxable. The proceeds of the 1993 Bonds were used to defease three prior issues of the Land Clearance for Redevelopment Authority (LCRA): Series 1986, Series 1988 and Series 1990. The Convention Center property was conveyed by Deed of Trust to SLMFC. The City has agreed to make lease payments, subject to appropriation, that are calculated to provide sufficient funds over the lease term to pay the principal, interest and other fees related to the 1993 Bonds. This issue created a \$1.6 million present value savings for the City. Over the next five years, \$31,410,000 or 23.6% of the outstanding \$133,212,205 will be retired.

DEBT ADMINISTRATION (Continued)

Lease-Purchase and Capital Lease Agreements (Continued)

- **Kiel Auditorium Financing** - In September 1997, the LCRA Lease Revenue Bonds Series 1990 and Series 1992 were refunded by the Kiel Site Lease Revenue Refunding Bonds, Series 1997 A & B, for \$7,170,000 and \$6,435,000, respectively. The refunded bonds were originally issued by the Authority for the purpose of funding site improvements in the area surrounding the Kiel Center. The improvements enabled the City and a private developer to construct the Kiel Center and its adjacent parking garage. A portion of the Authority's Series 1990 Bonds are not included in the refunded bonds in the amount of \$5,650,000. As of June 30 2001, an outstanding balance of \$12,530,000 remained. Over the next five years, \$1,935,000 or 15.4% will be retired.
- **Civil Courts Building** - In prior years, the City caused to be issued \$32,505,000 St. Louis Municipal Finance Corporation II (SLMFC II) Leasehold Revenue Improvement Bonds, Series 1994 (Court Bonds). Some of the proceeds (\$28,000,000), provided the City funds to make additional improvements, renovations, rehabilitation, remodeling and equipping of the Civil Courts Building. These improvements include installation or repair of life safety work systems, HVAC and electrical systems, plumbing and elevator systems as well as asbestos and lead paint removal and rehabilitation of the law library and jury assemble room. Funding of the project completed the City's obligation to provide \$35 million in capital improvements to the Civil Courts Building under a 1992 Final Consent Judgment. Subject to annual appropriation, the City makes lease payments sufficient to pay principal, interest and fees on the Court Bonds. Over the next five years, \$7,725,000 or 30.5% of the outstanding \$25,340,000 will be retired.
- **City Justice Center** - In prior years, the SLMFC sold \$75,705,000 of Leasehold Revenue Improvement Bonds, Series 1996A and \$34,335,000 in Leasehold Revenue Improvement and Refunding Bonds, Series B. The proceeds of the Series A bonds are to finance the construction of a City Justice Center, including acquisition of property and equipping and installing furnishings and equipment. The Series B bonds refunded the SLMFC's outstanding Leasehold Revenue Improvement and Refunding Bonds, Series 1992. The amount outstanding as of June 30, 2001 was \$100,685,000. In September 2001, Series 1996A bonds were partially refinanced.
- **Forest Park** - In March 1997, the SLMFC issued the Forest Park Leasehold Revenue Improvement Bonds, Series 1997, in the amount of \$19,270,000. Over the next decade, St. Louisians will invest an estimated \$86 million in public and private funds to renovate Forest Park, guided by the "Forest Park Master Plan". Public funds are to account for \$43 million of this, of which the Series 1997 are a portion. The bonds are to be financed by the one-half cent Capital Improvement Sales Tax earmarked for Forest Park. Over the next five years, \$2,465,000 or 14.1% of the outstanding \$17,530,000 will be retired.
- **Firemen's Retirement System** - In prior years, the SLMFC issued \$28,695,000 in Lease Revenue Bonds, Taxable Series 1999. The proceeds of the sale were used to prepay a portion of the City's unfunded accrued actuarial liabilities in the form of a contribution by the City to the Firemen's Retirement System. Over the next five years, \$9,720,000 or 42.4% of the outstanding \$22,950,000 will be retired.
- **City Justice Center Completion Bonds** - In FY2000, the SLMFC issued \$22,025,000 in Leasehold Revenue Improvement Bonds Series 2001A. The proceeds of the sale were used to finance the costs of completing the City Justice Center. Over the next five years \$3,785,000 or 17.7% of the outstanding \$21,410,000 will be retired.

DEBT ADMINISTRATION (Continued)

Lease-Purchase and Capital Lease Agreements (Continued)

- **Rolling Stock Lease Purchase** - In March 2000, the City entered into a lease agreement with Banc One Leasing Corporation in the amount of \$9,000,000 at a rate of 5.8%. Proceeds of the lease are to be used to purchase certain rolling stock such as dump trucks and refuse trucks. Equal payments of \$1,050,000 are to be made each six months with the final payment due March 7, 2005. During FY2001 principal was paid in the amount of \$1,600,263 leaving an outstanding balance of \$7,399,737.

Joint Venture

- **St. Louis Regional Convention and Sports Complex Authority (Authority)** - The Authority is considered a joint venture of the City, County and State (collectively, the Sponsors) because it constitutes a contractual agreement for public benefit, subject to joint control. Bonds were sold to provide funds for a multipurpose 220,000 square foot facility to accommodate expanded convention space and spectator needs for viewing football and large-scale arena type events. The City's portion, Convention and Sports Facility Project Bonds, Series C 1991, were issued in the amount of \$60,075,000. During February 1997, Convention and Sports Facility and Refunding Bonds, Series C 1997, were issued in the amount of \$61,285,000 to provide funds to refund in advance of maturity the portion of the Authority's original principal amount of the Series C 1991 bonds scheduled to mature August 15, 2021 and which are subject to optional redemption on August 15, 2003 aggregating in the amount of \$47,155,000. A portion in the amount of \$8,820,000 Series C 1991 bonds maturing on August 15, 2021 were not subject to optional redemption.

During the past year, \$5,000,000 was paid as rent and \$1,000,000 as preservation payments per the Authority agreement. The City's estimated share of rental payments and preservation payments payable from the General Fund on the Authority agreement are \$103,206,000 and \$19,794,000 respectively, for the remainder of the agreement. Both rent and preservation payments are used to meet debt service on the bonds. Any excess accumulates in the Preservation Fund for future needs.

- **RAMS Practice Facility** - Under the National Football League (NFL) Relocation Agreement, dated January 17, 1995, the Regional Convention and Visitors Commission (CVC), the Authority, Fans, Inc., a Missouri Corporation, St. Louis NFL Corporation, a Missouri Corporation, and the Los Angeles Rams Football Company, Inc. (RAMS), and various public and private entities involved with the relocation of the RAMS to St. Louis, agreed to assume certain obligations. One such matter was the provision of up to \$12,500,000 for construction of a training facility for the RAMS. Under a Cooperation Agreement between the City, the Authority, and CVC, the Authority agreed to borrow \$5,000,000, at a rate of 6.5% for the purpose of meeting the obligations of CVC to deposit that amount in trust before November 1, 1995. The City agreed, subject to annual appropriation, to pay the Authority amounts equal to those due under the Authority's loan agreement from the receipts of the 5% tax on tickets for the RAMS games in the City. The Authority agreed to apply payments received from the City to payments on the loan. During FY2001, the City chose the option to pay the notes off in full.

PENSION TRUST FUND OPERATIONS

The City contributes to three defined benefit retirement plans: The Firemen's Retirement System of St. Louis, the Police Retirement System of St. Louis and the Employees Retirement System of the City of St. Louis. For more information please see Note 9 of the notes to the general purpose financial statements.

CASH MANAGEMENT

The Treasurer's Office is responsible for managing all City investments. Cash, temporarily idle during the fiscal period, was invested in demand deposits, interest-bearing certificates of deposit, repurchase agreements, short-term United States Bonds, obligations of the Federal Farm Credit System and the Federal Home Loan Bank System and obligations of Federal Government agencies.

The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. All deposits should be insured by federal depository insurance or collateralized by the government, its agent or a financial institution's trust department in the City's name.

There were no investments in derivatives or any leveraged investments held by the Treasurer in FY2001.

RISK MANAGEMENT

The Public Facilities Protection Corporation (PFPC) implements programs to assure continued municipal and governmental services which could be jeopardized by the escalating costs of insurance and/or exposure to claims and judgements that exceed fiscal abilities. It is administered by three City officials representing the Office of the Comptroller, the City Counselor's Office and the Budget Division, and is treated as a component unit of the City. These officials are responsible for obtaining and maintaining adequate funding and reserves.

In addition to liability claims, PFPC administers workers' compensation liabilities. A third party administrator was contracted to process all claims and make recommendations regarding workers' compensation concerns. The utilization of a third party administrator working with improved City safety efforts has resulted in a reduction in numbers and severity of workers' compensation claims. This has also enabled the City to more timely process claims and payments, as well as provide more timely and accurate statistical data.

INTERNAL AUDIT

It is the special responsibility of the Comptroller, as set out in the Charter, to provide City officials and taxpayers with reasonable assurance that public funds and property are adequately safeguarded and that financial transactions are authorized and properly recorded.

The Comptroller's internal audit staff, audits various departments within the City, testing for the methods employed by the department to safeguard the assets, ensuring the reliability of the accounting data, promoting efficient operations and ensuring compliance with established ordinances and the City Charter. Audits may also be performed on various corporations and not-for-profit organizations to ensure compliance with the various contractual agreements with the City. In addition to audits, the internal audit staff reviews the revenue collection procedures established by those departments and employees who receive or collect City revenue. As a result of these audits and reviews, the auditors develop recommendations of procedures that should be implemented to improve internal controls. These audits and reviews are performed on a continuing basis.

CERTIFICATE OF ACHIEVEMENT

The City's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2000 was awarded the Certificate of Achievement for Excellence in Financial Reporting from the GFOA. This is the fourteenth year that the City has received this prestigious award.

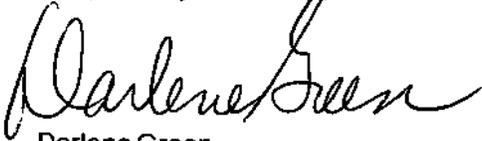
In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The report satisfied both generally accepted accounting principles and applicable legal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

A Certificate of Achievement is valid for one year only. We believe that our current Comprehensive Annual Financial Report will continue to meet the Certificate of Achievement Program requirements and we will be submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENT

I would like to express my appreciation to the staff members of the Comptroller's Office who assisted in the preparation of this report. I also extend my appreciation to the independent accounting firm of KPMG LLP whose many hours of professional service enabled this report to be produced. Contributions to the completion and publication of this financial history were made by staff of other departments to whom I also express my appreciation.

Respectfully submitted,

A handwritten signature in cursive script that reads "Darlene Green".

Darlene Green
Comptroller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of St. Louis,
Missouri

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2000

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



Imelda Aruete
President

Jeffrey L. Essler
Executive Director

The City of St. Louis, Missouri

Elected Officials

June 30, 2001

Francis G. Slay, Mayor

Darlene Green, Comptroller

James F. Shrewsbury, Vice-President, Board of Aldermen

Board Of Aldermen

(Aldermen Listed In Numerical Order By Ward.)

Irene J. Smith

Dionne Flowers

Freeman M. Bosley, Sr.

Peggy Ryan

April Ford-Griffin

Lewis E. Reed

Phyllis Young

Stephen J. Conway

Kenneth Ortmann

Craig Schmid

Matt Villa

Fred Heitert

Alfred Wessels, Jr.

Stephen Gregali

Jennifer Florida

James F. Shrewsbury

Joseph D. Roddy

Terry Kennedy

Michael McMillan

Sharon Tyus

Melinda Long

Kenneth Jones

James Sondermann

Tom Bauer

Dan E. Kirner

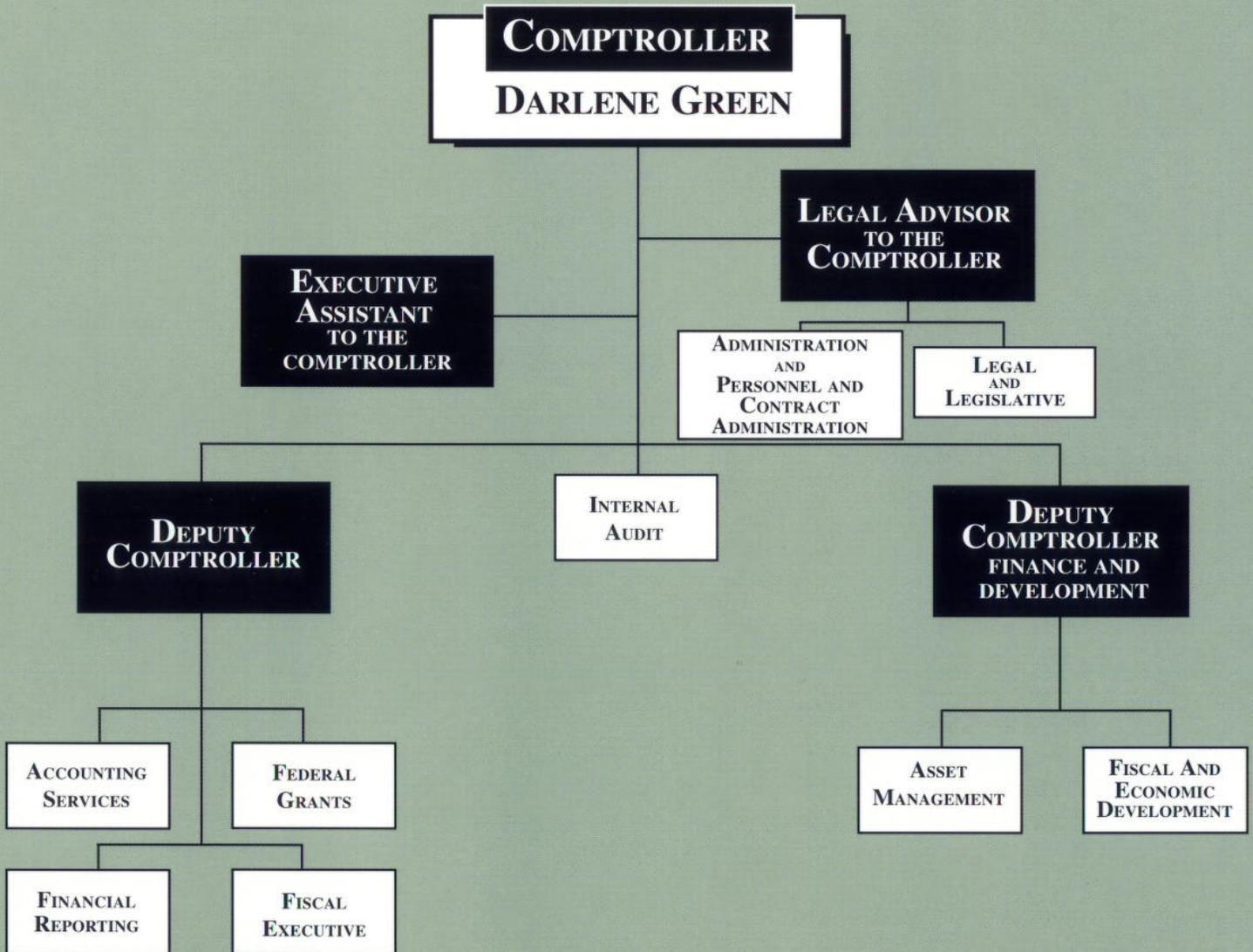
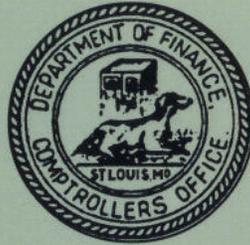
Irving C. Clay, Jr.

Gregory Carter

Lyda Krewson

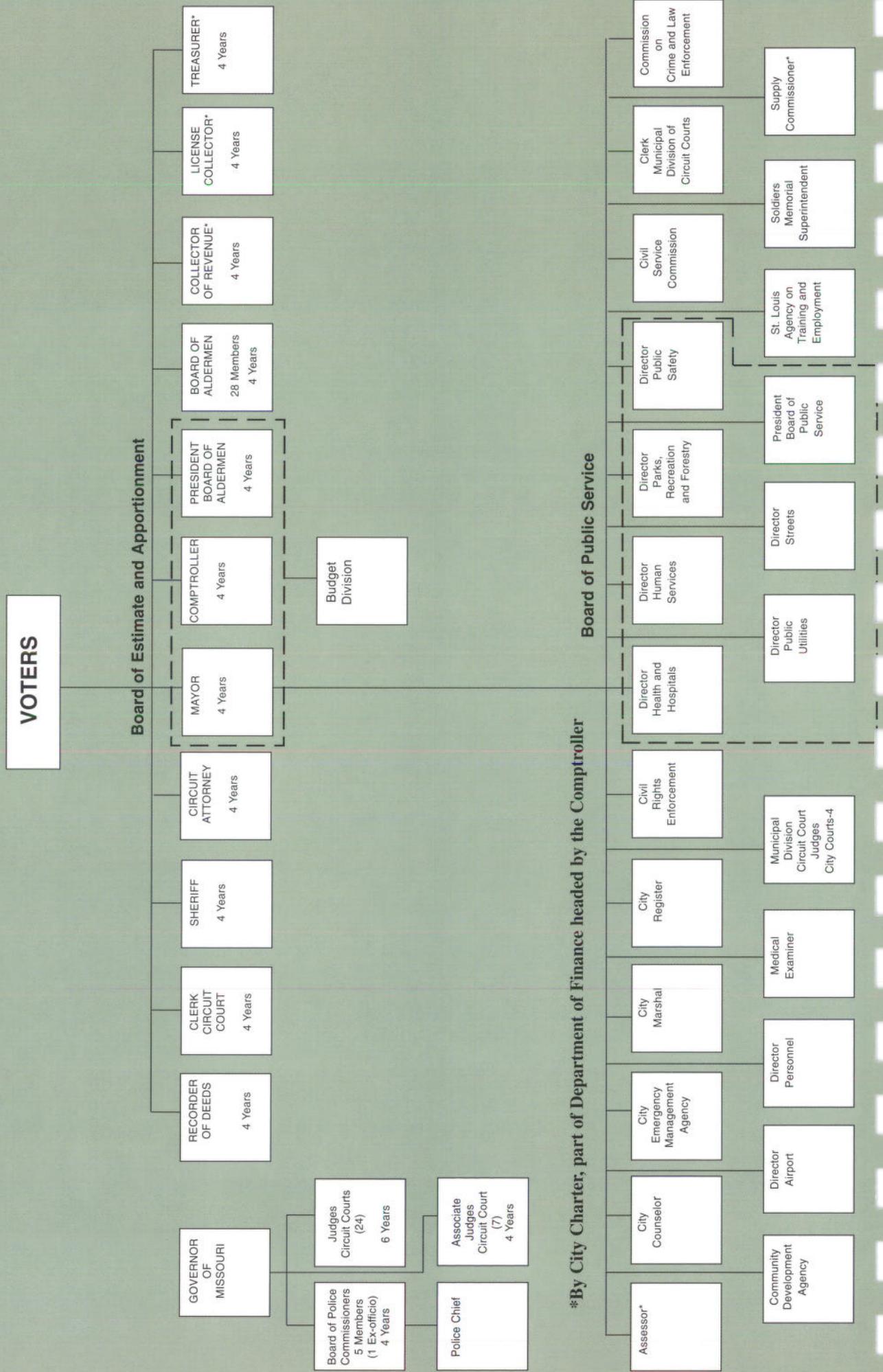


City of St. Louis Office of the Comptroller



City of St. Louis, Missouri

Government



The Blues Man



Artist Nancy Emge Linhares
Sponsor UMB Bank, N.A.

Financial Section



10 South Broadway
Suite 900
St. Louis, MO 63102-1761

Independent Auditors' Report

To the Honorable Mayor and
Members of the Board of Aldermen
City of Saint Louis, Missouri:

We have audited the general purpose financial statements of the City of Saint Louis, Missouri, as of and for the year ended June 30, 2001 as listed in the Financial Section of the accompanying table of contents. These general purpose financial statements are the responsibility of the management of the City of Saint Louis, Missouri. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of the pension trust funds, St. Louis Development Corporation, and the Harry S. Truman Restorative Center. The assets and additions of the pension trust funds represent 100% of the reporting entity assets and additions of the pension trust funds. The assets of St. Louis Development Corporation and Harry S. Truman Restorative Center represent 34% and 1%, respectively, of the reporting entity assets of all of the discretely presented component units. The revenues of St. Louis Development Corporation and Harry S. Truman Restorative Center represent 61% and 27%, respectively, of the reporting entity revenues of all of the discretely presented component units. The financial statements of the pension trust funds, St. Louis Development Corporation, and Harry S. Truman Restorative Center were audited by other auditors whose reports thereon have been furnished to us and our opinion, insofar as it relates to the amounts included for those funds and discretely presented component units, is based solely on the reports of the other auditors.

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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinion.

In our opinion, based upon our audit and the reports of the other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Saint Louis, Missouri as of June 30, 2001, and the results of its operations, the cash flows of its proprietary fund types and discretely presented component units, and the changes in plan net assets of its pension trust funds for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 16, 2001 on our consideration of the City of Saint Louis, Missouri's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

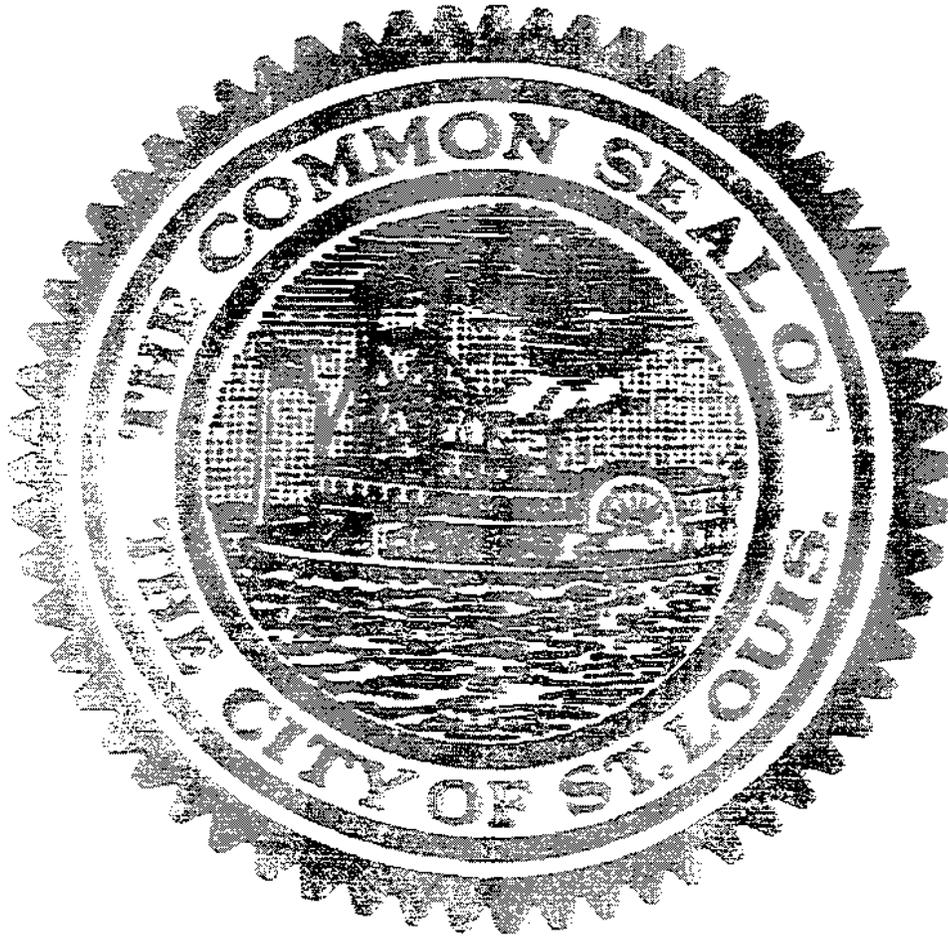
Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and account group financial statements and schedules listed as supplementary data in the Financial Section of the accompanying table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the City of Saint Louis, Missouri. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and, in our opinion, based on our audit and the reports of the other auditors, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

As discussed in note 1(c) to the general purpose financial statements, during the year ended June 30, 2001, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

KPMG LLP

November 16, 2001





Imagine The Pastabilities



Artist **Jan Brander-Kinnison**
Sponsor **The Pasta House Company**

General Purpose Financial Statements



CITY OF SAINT LOUIS, MISSOURI
Combined Balance Sheet -
All Fund Types, Account Groups and
Discretely Presented Component Units
June 30, 2001
(Dollars in thousands)

<u>Assets</u>	<u>Governmental Fund Types</u>				<u>Proprietary Fund Types</u>	
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Enterprise</u>	<u>Internal Service</u>
Cash and cash equivalents:						
Restricted	\$ 5,556	3,673	-	27,864	98,668	-
Unrestricted	7,530	3,682	3,388	18,217	19,419	56
Investments:						
Restricted	15,249	-	85	21,975	763,940	-
Unrestricted	36,500	25,823	5,533	91,196	13,979	225
Receivables, net of allowances:						
Taxes	84,851	9,520	5,167	2,242	-	-
Intergovernmental	2,324	11,763	-	325	-	-
Charges for services	80	33	-	-	17,527	-
Contributions	-	-	-	-	-	-
Accrued interest	-	-	-	-	5,701	-
Passenger facility charges	-	-	-	-	3,869	-
Notes and loans	-	347	-	-	-	-
Other	267	-	-	-	-	-
Due from primary government	-	-	-	-	-	-
Due from component units	1,501	-	-	-	-	-
Due from other funds	6,492	1,024	1,041	4,887	375	3,373
Due from other governmental entities	-	-	-	-	-	-
Prepaid assets	-	-	-	-	-	8
Inventories	-	-	-	-	4,116	-
Property, plant, and equipment, net of accumulated depreciation	-	-	-	-	1,058,248	69
Property held for development, net	-	-	-	-	-	-
Deferred charges and other assets	-	-	-	-	33,893	-
Amounts available in general, special revenue, debt service and capital projects funds for retirement of general long-term obligations	-	-	-	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-	-	-	-
Total assets	<u>\$ 160,350</u>	<u>55,865</u>	<u>15,214</u>	<u>166,706</u>	<u>2,019,735</u>	<u>3,731</u>

See accompanying notes to general purpose financial statements.

Fiduciary Fund Type - Trust and Agency	Account Groups		Total (Memorandum Only) Primary Government	Component Units			Total (Memorandum Only) Reporting Entity
	General Fixed Assets	General Long-Term Debt		SLDC	SLPD	HSTRC	
-	-	-	135,761	2,729	8,210	42	146,742
38,898	-	-	91,190	10,196	141	7	101,534
-	-	-	801,249	352	-	-	801,601
1,715,599	-	-	1,888,855	-	-	-	1,888,855
28,980	-	-	130,760	-	-	-	130,760
-	-	-	14,412	-	760	-	15,172
-	-	-	17,640	-	-	712	18,352
5,826	-	-	5,826	-	-	-	5,826
8,668	-	-	14,369	-	-	-	14,369
-	-	-	3,869	-	-	-	3,869
-	-	-	347	8,770	-	-	9,117
9,981	-	-	10,248	735	40	-	11,023
-	-	-	-	5,032	6,261	-	11,293
-	-	-	1,501	-	-	-	1,501
-	-	-	17,192	107	5,342	-	22,641
-	-	-	-	1,006	-	-	1,006
-	-	-	8	254	-	27	289
-	-	-	4,116	-	-	43	4,159
-	471,493	-	1,529,810	20,103	45,647	1,633	1,597,193
-	-	-	-	11,332	-	-	11,332
-	-	-	33,893	575	-	-	34,468
-	-	35,272	35,272	-	1,373	-	36,645
-	-	538,906	538,906	-	48,265	-	587,171
<u>1,807,952</u>	<u>471,493</u>	<u>574,178</u>	<u>5,275,224</u>	<u>61,191</u>	<u>116,039</u>	<u>2,464</u>	<u>5,454,918</u>

Continued

CITY OF SAINT LOUIS, MISSOURI
 Combined Balance Sheet -
 All Fund Types, Account Groups and
 Discretely Presented Component Units, Continued
 June 30, 2001
 (Dollars in thousands)

<u>Liabilities, Fund Equity, and Other Credits</u>	<u>Governmental Fund Types</u>			<u>Proprietary Fund Types</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Enterprise</u>	<u>Internal Service</u>
Liabilities:						
Accounts payable and accrued liabilities	\$ 2,724	8,557	-	6,852	6,468	38
Accrued salaries and other benefits	7,077	262	-	-	2,060	-
Payable from restricted cash and investments:						
Contracts and retainage	-	-	-	-	9,174	-
Accrued interest	-	-	-	-	17,902	-
Current portion of revenue bonds	-	-	-	-	41,245	-
Workers' compensation benefits	-	-	-	-	-	-
Deposits held for others	-	-	-	-	1,410	-
Due to primary government	-	-	-	-	-	-
Due to component units	6,261	5,014	-	-	-	-
Due to other funds	691	5,244	-	90	6,515	-
Accrued interest payable	-	-	-	-	1,046	-
Due to other governmental agencies	-	-	-	-	400	-
Deferred revenue	46,682	5,688	5,080	-	7,562	-
General obligation bonds payable	-	-	-	-	-	-
Revenue bonds payable, net	-	-	-	-	965,614	-
Section 108 loan guarantee assistance	-	-	-	-	-	-
Federal Financing Bank advances	-	-	-	-	-	-
MTFC direct loan agreement	-	-	-	-	-	-
Tax increment financing bonds payable	-	-	-	-	-	-
Obligations under capital leases	-	-	-	-	-	-
Master note purchase agreement	-	-	-	-	-	-
Accrued vacation, compensatory and sick time benefits	27	-	-	-	4,582	-
Notes payable	-	-	-	-	-	-
Joint venture financing agreement	-	-	-	-	-	-
Claims payable	-	-	-	-	-	10,185
Contracts payable retained percentage	-	-	-	-	-	-
Leasehold revenue improvement and refunding bonds	-	-	-	-	-	-
Other liabilities	811	102	-	-	5,564	-
Total liabilities	<u>64,273</u>	<u>24,867</u>	<u>5,080</u>	<u>6,942</u>	<u>1,069,542</u>	<u>10,223</u>
Fund equity and other credits:						
Investment in general fixed assets	-	-	-	-	-	-
Contributed capital	-	-	-	-	236,013	410
Retained earnings (deficit):						
Reserved for revenue bond requirements	-	-	-	-	137,564	-
Unreserved	-	-	-	-	576,616	(6,902)
Fund balances:						
Reserved:						
Encumbrances	3,454	1,325	-	56,073	-	-
Employees retirement systems	-	-	-	-	-	-
Debt service	22,246	1,440	10,134	1,452	-	-
Capital projects	-	-	-	25,403	-	-
Unreserved:						
Designated	-	-	-	-	-	-
Undesignated	70,377	28,233	-	76,836	-	-
Total fund balances	<u>96,077</u>	<u>30,998</u>	<u>10,134</u>	<u>159,764</u>	<u>-</u>	<u>-</u>
Total fund equity	<u>96,077</u>	<u>30,998</u>	<u>10,134</u>	<u>159,764</u>	<u>950,193</u>	<u>(6,492)</u>
Total fund equity and other credits	<u>96,077</u>	<u>30,998</u>	<u>10,134</u>	<u>159,764</u>	<u>950,193</u>	<u>(6,492)</u>
Total liabilities, fund equity and other credits	\$ <u>160,350</u>	<u>55,865</u>	<u>15,214</u>	<u>166,706</u>	<u>2,019,735</u>	<u>3,731</u>

See accompanying notes to general purpose financial statements.

Fiduciary Fund Type - Trust and Agency	Account Groups		Total (Memorandum Only) Primary Government	Component Units			Total (Memorandum Only) Reporting Entity
	General Fixed Assets	General Long-Term Debt		SLDC	SLPD	HSTRC	
4,350	-	-	28,989	1,730	1,417	499	32,635
-	-	-	9,399	-	3,539	227	13,165
-	-	-	9,174	-	-	-	9,174
-	-	-	17,902	-	-	-	17,902
-	-	-	41,245	-	-	-	41,245
-	-	-	-	-	520	-	520
27,663	-	-	29,073	-	-	-	29,073
-	-	-	-	-	1,501	-	1,501
18	-	-	11,293	-	-	-	11,293
4,652	-	-	17,192	107	5,342	-	22,641
-	-	-	1,046	388	-	-	1,434
35,466	-	-	35,866	11,685	1,692	-	49,243
-	-	-	65,012	18	328	-	65,358
-	-	60,250	60,250	-	-	-	60,250
-	-	-	965,614	13,810	-	-	979,424
-	-	55,000	55,000	-	-	-	55,000
-	-	900	900	-	-	-	900
-	-	636	636	-	-	-	636
-	-	11,748	11,748	-	-	-	11,748
-	-	19,930	19,930	-	8,940	-	28,870
-	-	1,198	1,198	-	-	-	1,198
-	-	15,429	20,038	-	18,632	200	38,870
-	-	1,964	1,964	8,513	-	42	10,519
-	-	82,044	82,044	-	-	-	82,044
-	-	-	10,185	-	22,066	-	32,251
-	-	3,952	3,952	-	-	-	3,952
-	-	321,127	321,127	-	-	-	321,127
34,101	-	-	40,578	2,777	-	124	43,479
<u>106,250</u>	<u>-</u>	<u>574,178</u>	<u>1,861,355</u>	<u>39,028</u>	<u>63,977</u>	<u>1,092</u>	<u>1,965,452</u>
-	471,493	-	471,493	2,972	45,647	-	520,112
-	-	-	236,423	4,544	-	-	240,967
-	-	-	137,564	2,521	-	-	140,085
-	-	-	569,714	(525)	-	1,372	570,561
-	-	-	60,852	-	1,115	-	61,967
1,701,474	-	-	1,701,474	-	-	-	1,701,474
-	-	-	35,272	595	1,373	-	37,240
-	-	-	25,403	-	-	-	25,403
-	-	-	-	-	1,429	-	1,429
228	-	-	175,674	12,056	2,498	-	190,228
<u>1,701,702</u>	<u>-</u>	<u>-</u>	<u>1,998,675</u>	<u>12,651</u>	<u>6,415</u>	<u>-</u>	<u>2,017,741</u>
<u>1,701,702</u>	<u>-</u>	<u>-</u>	<u>2,942,376</u>	<u>19,191</u>	<u>6,415</u>	<u>1,372</u>	<u>2,967,982</u>
<u>1,701,702</u>	<u>471,493</u>	<u>-</u>	<u>3,413,869</u>	<u>22,163</u>	<u>52,062</u>	<u>1,372</u>	<u>3,489,466</u>
<u>1,807,952</u>	<u>471,493</u>	<u>574,178</u>	<u>5,275,224</u>	<u>61,191</u>	<u>116,039</u>	<u>2,464</u>	<u>5,454,918</u>

CITY OF SAINT LOUIS, MISSOURI

Combined Statement of Revenues, Expenditures and Changes in Fund Balances -
 All Governmental Fund Types, Similar Expendable Trust Fund
 and Discretely Presented Component Units
 For the year ended June 30, 2001
 (Dollars in thousands)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Revenues:				
Taxes	\$ 329,498	54,842	5,874	19,669
Licenses and permits	15,191	2,335	-	-
Intergovernmental	13,155	77,820	-	11,093
Charges for services, net	15,312	10,311	-	-
Court fines and forfeitures	7,132	203	-	-
Investment income	3,680	2,103	3,352	8,165
Miscellaneous	3,455	2,296	265	3,263
Total revenues	<u>387,423</u>	<u>149,910</u>	<u>9,491</u>	<u>42,190</u>
Expenditures:				
Current:				
General government	39,254	18,878	-	-
Convention and tourism	2,159	163	-	-
Parks and recreation	16,929	404	-	-
Judicial	35,608	7,160	-	-
Streets	29,245	59	-	-
Public safety:				
Fire	45,719	22	-	-
Police	228	657	-	-
Other	30,623	2,072	-	-
Health and welfare	12,103	21,744	-	-
Public services	22,961	40,558	-	-
Community development	-	97,333	-	-
Capital outlay	2,134	1,110	-	92,282
Debt service:				
Principal	8,863	3,624	2,620	7,405
Interest and fiscal charges	13,839	1,464	3,076	9,090
Total expenditures	<u>259,665</u>	<u>195,248</u>	<u>5,696</u>	<u>108,777</u>
Excess (deficiency) of revenues over expenditures	<u>127,758</u>	<u>(45,338)</u>	<u>3,795</u>	<u>(66,587)</u>
Other financing sources (uses):				
Sale of general fixed assets	-	-	-	119
Proceeds from note payable	1,980	-	-	-
Proceeds from section 108 loan guarantee assistance	-	55,000	-	-
Operating transfers in	10,823	9,443	11	23,170
Operating transfers from component units	125	-	-	-
Operating transfers from primary government	-	-	-	-
Operating transfers to component units	(118,378)	(600)	-	(1,324)
Operating transfers out	(12,322)	(26,525)	-	(4,795)
Total other financing sources (uses), net	<u>(117,772)</u>	<u>37,318</u>	<u>11</u>	<u>17,170</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	9,986	(8,020)	3,806	(49,417)
Fund balances:				
Beginning of year, as restated	86,091	39,018	6,328	209,181
End of year	<u>\$ 96,077</u>	<u>30,998</u>	<u>10,134</u>	<u>159,764</u>

See accompanying notes to general purpose financial statements.

Fiduciary Fund Type - Expendable Trust	Total (Memorandum Only)	Component Units		Total (Memorandum Only)
	Primary Government	SLDC	SLPD	Reporting Entity
-	409,883	-	-	409,883
-	17,526	-	-	17,526
-	102,068	13,286	-	115,354
-	25,623	6,460	3,029	35,112
-	7,335	-	1,385	8,720
-	17,300	486	311	18,097
36	9,315	988	29	10,332
<u>36</u>	<u>589,050</u>	<u>21,220</u>	<u>4,754</u>	<u>615,024</u>
-	58,132	-	-	58,132
55	2,377	-	-	2,377
-	17,333	-	-	17,333
-	42,768	-	-	42,768
-	29,304	-	-	29,304
-	45,741	-	-	45,741
-	885	-	120,658	121,543
-	32,695	-	-	32,695
-	33,847	-	-	33,847
-	63,519	-	-	63,519
-	97,333	20,528	-	117,861
-	95,526	484	3,479	99,489
-	22,512	-	885	23,397
-	27,469	595	432	28,496
<u>55</u>	<u>569,441</u>	<u>21,607</u>	<u>125,454</u>	<u>716,502</u>
(19)	19,609	(387)	(120,700)	(101,478)
-	119	-	-	119
-	1,980	-	-	1,980
-	55,000	-	-	55,000
-	43,447	214	-	43,661
-	125	-	-	125
-	-	850	119,702	120,552
-	(120,302)	-	-	(120,302)
-	(43,642)	-	-	(43,642)
<u>-</u>	<u>(63,273)</u>	<u>1,064</u>	<u>119,702</u>	<u>57,493</u>
(19)	(43,664)	677	(998)	(43,985)
<u>247</u>	<u>340,865</u>	<u>11,974</u>	<u>7,413</u>	<u>360,252</u>
<u>228</u>	<u>297,201</u>	<u>12,651</u>	<u>6,415</u>	<u>316,267</u>

CITY OF SAINT LOUIS, MISSOURI
 Combined Statement of Revenues and Expenditures -
 Budget Basis - All Governmental Fund Types
 For the year ended June 30, 2001
 (Dollars in thousands)

	General			Special Revenue		
	Revised Budget	Actual	Variance - favorable (unfavorable)	Revised Budget	Actual	Variance - favorable (unfavorable)
Revenues:						
Taxes	\$ 320,919	330,750	9,831	54,298	52,717	(1,581)
Licenses and permits	15,294	15,110	(184)	55	48	(7)
Intergovernmental	5,212	5,511	299	2,189	3,027	838
Charges for services, net	15,153	15,934	781	3,224	3,477	253
Court fines and forfeitures	5,301	4,293	(1,008)	218	230	12
Investment income	3,221	2,668	(553)	396	740	344
Miscellaneous	3,475	3,004	(471)	74	69	(5)
Total revenues	<u>368,575</u>	<u>377,270</u>	<u>8,695</u>	<u>60,454</u>	<u>60,308</u>	<u>(146)</u>
Expenditures:						
Current:						
General government	42,307	40,744	1,563	3,763	3,598	165
Convention and tourism	2,161	2,154	7	238	163	75
Parks and recreation	17,396	16,991	405	1,912	393	1,519
Judicial	38,273	35,886	2,387	1,252	1,206	46
Streets	30,358	29,761	597	-	41	(41)
Public safety:						
Fire	45,763	45,565	198	25	22	3
Police	-	-	-	663	606	57
Other	31,303	31,233	70	-	-	-
Health and welfare	13,368	12,348	1,020	6,575	6,346	229
Public services	23,550	22,765	785	36,149	32,694	3,455
Capital outlay	-	-	-	1,015	1,110	(95)
Debt service:						
Principal	7,810	7,810	-	3,547	3,547	-
Interest and fiscal charges	13,940	13,920	20	1,289	1,285	4
Total expenditures	<u>266,229</u>	<u>259,177</u>	<u>7,052</u>	<u>56,428</u>	<u>51,011</u>	<u>5,417</u>
Excess (deficiency) of revenues over expenditures	<u>102,346</u>	<u>118,093</u>	<u>15,747</u>	<u>4,026</u>	<u>9,297</u>	<u>5,271</u>
Other financing sources (uses):						
Sale of general fixed assets	-	-	-	-	-	-
Operating transfers in	19,475	19,201	(274)	8,765	9,243	478
Operating transfers to component units	(118,174)	(116,994)	1,180	-	-	-
Operating transfers out	(11,320)	(11,332)	(12)	(19,712)	(20,733)	(1,021)
Total other financing (uses) sources, net	<u>(110,019)</u>	<u>(109,125)</u>	<u>894</u>	<u>(10,947)</u>	<u>(11,490)</u>	<u>(543)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ <u>(7,673)</u>	<u>8,968</u>	<u>16,641</u>	<u>(6,921)</u>	<u>(2,193)</u>	<u>4,728</u>

See accompanying notes to general purpose financial statements.

Debt Service			Capital Projects			Total (Memorandum Only)		
Revised Budget	Actual	Variance - favorable (unfavorable)	Revised Budget	Actual	Variance - favorable (unfavorable)	Revised Budget	Actual	Variance - favorable (unfavorable)
5,767	5,879	112	19,749	19,821	72	400,733	409,167	8,434
-	-	-	-	-	-	15,349	15,158	(191)
-	-	-	-	-	-	7,401	8,538	1,137
-	-	-	-	-	-	18,377	19,411	1,034
-	-	-	-	-	-	5,519	4,523	(996)
3,500	3,565	65	-	2,424	2,424	7,117	9,397	2,280
-	265	265	100	118	18	3,649	3,456	(193)
<u>9,267</u>	<u>9,709</u>	<u>442</u>	<u>19,849</u>	<u>22,363</u>	<u>2,514</u>	<u>458,145</u>	<u>469,650</u>	<u>11,505</u>
-	-	-	-	-	-	46,070	44,342	1,728
-	-	-	-	-	-	2,399	2,317	82
-	-	-	-	-	-	19,308	17,384	1,924
-	-	-	-	-	-	39,525	37,092	2,433
-	-	-	-	-	-	30,358	29,802	556
-	-	-	-	-	-	45,788	45,587	201
-	-	-	-	-	-	663	606	57
-	-	-	-	-	-	31,303	31,233	70
-	-	-	-	-	-	19,943	18,694	1,249
-	-	-	-	-	-	59,699	55,459	4,240
-	-	-	16,534	14,131	2,403	17,549	15,241	2,308
2,620	2,620	-	8,291	8,291	-	22,268	22,268	-
3,078	3,076	2	10,283	9,466	817	28,590	27,747	843
5,698	5,696	2	35,108	31,888	3,220	363,463	347,772	15,691
<u>3,569</u>	<u>4,013</u>	<u>444</u>	<u>(15,259)</u>	<u>(9,525)</u>	<u>5,734</u>	<u>94,682</u>	<u>121,878</u>	<u>27,196</u>
-	-	-	725	119	(606)	725	119	(606)
-	11	11	16,688	16,150	(538)	44,928	44,605	(323)
-	-	-	-	-	-	(118,174)	(116,994)	1,180
-	-	-	(2,270)	(2,270)	-	(33,302)	(34,335)	(1,033)
-	11	11	15,143	13,999	(1,144)	(105,823)	(106,605)	(782)
<u>3,569</u>	<u>4,024</u>	<u>455</u>	<u>(116)</u>	<u>4,474</u>	<u>4,590</u>	<u>(11,141)</u>	<u>15,273</u>	<u>26,414</u>

CITY OF SAINT LOUIS, MISSOURI
Combined Statement of Revenues, Expenses and Changes in Fund Equity -
Proprietary Fund Types
and Discretely Presented Component Units
For the year ended June 30, 2001
(Dollars in thousands)

	Proprietary Fund Types		Total (Memorandum Only)	Component Units		Total (Memorandum Only)
	Enterprise	Internal Service	Primary Government	SLDC	HSTRC	Reporting Entity
Operating revenues:						
Aviation revenues	\$ 70,655	-	70,655	-	-	70,655
Concessions	39,532	-	39,532	-	-	39,532
Water sales	38,856	-	38,856	-	-	38,856
Lease revenue	7,829	-	7,829	-	-	7,829
Parking	12,254	-	12,254	2,138	-	14,392
Charges for services	-	11,533	11,533	-	7,476	19,009
Miscellaneous	3,007	-	3,007	-	3,004	6,011
Total operating revenues	172,133	11,533	183,666	2,138	10,480	196,284
Operating expenses:						
Claims incurred	-	9,176	9,176	-	-	9,176
Premiums	-	2,379	2,379	-	-	2,379
Personal services	48,409	130	48,539	243	6,448	55,230
Materials and supplies	12,477	467	12,944	11	2,759	15,714
Purchased power	2,604	-	2,604	-	-	2,604
Contractual services	21,786	46	21,832	41	877	22,750
Miscellaneous	24,511	-	24,511	296	432	25,239
Depreciation and amortization	37,927	17	37,944	649	210	38,803
Total operating expenses	147,714	12,215	159,929	1,240	10,726	171,895
Income (loss) from operations	24,419	(682)	23,737	898	(246)	24,389
Nonoperating revenues (expenses)						
Investment income	29,767	-	29,767	147	4	29,918
Interest expense	(37,341)	-	(37,341)	(1,004)	-	(38,345)
Passenger facility charges	44,456	-	44,456	-	-	44,456
Miscellaneous, net	431	-	431	-	-	431
Total nonoperating revenues (expenses), net	37,313	-	37,313	(857)	4	36,460
Income (loss) before transfers	61,732	(682)	61,050	41	(242)	60,849
Operating transfers in	415	-	415	-	-	415
Operating transfers out	(220)	-	(220)	(214)	-	(434)
Operating transfers to component unit	(250)	-	(250)	-	-	(250)
Operating transfers to primary government	-	-	-	(125)	-	(125)
Total operating transfers	(55)	-	(55)	(339)	-	(394)
Net income (loss) before capital contributions	61,677	(682)	60,995	(298)	(242)	60,455
Capital contributions	20,802	-	20,802	-	-	20,802
Net income (loss)	82,479	(682)	81,797	(298)	(242)	81,257
Depreciation on contributed assets	4,885	8	4,893	-	-	4,893
Increase (decrease) in retained earnings	\$ 87,364	(674)	86,690	(298)	(242)	86,150
Fund equity:						
Retained earnings (deficit):						
Beginning of year	626,816	(6,228)	620,588	2,294	1,614	624,496
Increase (decrease) in retained earnings	87,364	(674)	86,690	(298)	(242)	86,150
End of year	714,180	(6,902)	707,278	1,996	1,372	710,646
Contributed capital:						
Beginning of year	240,898	418	241,316	4,544	-	245,860
Depreciation on contributed assets	(4,885)	(8)	(4,893)	-	-	(4,893)
End of year	236,013	410	236,423	4,544	-	240,967
Total fund equity	\$ 950,193	(6,492)	943,701	6,540	1,372	951,613

See accompanying notes to general purpose financial statements.

CITY OF SAINT LOUIS, MISSOURI
Combined Statement of Cash Flows - Proprietary Fund Types
and Discretely Presented Component Units
For the year ended June 30, 2001
(Dollars in thousands)

	Proprietary Fund Types		Total (Memorandum Only)	Component Units		Total (Memorandum Only)
	Enterprise	Internal Service	Primary Government	SLDC	HSTRC	Reporting Entity
Cash flows from operating activities:						
Income (loss) from operations	\$ 24,419	(682)	23,737	898	(246)	24,389
Adjustments to reconcile income (loss) from operations to net cash provided by operating activities:						
Depreciation and amortization	37,927	17	37,944	649	210	38,803
Loss on disposal of property, plant, and equipment	29	-	29	-	-	29
Cash paid for customer deposits	113	-	113	-	-	113
Change in assets and liabilities:						
Decrease in receivables, net	3,982	-	3,982	18	67	4,067
(Increase) decrease in due from other funds	102	(125)	(23)	15	-	(8)
Decrease in prepaid assets	-	25	25	2	7	34
Decrease in inventories	145	-	145	-	-	145
Increase in deferred charges and other assets	(296)	-	(296)	-	-	(296)
Increase (decrease) in accounts payable and accrued liabilities	(1,342)	32	(1,310)	16	94	(1,200)
Decrease in due to other funds	(1,494)	-	(1,494)	-	-	(1,494)
Increase in claims payable	-	918	918	-	-	918
Decrease in other liabilities	(941)	-	(941)	-	-	(941)
Total adjustments	38,225	867	39,092	700	378	40,170
Net cash provided by operating activities	62,644	185	62,829	1,598	132	64,559
Cash flows from noncapital financing activities:						
Operating transfers in	415	-	415	-	-	415
Operating transfers out	(295)	-	(295)	(339)	-	(634)
Operating transfer to component unit	(250)	-	(250)	-	-	(250)
Cash paid for financing of retirement plan	(311)	-	(311)	-	-	(311)
Net cash used in noncapital financing activities	(441)	-	(441)	(339)	-	(339)
Cash flows from capital and related financing activities:						
Acquisitions and construction of capital assets	(135,122)	-	(135,122)	(302)	(165)	(135,589)
Principal paid on revenue bonds and capital lease obligations	(26,255)	-	(26,255)	-	-	(26,255)
Principal paid on note payable	-	-	-	-	(28)	(28)
Proceeds from line of credit	-	-	-	-	71	71
Interest paid on revenue bonds and capital lease obligations	(29,218)	-	(29,218)	(1,004)	-	(30,222)
Cash collections from passenger facility charges	44,456	-	44,456	-	-	44,456
Proceeds from sale of property and equipment	12	-	12	-	-	12
Receipts from federal financial assistance	21,920	-	21,920	-	-	21,920
Receipts of other capital contributions	248	-	248	-	-	248
Proceeds from issuance of revenue bonds	521,175	-	521,175	-	-	521,175
Cash paid for bond issuance and underwriting costs	(8,857)	-	(8,857)	-	-	(8,857)
Net cash provided by (used in) capital and related financing activities	388,359	-	388,359	(1,306)	(122)	386,931
Cash flows from investing activities:						
Purchase of investments	(2,530,051)	(225)	(2,530,276)	-	-	(2,530,276)
Proceeds from sales and maturities of investments	2,091,629	-	2,091,629	-	-	2,091,629
Investment income on cash and investments	25,328	-	25,328	147	4	25,479
Net cash provided by (used in) investing activities	(413,094)	(225)	(413,319)	147	4	(413,168)
Net increase (decrease) in cash and cash equivalents	37,468	(40)	37,428	100	14	37,542
Cash and cash equivalents, beginning of year	80,619	96	80,715	2,810	35	83,560
Cash and cash equivalents, end of year	\$ 118,087	56	118,143	2,910	49	121,102
Cash and cash equivalents - discretely presented component unit fiduciary fund type				10,015		10,015
Total cash and cash equivalents				\$ 12,925	\$	131,117

See accompanying notes to general purpose financial statements.

CITY OF SAINT LOUIS, MISSOURI
Combined Statement of Changes in Plan Net Assets
For the year ended June 30, 2001 (*)
(Dollars in thousands)

Additions:	
Contributions	\$ 12,439
Investment income:	
Interest and dividends	50,745
Net appreciation in fair value of investments	117,163
	<u>167,908</u>
Less investment expense	(6,111)
Net investment income	<u>161,797</u>
Total additions	<u>174,236</u>
Deductions:	
Benefits	81,670
Inducement bonuses	7
Refunds of contributions	7,553
Administrative expense	2,470
Total deductions	<u>91,700</u>
Net increase	82,536
Net assets held in trust for employee pension benefits:	
Beginning of year	<u>1,618,938</u>
End of year	\$ <u><u>1,701,474</u></u>

* Changes in Plan Net Assets are for the plans' fiscal years ended August 31, 2000 and September 30, 2000.

See accompanying notes to general purpose financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Saint Louis, Missouri (the City) is a constitutional charter City not a part of any county, which is organized and exists under and pursuant to the constitution and laws of the State of Missouri. The City's current form of government is provided for in its charter which first became effective in 1914 and has been subsequently amended by City voters. The City provides a wide range of municipal services as follows: fire and other public safety; parks and recreation; forestry; health, welfare and other social services; street maintenance; refuse collection; public services; community and economic development; convention and tourism; and general administrative services. The City also owns and operates a water utility, parking facilities, and an international airport as self-supporting enterprises.

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

a. Reporting Entity

The City's financial reporting entity has been determined in accordance with governmental standards for defining the reporting entity and identifying entities to be included in its general purpose 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 is financially accountable if it appoints a voting majority of a potential component unit governing body and is able to impose its will on that potential component unit, or there is a potential for the potential component unit to provide specific financial benefits to, or impose specific financial burdens on the City. The City's financial reporting entity consists of the City of Saint Louis (the primary government) and its component units.

1) Blended Component Units

The component units discussed below are included in the City's reporting entity due to the significance of their operational or financial relationships with the City.

Public Facilities Protection Corporation (PFPC)

The PFPC is an internal service fund governed by a five member board of persons in designated City positions. The PFPC is reported as if it were part of the primary government because its sole purpose is to provide the City with a defined and funded self-insurance program for claims and judgments, and other related legal matters including workers' compensation.

St. Louis Municipal Finance Corporation (SLMFC)

The SLMFC, established in 1991, is governed by a five-member board, consisting of persons in designated City positions. The SLMFC is reported as if it were part of the primary government because its sole purpose is to lessen the burden on the City by financing or acquiring, leasing or subleasing real property and improvement thereon, and personal property to the City.

CITY OF SAINT LOUIS, MISSOURI

Notes to General Purpose Financial Statements, Continued

June 30, 2001

(Dollars in Thousands)

St. Louis Municipal Finance Corporation (SLMFC – II)

The SLMFC – II, established in 1993, is governed by a five member board of persons in designated City positions. The SLMFC – II is reported as if it were part of the primary government because its sole purpose is to lessen the burden on the City by financing or acquiring, leasing or subleasing real property and improvements thereon, and personal property to the City.

2) Discretely Presented Component Units

The component units columns in the general purpose financial statements include the financial data of the City's three discretely presented component units. These are reported individually to emphasize that they are legally separate from the City.

St. Louis Development Corporation (SLDC)

The SLDC was organized in 1988 to improve the efficiency and effectiveness of the economic development activity of the City. SLDC combined the administrative staffs of six independent development agencies for the purpose of coordinating administrative services for all six agencies. The agencies that are considered component units of SLDC are the Land Reutilization Authority, the Land Clearance for Redevelopment Authority, the St. Louis Industrial Development Authority, the Planned Industrial Expansion Authority, the Local Development Company, and the St. Louis Port Authority. SLDC is included as a component unit of the City due to its operational and financial relationship with the City. The City is able to impose its will on SLDC.

The Metropolitan Police Department of the City of St. Louis, Missouri (SLPD)

The SLPD, established by state statute, is administered by a five member Board of Commissioners, the Mayor and four members appointed by the Governor. The City is obligated to provide a minimum level of funding for the operations of the SLPD. SLPD's operating budget is prepared and submitted to the City for approval. SLPD has no authority to levy a tax or issue debt in its name, and therefore is dependent on the City for substantially all of its funding.

Harry S. Truman Restorative Center, James J. Wilson, City Counselor, Receiver (HSTRC)

The HSTRC is a 220-bed skilled nursing facility operated as a not-for-profit entity supported by the City and located in a City-owned building. Under court ordered receivership, the City has administrative oversight responsibility for HSTRC. This oversight is expressed in the form of an advisory board consisting of one representative from each of the offices of the Mayor, Comptroller, President of the Board of Aldermen and the City Counselor (the Receiver) as well as two executive employees of HSTRC.

Complete financial statements of the discretely presented component units may be obtained from their administrative offices as follows:

St. Louis Development Corporation 1015 Locust Street St. Louis, Missouri 63101	The Metropolitan Police Department of the City of St. Louis 1200 Clark Avenue St. Louis, Missouri 63103-2845
--	--

Harry S. Truman Restorative Center
5700 Arsenal Street
St. Louis, Missouri 63139-1699

3) Related Organizations

The City's officials are also responsible for appointing the voting majority of board members for other organizations, but the City's accountability for these organizations does not extend beyond making the appointments. Thus, no financial data for these organizations are included in the City's general purpose financial statements. These organizations include the Mental Health Board, the St. Louis Housing Authority, the St. Louis Office for Mental Retardation & Developmental Disability Resources, and the St. Louis Public Library.

4) Joint Venture

St. Louis Regional Convention and Sports Complex Authority (Authority)

The Authority, established in 1990 as a separate legal entity by an Act of the Missouri State legislature, is governed by an 11 member Board of Commissioners. The Mayor of the City and the County Executive of Sr. Louis County, Missouri (the County) each appoint three members and the Governor of the State appoints the remaining five commissioners. The Authority is considered a joint venture of the City, County, and State because the three governments have entered into a contractual agreement with the Authority to sponsor the issuance of convention facility bonds, to repay the facility bonds through rental payments to the Authority, and to make annual preservation payments for facility maintenance and renovations, all of which create an ongoing financial responsibility of the City. The Authority is subject to joint control of the City, County, and State. Complete financial statements for the Authority can be obtained from the Authority's administrative offices at 901 North Broadway, St. Louis, Missouri 63101.

b. Fund Accounting

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses. 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. The various funds are summarized by type in the general purpose financial statements. The following fund types and account groups are used by the City:

Governmental Fund Types

Governmental funds are those through which most governmental functions are financed. The acquisition, uses and balances of the City's expendable financial resources and the related

CITY OF SAINT LOUIS, MISSOURI

Notes to General Purpose Financial Statements, Continued

June 30, 2001

(Dollars in Thousands)

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 fund types.

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.

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

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

Capital Projects – Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

Proprietary Fund Types

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

Enterprise – 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 (including depreciation) of operations are financed primarily through user charges. Enterprise funds have been established for the Lambert-St. Louis International Airport (Airport), the Water Division, and the Parking Division.

Internal Service -- Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost reimbursement basis. An internal service fund has been established for the PFPC and for the Mailroom Services of the City.

In reporting the financial activity of its proprietary funds, the City applies all applicable Governmental Accounting Standards Board (GASB) pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedure.

Fiduciary Fund Types

Trust and Agency – Trust and agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units or other funds. These include pension trust, expendable trust, and agency funds. Pension trust funds are accounted for and reported similar to proprietary funds. Expendable trust and agency funds are accounted for and reported similar to the governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

Account Groups

Account groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term debt as follows:

General Fixed Assets Account Group - This account group is established for all fixed assets of the City, other than those accounted for in the proprietary funds.

General Long-Term Debt Account Group - This account group is established to account for all long-term obligations of the City except debt accounted for in the proprietary funds.

c. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the general purpose financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The City records transactions during the year on the basis of cash receipts and disbursements. At year-end, entries are recorded for financial reporting purposes to reflect the modified accrual basis of accounting for governmental funds types, expendable trust and agency funds, and the accrual basis of accounting for the proprietary fund types and pension trust funds.

Under the modified accrual basis of accounting, revenues are recorded when both measurable and available. The term "available" is defined as collectible within the current period or soon enough thereafter to be used to pay the liabilities of the current period. Expenditures are recognized when the related fund liability is incurred, except for principal and interest on general obligation debt which is recognized when due.

Effective July 1, 2000, the City adopted GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions* (GASB 33). In general, GASB 33 establishes accounting and financial reporting standards for non-exchange transactions involving financial or capital resources. As a result of implementing GASB 33, the July 1, 2000, fund balance of the general fund increased by \$21,726.

CITY OF SAINT LOUIS, MISSOURI

Notes to General Purpose Financial Statements, Continued

June 30, 2001

(Dollars in Thousands)

GASB 33 groups nonexchange transactions into the following four classes, based upon their principal characteristics: derived tax revenues, imposed nonexchange revenues, government mandated nonexchange transactions, and voluntary nonexchange transactions.

The City recognizes assets from derived tax revenue transactions (such as city earnings and payroll taxes, sales and utilities gross receipt taxes) in the period when the underlying exchange transaction on which the tax is imposed occurs or when the assets are received, whichever occurs first. Revenues are recognized, net of estimated refunds and estimated uncollectible amounts, in the same period that the assets are recognized, provided that the underlying exchange transaction has occurred. Resources received in advance are reported as deferred revenues until the period of the exchange.

The City recognizes assets from imposed nonexchange revenue transactions in the period when an enforceable legal claim to the assets arises or when the resources are received, whichever occurs first. Revenues are recognized in the period when the resources are required to be used or the first period that use is permitted. The City recognizes revenues from property taxes, net of estimated refunds and estimated uncollectible amounts, in the period for which the taxes are levied. Imposed nonexchange revenues also include permits and court fines and forfeitures.

Intergovernmental revenues, representing grants and assistance received from other governmental units, are generally recognized as revenues in the period when all eligibility requirements, as defined by GASB 33, have been met. Any resources received before eligibility requirements are met are reported as deferred revenues.

Charges for services in the governmental funds, which are exchange transactions and are therefore not subject to the provisions of GASB 33, are recognized as revenues when received in cash because they are generally not measurable until actually received.

Under the accrual basis of accounting used by the proprietary fund types and pension trust funds, revenues are recognized when earned and expenses are recognized when incurred. Unbilled service revenues are accrued by the Airport and Water Division based on estimated billings for services provided through the end of the current fiscal year.

Component Units – SLDC, SLPD, and HSTRC

The SLDC and HSTRC proprietary funds are recorded on the accrual basis of accounting. The governmental fund types and the fiduciary fund type - expendable trust funds of SLDC and SLPD follow the modified accrual basis of accounting.

d. Property Taxes

Taxes are levied annually in November based on the assessed valuation of all real and personal property located in the City as of the previous January 1. The City tax rate levied in November 2000 was \$1.633 per \$100 of assessed valuation of which \$1.453 is for the general fund and \$.18 is for the debt service fund. Taxes are billed in November and are due and collectible on December 31. All unpaid taxes become delinquent on January 1 of the following year and attach as an enforceable lien on the related property at that date.

e. Budgets

The City follows the procedures outlined below in establishing the budgetary data reflected in the general purpose financial statements.

- 1) On or before 60 days prior to the start of each fiscal year, the Budget Director submits to the Board of Estimate and Apportionment (E&A), which consists of the Mayor, the Comptroller, and the President of the Board of Aldermen, for approval and submission to the Board of Aldermen (Board), a proposed annual operating budget for the fiscal year commencing the following July 1 for the general fund; the following special revenue funds: transportation, convention and tourism, licensed gaming, assessor, lateral sewer lines, tax increment financing, child support unit, victim assistance, communications division, health care trust, miscellaneous special funds; the debt service fund; and the following capital projects funds: capital improvements and capital improvement sales tax trust fund. The operating budgets include proposed expenditures and the means of financing them at the sub-fund level. A public hearing is held by E&A in order to afford citizens an opportunity to be heard on the proposed budget. The Board may reduce any item except amounts fixed by state statute or for the payment of principal or interest of the City debt or for meeting any ordinance obligations, but may not increase such amount nor insert new items. Expenditures may not legally exceed appropriations at the fund level; however, supplemental appropriations may be made by the Board.
- 2) The annual operating budgets are adopted by the affirmative vote of a majority of the members of the Board and approval by the Mayor on or before the last day of the preceding budget year. In the event the Board has not acted upon the proposed budget ordinance by this time, the budgets, as recommended by E&A or in its absence, the submission by the Budget Director, shall be considered to be adopted and approved by the Board.
- 3) During the year, management with the approval of E&A, may transfer part or all of any encumbered appropriation balance among programs within a department, office or agency, without approval of the governing body. Legislative action is required when the budget for an entire fund is to be increased. The amount of such transfers during the year was not significant.
- 4) If it is determined that there are revenues in excess of those estimated in the budget that are available for appropriation, the Board may, by ordinance, make supplemental appropriations for the year up to the amount of such excess. During fiscal year 2001, a significant supplemental appropriation was made within the general fund in the amount of \$1,125 in order to provide assistance to residents for heating utility costs.
- 5) At the end of each budget period, all unencumbered appropriated balances lapse, with the exception of appropriations for capital improvements that lapse upon completion of the related capital improvement project.

The City's budgetary process is based upon accounting for certain transactions on a basis other than accounting principles generally accepted for governmental entities in the United States of America (GAAP). To provide a meaningful comparison of actual results with the budget, the actual results of

CITY OF SAINT LOUIS, MISSOURI

Notes to General Purpose Financial Statements, Continued

June 30, 2001

(Dollars in Thousands)

operations are presented in the Combined Statement of Revenues and Expenditures – Budget and Actual – Budget Basis – All Governmental Fund Types in accordance with the budget basis of accounting.

The major differences between the budget and GAAP bases of accounting are:

- 1) Revenues are recorded when received in cash (budget) as opposed to when they are measurable and available (GAAP).
- 2) Expenditures are recorded when paid (budget) as opposed to when the obligation is incurred (GAAP).
- 3) Certain activities and funds of the general, special revenue, and capital projects fund types are not included in the annual operating budgets adopted by the Board.
- 4) Rental payments for various capital lease arrangements are recorded as current expenditures when paid to third-party trustees for budget purposes rather than when the principal and interest on the related leasehold revenue bonds are due (GAAP).

f. Cash and Investments

The City Treasurer maintains a cash and investment pool that is available for use by all funds including certain component units, except expendable trust and pension trust funds. In accordance with the City's budget ordinance the majority of investment income is considered earned by the general fund except for earnings otherwise legally restricted for a specific purpose. Income from investments associated with one fund is not assigned to another fund for other than legal or contractual reasons. In addition, cash and investments are separately maintained by other City officials, several of the City's departments and third-party trustee and fiscal agents.

Investments are recorded at fair value. Fair values for investments are determined by closing market prices at year end as reported by the investment custodian.

g. Inventories

Purchase of materials and supplies in the governmental fund types are charged to expenditures as incurred. Amounts of inventories in such funds are immaterial. For the enterprise fund type, inventories are recorded at cost using a method that approximates the first-in, first-out method or the moving average cost method, and the expense is recognized when inventories are consumed in operations.

h. Property, Plant, and Equipment

General Fixed Assets

General fixed assets of the primary government, SLPD, and SLDC are those that have been acquired for general government purposes. Upon acquisition, such assets are recorded as expenditures in the appropriate governmental fund type or expendable trust fund and capitalized at historical cost or estimated historical cost in the general fixed asset account group. Assets donated are capitalized at fair market value at the time received. No depreciation has been provided on general fixed assets, except for SLDC general fixed assets which are net of accumulated depreciation.

Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings, including roads, curbs and gutters, storm sewers, streets and sidewalks, bridges, wharves and docks, lighting systems and other immovable assets are not capitalized. Such assets normally are immovable and of value only to the City. Therefore, the purpose of stewardship for capital expenditures can be satisfied without recording these assets.

The valuation of general fixed assets purchased by the City's governmental fund types prior to May 1, 1982, is based upon a physical inventory taken in 1982, that was priced at original cost or estimated historical cost.

Airport

Property, plant, and equipment are recorded at cost. Depreciation, including depreciation recognized on assets acquired through government grants and other aid, is computed on the straight-line method over the estimated useful lives of the various classes of assets. The estimated useful lives of property, plant and equipment are as follows:

	<u>Years</u>
Pavings	18 to 25
Buildings and facilities	20 to 30
Equipment	2 to 20

Land is recorded at cost which, in addition to the purchase price, includes appraisal and legal fees, demolition and homeowner relocation costs.

Water Division

The utility plant was originally recorded in the accounts in 1958, and was based on an engineering study of the historical cost of properties constructed by employees of the Water Division. Accumulated provisions for depreciation at the date the assets were recorded were established after a review by a consulting firm.

Additions to the utility plant subsequent to 1958 are recorded at cost. Provisions for depreciation of the utility plant are computed on a straight-line basis over the estimated useful lives of the assets. The estimated useful lives of depreciable assets are as follows:

	<u>Years</u>
Buildings and structures	44 to 55
Pumping equipment	28 to 44
Hydrants, transmission mains, and lines	50 to 100
Meters	33
Other equipment	5 to 25

Parking Division

Property, plant, and equipment are recorded at historical cost. Depreciation is computed using the straight-line method over the estimated useful lives of the various classes of assets. The estimated useful lives of property, plant, and equipment are as follows:

	<u>Years</u>
Buildings and structures	40
Equipment	5 to 15
Parking meters and lot equipment	5 to 10

Mailroom

Property, plant, and equipment are recorded at historical cost. Depreciation is computed using the straight-line method over the estimated useful lives of the various classes of assets. The estimated useful lives of property, plant, and equipment, other than computer equipment, are 10 years. The estimated useful life of computer equipment is 5 years.

Component Unit - SLDC

Property, plant, and equipment in the SLDC proprietary fund type are recorded at historical cost. Depreciation, including depreciation recognized on assets acquired through government grants and other aid, is computed using the straight-line method over the estimated useful lives of the various classes of assets. The estimated useful lives of property, plant, and equipment are as follows:

	<u>Years</u>
Buildings and structures	40
Improvements other than buildings	3 to 15
Equipment	3 to 10

Component Unit - HSTRC

Property, plant, and equipment are recorded at historical cost. Donated property and equipment is recorded at fair market value when donated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

i. Other Liabilities

Airport

In June 1995, the Airport entered into a forward purchase agreement with certain financial institutions. Under this agreement, the Airport received a lump-sum interest payment of \$7,209 (present value of future interest earnings based on an interest rate of 6.34%) and deposited it into the debt service accounts related to the Airport Revenue Bonds, Series 1987 (Bond Series 1987), Airport Revenue Refunding and Improvement Bonds, Series 1992 (Bonds Series 1992), Taxable Airport Revenue Refunding Bonds, Series 1993 (Bonds Series 1993), and Taxable

Airport Revenue Bonds, Series 1993A (Bonds Series 1993A). In exchange, the Airport has contracted to buy qualified, eligible securities (as defined in the agreement) from these institutions on the 15th of every month until the bonds mature, are called or are refinanced. The institutions receive the actual interest earned on the Airport securities purchased every month. The difference between the fixed interest rate earned by the Airport and the variable interest rate paid to the institutions is recorded as a net adjustment to interest expense. In April 1996, this agreement was amended to replace the Bonds Series 1987 with the Airport Revenue Refunding Bonds, Series 1996 (Bonds Series 1996). A \$95 termination payment was made in consideration for the amendment. The Airport's obligation under the forward purchase agreement of \$3,533 at June 30, 2001 is recorded in other liabilities.

Water Division

In 1996, the Water Division entered into a forward purchase agreement with a financial institution. Under this agreement, the Water Division received a lump-sum interest payment of \$941 (present value future interest earnings based on an interest rate of 6.2%) and deposited it into the waterworks revenue account. In exchange, the Water Division has contracted to buy qualified eligible (as defined in the agreement) securities from this institution on the 10th of every month until the water revenue bonds mature, are called, or are refinanced. The institution, in turn, receives the actual interest earned on the Water Division securities purchased every month. During 1999, the forward purchase agreement was amended to include the 1998 Water Revenue Bonds revenue account. The Water Division's obligation under the forward purchase agreement of \$606 is recorded in other liabilities at June 30, 2001.

j. Passenger Facility Charges (PFCs)

The Airport collects a \$3 facility charge per enplaned passenger to fund approved Federal Aviation Administration (FAA) projects. The PFC is withheld by the respective airlines for each ticket purchased and passenger transfer made in St. Louis and remitted to the Airport one month after the month of receipt, less an \$.08 per ticket operating fee retained by the airlines. PFC revenue is recognized when the earnings process is completed by the Airport and is classified as nonoperating revenue.

k. Capital Contributions

Capital contributions to the Airport and Water Division represent government grants and other aid used to fund capital projects. During 2001, the enterprise fund type adopted GASB 33. In accordance with GASB 33, capital contributions are recognized as revenue when the expenditure is made and amounts become subject to claim for reimbursement. Prior to 2001, capital contributions were recognized as additions to contributed capital. Depreciation recorded on property, plant, and equipment acquired with funds recorded as contributed capital in years prior to 2001 is charged to operations and reclassified to the related contributed capital account. Depreciation recorded on all other property, plant, and equipment is charged to operations.

1. Contributed Capital

Parking Division

Contributed capital of the Parking Division represents funds contributed and fixed assets transferred from the general fixed assets account group to establish the Parking Division enterprise fund.

Mailroom

Contributed capital of the Mailroom represents the cost of lighting, electrical and other improvements to the office space occupied by the Mailroom. The improvements, as well as the value of vehicles and equipment, were paid for by the general fund of the City when the fund was established.

Component Unit - SLDC

Component unit contributed capital represents funds contributed from the fiduciary fund type expendable trust fund to the proprietary fund type - enterprise fund in connection with the development of the St. Louis Centre redevelopment area. The funds were used to acquire and construct a public parking garage on City Block 118 and for other development projects.

m. Capitalization of Interest

Net interest costs on funds borrowed to finance the construction of property, plant and equipment are capitalized and depreciated over the life of the related asset for the proprietary fund types. Interest is not capitalized in the general fixed assets account group for assets related to the governmental fund types.

n. Amortization

In governmental fund types, bond discounts and issuance costs are recognized in the current period. In the proprietary fund type, bond discounts are recorded as a reduction of the debt obligation and bond issuance costs are recorded as a deferred charge. Such amounts are amortized using the interest method or bonds outstanding method over the term of the related revenue bonds. The deferred amount on refunding is amortized as a component of interest expense over the remaining life of the bonds using the bonds outstanding method.

o. Compensated Absences

The City grants vacation to full-time and part-time employees who work 50% of full-time or more based on years of continuous service. Compensatory time is granted to certain employees for hours worked in excess of a normal week that are not taken within the current bi-weekly pay period. These benefits are allowed to accumulate and carry over, with limitations, into the next calendar year and will be paid to employees upon departure from service for any reason. The accrued benefit liability for vacation and compensatory time related to governmental fund types has been recorded in the general long-term debt

account group as it is not expected to be liquidated with expendable available resources. The proprietary funds accrue vacation and compensatory time as earned.

Non-uniformed employees retiring after June 30, 2001, who have an unused sick leave balance may, at retirement, elect to receive payment for one-half of the sick leave balance. As no historical data exists to estimate the portion of sick leave that will result in termination payments, a liability has not been accrued in the accompanying general purpose financial statements except in the respective funds for those employees who retired in the first quarter of fiscal year 2002 who received termination payments as a result of accrued sick leave.

p. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the appropriation, is employed in the governmental fund types. Encumbrances outstanding at year-end do not constitute expenditures or liabilities for GAAP or budgetary basis financial statement purposes.

q. Interfund Transactions

The City has the following types of transactions among funds:

Operating Transfers

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

Residual Equity Transfers

Non-routine or nonrecurring transfers between funds are reported as additions to or deductions from the fund equity balance.

Quasi-External Transaction

Charges or collections for services rendered by one fund for another are recognized as revenues of the recipient fund and expenditures or expenses of the disbursing fund. These transactions are recorded as quasi-external transactions because they would be treated as revenues and expenditures or expenses if they involved organizations external to the City.

r. Reserved Fund Balance

Reserved fund balance represents the portion of fund balance that is not available for subsequent year appropriation and is legally segregated for a specific future use. In addition to encumbrances, donor restricted projects, and employee retirement systems, reserved fund balances at June 30, 2001, are comprised of the following:

General Fund

Cash and investments with trustees to be used for debt service related to the Convention Center, the Kiel Site Project, the Argyle and Kiel parking garages, Civil Courts, Justice Center, and Firemen's System Revenue Bonds.

Special Revenue Fund

Cash and investments with a trustee to be used for debt service of the Scullin Tax Increment Financing Bonds and West Pine Tax Increment Financing Bonds.

Debt Service Fund

Cash and investments to be used for bond principal payments.

Capital Projects Fund

Cash and investments with trustees to be used for debt service and construction related to the Forest Park Redevelopment.

s. Statement of Cash Flows

For the purpose of the statement of cash flows, cash and cash equivalents are defined as all highly liquid investments (including restricted assets) with a maturity of three months or less at the date of purchase.

t. Use of Estimates

The preparation of general purpose financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the general purpose financial statements and the reported amounts of revenue, expenses, and expenditures during the reporting period. Actual results could differ from those estimates.

u. Total (Memorandum Only) Column

The total columns are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations or cash flows in conformity with GAAP; nor are such data comparable to a consolidation as interfund eliminations have not been made in the aggregation of this data.

2. BUDGETARY BASIS OF ACCOUNTING

The Combined Statement of Revenues and Expenditures – Budget and Actual – Budget Basis – All Governmental Fund Types presents comparisons of the legally adopted budgets, as amended, with actual data on a budgetary basis. As defined in Note 1, the budgetary data are presented on a basis that differs significantly from the modified accrual (GAAP) basis of accounting.

Adjustments necessary to reconcile the excess (deficiency) of revenues and other financing sources over expenditures and other financing uses from the GAAP basis to the budget basis of accounting are as follows:

	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
GAAP basis	\$ 9,986	(8,020)	3,806	(49,417)
Increase (decrease) due to :				
Revenue accruals	(634)	2,257	218	(54)
Expenditure accruals	(1,081)	4,172	-	(924)
Unbudgeted activities and funds	697	(602)	-	54,869
Budget basis	<u>\$ 8,968</u>	<u>(2,193)</u>	<u>4,024</u>	<u>4,474</u>

For the year ended June 30, 2001, expenditures exceeded appropriations in the Tax Increment Financing special revenue fund and the Capital Improvements capital project fund by \$94 and \$1,786 respectively, as a result of actual expenditures exceeding budget estimates.

3. DEPOSITS AND INVESTMENTS

Primary Government

While certificates of deposit are defined as investments for balance sheet classification and cash flow purposes, for proper custodial risk disclosure they are shown as deposits. In addition, money market mutual funds are classified as cash deposits (for all funds except pension trust funds) on the balance sheet, but as investments for custodial risk disclosure.

At year-end, the carrying amount of cash deposits was \$115,308 and the bank balances totaled \$137,758. Of the bank balance, \$2,150 was insured by the Federal Depository Insurance Corporation (FDIC), \$133,088 was covered by collateral held by the pledging bank's trust department or agent in the City's name, and \$2,520 was covered by collateral held by the pledging bank's trust department or agent in the pledging bank's name.

State statutes and City investment policies authorize the deposit of funds in financial institutions and trust companies. For City funds other than pension trust funds, investments may be made in obligations of the United States government or any agency or instrumentality thereof, or bonds of the State or any city within the state with a population of 400,000 inhabitants or more, certificates of deposit, commercial paper, bankers acceptances, money market mutual funds or state investment pools, provided that no such investment shall be purchased at a price in excess of par. In addition, the City may enter into a repurchase agreement maturing and becoming payable within 90 days secured by United States Treasury obligation or obligations of the

CITY OF SAINT LOUIS, MISSOURI

Notes to General Purpose Financial Statements, Continued

June 30, 2001

(Dollars in Thousands)

United States government agencies or instrumentalities, of any maturity, as provided by law. Pension trust funds are authorized to invest in the following:

- United States government securities.
- Common stocks of corporations organized under the laws of the United States; however, the investment in common stock cannot exceed 45% of total investments at cost.
- Publicly issued corporation bonds, debentures, notes or other evidence of indebtedness assumed or guaranteed by corporations organized under the laws of the United States with ratings of "A" or better by Moody's Investors Service.
- Short-term securities with a maximum maturity of one-year including institutional liquid assets, United States Treasury obligations, federal agency obligations, discount and interest-bearing notes from corporations, and certificates of deposit.

The Firemen's Retirement System of St. Louis, a pension trust fund (the Firemen's System), participates in securities lending programs in order to enhance investment yield. In a securities lending transaction, the Firemen's System transfers possession – but not title – of the security to the borrower. Collateral consisting of cash, letter of credit or government securities is received and held by a financial institution. The collateral maintained is at least 100% of the market value of the securities lent. The Firemen's System maintains all the rights in the collateral of a secured lender under the Uniform Commercial Code. The Firemen's System continues to earn income on the loaned security. In addition, the Firemen's System receives 60% of the net lending fees generated by each loan of securities. At the Firemen's System's fiscal year end, no loans were outstanding to borrowers.

The Employee's Retirement System of St. Louis, a pension trust fund (the Employee's System), invests in global fixed income portfolio that includes foreign governmental obligations. To hedge the exchange rate risk of holding foreign governmental obligations, the Employee's System also invests in forward foreign currency exchange contracts. The net value of the forward foreign currency exchange contracts is reflected in the financial statements of the Employee's System as a plan liability. The net gains and/or losses related to these contracts are reflected in the financial statements of the Employee System as a part of net appreciation (depreciation) in fair value of investments.

The Police Retirement System of St. Louis, a pension trust fund (the Police System), participates in securities lending programs in order to enhance investment yield. In a securities lending transaction, the Police System transfers possession – but not title – of the security to the borrower. Collateral consisting of cash, letter of credit or government securities is received and held by a financial institution. The broker/dealer collateralizes their borrowing (usually in cash) to 102% of the security value plus accrued interest and this collateral is adjusted daily to maintain the 102% level. The Police System maintains all the rights in the collateral of a secured lender under the Uniform Commercial Code. The Firemen's System continues to earn income on the loaned security. In addition, the Firemen's System receives 70% of the net lending fees generated by each loan of securities. The financial institution receives the remaining 30% of the net lending fees as compensation for its services provided in the securities lending program. The financial institution indemnifies operational risk and counter party risk. The Police System authorizes the lending of domestic securities, U. S. Treasuries, corporate bonds and equities. The Police System does not have the ability to pledge or sell collateral securities without borrower default. Therefore, for accounting purposes, the general purpose financial statements do not reflect an increase in assets or liabilities associated with securities lent.

At September 30, 2000, outstanding loans to borrowers were \$69,801. The Police System earned income of \$100 for its participation in the securities lending program for the year ended September 30, 2000.

City funds in the form of cash on deposit or certificates of deposit are required to be insured or collateralized by authorized investments held in the City's name. Actual investment decisions are made by the City Treasurer, City Comptroller, Circuit Clerk and the City's trustees and fiscal agents.

The City's investments are categorized below to give an indication of the level of custodial credit risk assumed at year-end. Category 1 includes investments that are insured or registered, or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by a counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by a counterparty, or by its trust department or agent, but not in the City's name.

	Category			Total Carrying Value
	1	2	3	
Investments:				
U.S. government agency securities	\$ 6,928	36,077	923,704	966,709
Pension trust funds investments:				
U.S. government securities	-	-	153,468	153,468
Corporate bonds	-	-	342,309	342,309
Repurchase agreement	-	-	2,959	2,959
Stocks	-	-	767,394	767,394
Foreign government obligation	-	-	68,016	68,016
Mortgage-backed securities	-	-	76,128	76,128
	<u>\$ 6,928</u>	<u>36,077</u>	<u>2,333,978</u>	<u>2,376,983</u>
Money market mutual funds				123,099
Pension trust funds investments:				
FHA mortgages				76
Mortgages on real estate				20
Collective investment funds				211,814
Money market mutual funds				41,405
Managed international equity funds				48,350
Total investments (excluding certificates of deposit) – primary government				<u>\$ 2,801,747</u>

Component Unit - SLDC

At June 30, 2001, the carrying amount of SLDC's cash deposits was \$12,925 and the bank balance was \$13,434. Of the bank balance, \$320 was covered by federal depository insurance and \$13,114 was covered by collateral held by the pledging institution's trust departments or agent in SLDC's name.

State statutes and SLDC investment policies are the same as for the primary government. SLDC funds, in the form of cash on deposit or certificates of deposit, are required to be insured or collateralized by authorized investments held in SLDC's name.

SLDC's investments are categorized below to give an indication of the level of custodial credit risk assumed at June 30, 2001. These categories are the same as for the primary government.

	Category			Total Carrying Value
	1	2	3	
Stock	\$ -	27	-	27
Money market mutual funds				325
Total investments - SLDC				\$ 352

At June 30, 2001, the market value of all investments approximates the carrying amount.

Component Unit - SLPD

At year-end, the carrying amount of SLPD's cash deposits was \$1,759 and the bank balances were \$1,953. Of the bank balances, \$200 was insured by the FDIC and the remainder was covered by collateral pledged by the bank and held by the pledging bank's trust department or the Federal Reserve Bank of St. Louis in SLPD's name, except for \$30, which was neither covered by FDIC or covered by pledged collateral.

State statutes and City investment policies are the same as for the primary government. SLPD funds in the form of cash on deposit or certificates are required to be insured or collateralized by authorized investments held in SLPD's name. Actual investment decisions are made by the Director of Budget and Finance, the Board of Commissioner, and SLPD's fiscal agents.

While repurchase agreements are classified as cash and cash equivalents on the balance sheet, they are defined as investments for custodial risk disclosure.

SLPD's investments are categorized below to give an indication of the level of custodial credit risk assumed at year-end. These categories are the same as for the primary government.

	Category			Total Carrying Value
	1	2	3	
Investments:				
Repurchase agreement	\$ 1,373	-	-	1,373
U.S. Government securities	19	5,200	-	5,219
Total investments	\$ 1,392	5,200	-	6,592

Component Unit – HSTRC

At year-end, the carrying amount of HSTRC’s cash deposits was \$49 and was uncollateralized.

4. RESTRICTED ASSETS

a. Airport

Cash and investments, restricted in accordance with City ordinances and bond provisions, are as follows at June 30, 2001:

Airport Bond Fund:	
Debt Service Account	\$ 71,354
Debt Service Reserve Account	70,323
Airport Renewal and Replacement Fund	3,500
Passenger Facility Charge Fund	44,893
Airport Development Fund	46,794
Airport Construction Fund	591,975
Airport Contingency Fund	1,675
	\$ 830,514

City ordinances require that revenues derived from the operation of the Airport be deposited into the unrestricted Airport Revenue Fund. From this fund, the following allocations are made (as soon as practicable in each month after the deposit of revenues but no later than five business days before the end of each month) in the following order of priority:

- 1) Unrestricted Airport Operation and Maintenance Fund: an amount sufficient to pay the estimated operation and maintenance expenses during the next month.
- 2) Airport Bond Fund: for credit to the Debt Service Account if and to the extent required so that the balance in said account shall equal the accrued aggregate debt service on the bonds, to the last day of the then current calendar month. This account shall be used only for payment of bond principal and interest as the same shall become due.
- 3) Airport Bond Fund: for credit to the Debt Service Reserve Account: an amount sufficient to maintain a balance in such account equal to the debt service reserve requirement (an amount equal to the greatest amount of principal and interest due in any future fiscal year). This account is to be available for deficiencies in the Debt Service Account on the last business day of any month, and the balance shall be transferred to the Debt Service Account whenever the balance in the Debt Service Account (before the transfer) is not sufficient to fully pay all outstanding bonds.
- 4) Airport Renewal and Replacement Fund: an amount equal to \$57; provided that no deposit shall be required to be made into said fund whenever and as long as uncommitted monies in said fund are equal to or greater than \$3,500 or such larger amount as the City shall determine is necessary for

CITY OF SAINT LOUIS, MISSOURI

Notes to General Purpose Financial Statements, Continued

June 30, 2001

(Dollars in Thousands)

purposes of said fund; and provided further that, if any such monthly allocation to said fund shall be less than the required amounts, the amount of the next succeeding monthly payments shall be increased by the amount of such deficiency. This fund shall be used for paying costs of renewal or replacement of capital items used in connection with the operation of the Airport.

- 5) A subaccount in the Revenue Fund: an amount determined from time-to-time by the City, such that if deposits were made in amounts equal to such amount in each succeeding month during each Airport fiscal year, the balance in such subaccount shall equal the amounts payable to the City with respect to such Airport fiscal year for the payment of 5% of gross receipts from operations of the Airport. A maximum of 80% of the monthly transfer to this subaccount may be paid to the City during the Airport's fiscal year. The final installment may only be paid to the City upon delivery of the Airport's audited financial statements to the Airport Bond Fund Trustee.
- 6) Airport Contingency Fund: an amount determined at the discretion of Airport management, to be used for the purchase or redemption of any bonds; payments of principal or redemption price of interest on any subordinated debt; improvements, extensions, betterments, renewals, replacements, repairs, maintenance or reconstruction of any properties or facilities of the Airport, or the provision of one or more reserves. These funds can also be used for any other corporate purpose of the Airport, the local airport system or other local facilities which are owned or operated by the City and are directly related to the actual transportation of passengers or property.
- 7) The remaining balance in the Revenue Fund shall be deposited into the Airport Development Fund. This fund shall be used for extensions and improvements to the Airport, including equipment acquisition.

City ordinances provide that in the event the sum on deposit in the Airport Bond Fund - Debt Service and Debt Service Reserve Accounts are insufficient to pay accruing interest, maturing principal or both, the balance in the Airport Contingency Fund, Airport Development Fund, and Airport Renewal and Replacement Fund, may be drawn upon, to the extent necessary, to provide for the payment of such interest, principal or both. Any sums so withdrawn from these accounts for said purposes is to be restored thereto in the manner provided for in their original establishment. City ordinances also provide that principal proceeds from the sale of Airport revenue bonds shall be held in the Airport Construction Fund from which they shall be disbursed for the purposes contemplated in these ordinances.

b. Water Division

Cash and investments restricted in accordance with City ordinances at June 30, 2001, are as follows:

Bond Funds:

Waterworks Bond and Interest Account	\$ 3,026
Water Revenue Bond Reserve Account	2,977
Water Replacement and Improvement Account	<u>725</u>
Total bond funds	6,728
Customer deposits	1,410
Service line maintenance account	341
Construction funds	<u>14,519</u>
	<u>\$ 22,998</u>

City ordinances require that revenues derived from the operation of the Waterworks System be deposited in the Waterworks Revenue Fund. From this fund, the following allocations are made on the first business day of each month in the following order of priority:

1994 Water Revenue Bond Funds

- 1) To the unrestricted Waterworks Operations and Maintenance Account, an amount sufficient to pay the estimated operation and maintenance expenses during the next month.
- 2) To the Waterworks Bond and Interest Account, an amount at least equal to one-sixth of the amount of interest that will come due on the next interest payment date, plus an amount at least equal to one-twelfth of the aggregate principal amount of bonds that will come due on the next bond maturity date. This account is to be used only for the payments of bonds principal and interest as the same shall become due.
- 3) To the Water Revenue Bond Reserve Account, a sum equal to the maximum principal and interest coming due on any fiscal year on the bonds.
- 4) To the Water Replacement and Improvement Account, an amount equal to \$25 per month until the account balance aggregates \$700. This account is to be used for making replacements, extensions, and improvements to the Waterworks System, and for the purpose of meeting unforeseen contingencies and emergencies arising in the operation of the Waterworks System of the City.
- 5) The remaining balance in the Waterworks Revenue Fund is to be deposited into the unrestricted Water Contingent Account. This account is to be used for paying the cost of the operation, maintenance, and repair of the Waterworks System; paying the cost of extending, improving or making replacements to the Waterworks System; preventing default in, anticipating payments into, or increasing the amounts in the other accounts; paying any gross receipts tax now or hereafter levied by the City; paying the principal or the interest on any subordinate or junior lien bonds; paying any redemption premium due on the bonds; or any other lawful purpose for use by the Waterworks System.

1998 Water Revenue Bond Funds

To the Water Revenue Bond Reserve Account, a sum equal to the maximum principal and interest coming due in any fiscal year on the bonds.

Construction Funds

City ordinances also provide that the principal proceeds from the sale of Series 1994 Revenue Bonds and amounts appropriated from the Water Contingent Account shall be held in the Construction Fund from which they shall be disbursed for the purposes contemplated in these ordinances.

Customer Deposits

City ordinances provide that amounts paid by customers as deposits on water meters, construction and unclaimed meter deposits be held in escrow until such time as they are returned to customers in the form of cash or as a credit on the applicable customer's water bill.

Service Line Maintenance

In accordance with a City ordinance, the Water Division collects a two dollar per quarter surcharge from flat rate and metered residential customers having six or less dwelling units. These funds are deposited in the service line maintenance account. This account, including interest earned, is used to pay for the repair of certain portions of the water lines for these customers.

c. Parking Division

Restricted cash and investments at June 30, 2001, are as follows:

Debt Service Reserve Funds	\$ 4,353
Construction Funds	19
Debt Service Funds	630
Parking Trust Fund - Parking Division Accounts	<u>2,148</u>
Total restricted in accordance with revenue bond indentures	7,150
Other	<u>1,946</u>
	<u>\$ 9,096</u>

The June 30, 2001, restricted assets are required by the Series 1999, 1998, and 1996 bond indentures. Descriptions of the above funds are as follows:

- 1) Debt Service Reserve Funds - Maintains funds from the proceeds of the respective Bond series to be available to pay principal of and interest on the respective Bonds if other funds are not available.
- 2) Construction Funds - Used to pay construction costs to complete the respective projects.
- 3) Debt Service Funds - Monies deposited into this account pay principal and accrued and unpaid interest on the respective Bonds.
- 4) Parking Trust Fund - Parking Division Accounts - Maintains funds transferred from the respective Bond account to be available to pay principal and interest on the respective refunded Bonds if other funds are not available.

The Series 1999, 1998, and 1996 Bond indentures requires that net project revenues be deposited into the respective Parking Facility Debt Service Account. From this account, revenues are applied as follows to the respective Bond series funds:

- 1) To the Debt Service Funds, the amount of monies sufficient to meet the debt service requirements for at least one bond year.

- 2) To the Debt Service Reserve Fund, the amounts, if any, required to cure any deficiency in the Debt Service Reserve Fund.
- 3) To the Parking Trust Fund, any amounts withdrawn in connection with the respective refunded Bonds.
- 4) To the Parking Facilities Renewal and Replacement Account, any remaining net project revenues.

Project revenues in excess of the amounts previously described will be applied as follows to the respective Bond series funds:

- 1) To the Parking Trust Fund - Parking Division Accounts - Any amounts previously withdrawn by the trustee.
- 2) To the Renewal and Replacement Fund - One-half of any such excess Project revenues up to a maximum amount on deposit of \$750.
- 3) The remaining revenues will be transferred to the Parking Meter Fund, free of any restriction under the indenture.

On the fifteenth day of each month, the Treasurer of the City will pay to the trustee, to the extent of monies in the Parking Facilities Debt Service Account, an amount equal to (a) the amount required to make the amount on deposit with the trustee in the respective Interest Account equal to accrued and unpaid interest on the respective Bonds as of the first day of the immediately succeeding month (less any amounts on deposit in the Capitalized Interest Account of the Construction Fund), (b) one-twelfth of the principal amount (including mandatory sinking fund payments) due on the immediately succeeding December 15, (c) one-twelfth of the deficiency, if any, in the respective Reserve Fund Requirement as specified by the trustee in a notice given to the City pursuant to the Indenture, and (d) one-twelfth of the aggregate annual amount of any fees owing to the bank under the Reimbursement Agreement.

d. SLDC Bond Funds

Cash and investments restricted in accordance with the SLDC Parking Facilities Revenue Refunding Bonds, Series 1999, Bond Indenture consist of a Bond Reserve Account in the amount of \$2,521.

The revenue bonds indenture requires that gross operating revenues be paid to the bond trustee for deposit in the parking facility fund. From this fund, the revenues are to be applied by the trustee to various reserve accounts including the principal and interest, repair and replacement, and operating reserve up to specified limits.

SLDC is also required to maintain on deposit at a bank in an interest trust account a minimum amount based on the outstanding loan balance.

CITY OF SAINT LOUIS, MISSOURI

Notes to General Purpose Financial Statements, Continued

June 30, 2001

(Dollars in Thousands)

5. COMPONENT UNIT – SLDC NOTES AND LOANS RECEIVABLE

SLDC notes and loans receivable consist principally of Small Business Administration (SBA) loans and various other commercial loans made to third parties to facilitate development activities. The commercial loans were financed utilizing funds provided by the Community Development Agency (CDA) of the City, the Economic Development Administration, and the State of Missouri. Any repayment of these loans would be payable back to the funding source. Thus, a corresponding liability has been recorded as due to other governmental entities.

6. ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS

The allowance for uncollectible accounts, which has been deducted from the related receivable in the combined balance sheet, consists of the following balances by fund:

Taxes receivable:		
General fund		\$ 134
Special revenue fund		23
Debt service fund		17
Agency fund		3,220
Services receivable – Enterprise funds		<u>2,195</u>
		<u>\$ 5,589</u>

7. PROPERTY, PLANT AND EQUIPMENT

Changes in General Fixed Assets – Primary Government

The following is a summary of changes in general fixed assets for the year ended June 30, 2001:

	Balance, June 30, 2000	Additions	Deductions	Adjustment	Balance, June 30, 2001
Land	\$ 67,532	1,407	–	–	68,939
Buildings and other Structures	232,465	2,197	(3,160)	–	231,502
Improvements other than Buildings	15,409	152	(22)	–	15,539
Equipment	94,741	24,068	(8,902)	(12,462)	97,445
Construction in progress	18,657	39,411	–	–	58,068
	<u>\$ 428,804</u>	<u>67,235</u>	<u>(12,084)</u>	<u>(12,462)</u>	<u>471,493</u>

Construction in progress consists primarily of the Transportation Center, Justice Center, Firehouse renovations and improvements at Forest Park.

During 2001, the City increased its capitalization threshold for general fixed assets from \$1,000 to \$5,000 (in dollars). The decrease to general fixed assets reflected in the adjustment column above represents the removal of items below the increased capitalization threshold.

Proprietary Funds Fixed Assets

The following summarizes property, plant, and equipment held by the proprietary funds at June 30, 2001:

	<u>Enterprise Funds</u>			<u>Total</u>	<u>Internal Service – Mailroom</u>
	<u>Airport</u>	<u>Water Division</u>	<u>Parking Division</u>		
Buildings and other structures	\$ 358,303	31,503	30,258	420,064	25
Pavings	271,744	–	–	271,744	–
Water mains, lines and accessories	–	95,336	–	95,336	–
Equipment	59,529	62,540	5,028	127,097	153
Reservoirs	–	29,932	–	29,932	–
	<u>689,576</u>	<u>219,311</u>	<u>35,286</u>	<u>944,173</u>	<u>178</u>
Less accumulated depreciation	<u>(379,761)</u>	<u>(89,552)</u>	<u>(5,836)</u>	<u>(475,149)</u>	<u>(109)</u>
	309,815	129,759	29,450	469,024	69
Land	499,012	1,254	13,763	514,029	–
Construction in progress	62,373	12,822	–	75,195	–
	<u>\$ 871,200</u>	<u>143,835</u>	<u>43,213</u>	<u>1,058,248</u>	<u>69</u>

Construction in progress at the Airport consists of various improvements to the airfield and terminal buildings, as well as property purchased on which the Airport's expansion facilities will be constructed. Construction in progress at the Water Division consists of costs incurred for various improvements to the Waterworks system.

Component Unit – SLDC

The following is a summary of changes in SLDC general fixed assets for the year ended June 30, 2001:

	<u>Balance, June 30, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, June 30, 2001</u>
Improvements other than buildings	\$ 2,523	477	–	3,000
Equipment	619	7	–	626
	<u>3,142</u>	<u>484</u>	<u>–</u>	<u>3,626</u>
Less accumulated depreciation	<u>(458)</u>	<u>(196)</u>	<u>–</u>	<u>(654)</u>
	<u>\$ 2,684</u>	<u>288</u>	<u>–</u>	<u>2,972</u>

The following summarizes property, plant, and equipment held by the SLDC enterprise fund at June 30, 2001:

Land	\$ 4,568
Buildings, equipment and structures	<u>18,721</u>
	23,289
Less accumulated depreciation	<u>(6,158)</u>
	<u>\$ 17,131</u>

Component Unit – SLPD

The following represents a summary of changes in SLPD general fixed assets for the year ended June 30, 2001:

	Balance, June 30, 2000	Additions	Deductions	Adjust- ments	Balance, June 30, 2001
Land	\$ 1,646	-	-	-	1,646
Buildings and improvements	29,428	800	-	1,059	31,287
Furniture and fixtures	3,894	439	-	(2,248)	2,085
Automotive equipment	10,535	227	(159)	(5,221)	5,382
Communication equipment	8,589	39	-	(4,630)	3,998
Computer equipment	7,728	683	-	(7,396)	1,015
Aircraft	234	-	-	-	234
	<u>\$ 62,054</u>	<u>2,188</u>	<u>(159)</u>	<u>(18,436)</u>	<u>45,647</u>

During 2001, SLPD increased its capitalization threshold for fixed assets from \$1,000 to \$5,000 (in dollars). The decrease to fixed assets reflected in the adjustments column above represents the removal of items below the capitalization threshold.

Component Unit – HSTRC

The following summarizes property, plant, and equipment held by the HSTRC at June 30, 2001:

Furniture and fixtures	\$ 3,376
Less accumulated depreciation	<u>(1,743)</u>
	<u>\$ 1,633</u>

8. COMPONENT UNIT - SLDC PROPERTY HELD FOR DEVELOPMENT

SLDC property held for development consists primarily of land and property held for sale or other development purposes. This land and property is reported in the SLDC financial statements based on management's intent of ultimate disposition of the property. Proceeds received upon the sale of most of these properties will revert back to the funding source. At June 30, 2001, SLDC has established a reserve for impairment of \$6,841 on its properties held for development.

9. RETIREMENT PLANS

The City contributes to two single-employer defined benefit retirement plans, the Firemen's Retirement System of St. Louis (Firemen's System) and the Police Retirement System of St. Louis (Police System), and one cost-sharing multiple-employer defined benefit retirement plan, the Employees Retirement System of the City of St. Louis (Employees System). Each system is administered by a separate Board of Trustees, who are partially appointed by City officials, plan participants, and the Governor of the State (Police System only). For financial reporting purposes, these retirement systems are included as pension trust funds of the City. Financial information for these funds has been included as of each System's fiscal year end which falls within the City's current fiscal year end as follows:

<u>System</u>	<u>System Fiscal Year End</u>
Firemen's	August 31, 2000
Police	September 30, 2000
Employees	September 30, 2000

Firemen's Retirement System of St. Louis

System Description

All firefighters qualify as members of the Firemen's System and are thereby eligible to participate from their date of hire.

The Firemen's System issues a publicly available financial report that includes financial statements and supplementary information. That information may be obtained by writing to the Firemen's Retirement System of St. Louis; 1601 South Broadway, St. Louis, Missouri, 63104.

Firefighters may elect voluntary retirement after 20 or more years of service. The monthly retirement benefit is calculated at 40% of the final two year average monthly compensation at 20 or more years of service, plus 2% of such final average compensation for each of the next five years of service, plus 5% of such final average compensation for each additional year of service over 25 years with a maximum pension of 75%. Unused accrued sick pay may increase the maximum pension beyond the 75% limitation.

The Firemen's System also provides death and disability benefits. Benefits vest after 20 years of service. Such benefits are authorized by State statutes and adopted by City ordinance.

The Firemen's System, in accordance with Ordinance 62994 of the City, initiated during the System's fiscal year ended August 31, 1994, the Deferred Retirement Option Plan (DROP). The DROP plan is available to members of the System who have achieved at least 20 years of creditable service and have eligibility for retirement. Those members who elect to participate will continue active employment, will have a service retirement allowance credited monthly into the DROP account of the member and the member's contribution will be reduced to one percent from the normal eight percent. During participation in the DROP plan the member will not receive credit for City contributions or credit for service. A member may participate in the DROP plan only once for any period up to five years. At retirement the funds in the member's DROP account plus interest is available to the member in a lump sum or in installments.

In August 1997, the Trustees of the Firemen's System approved a resolution to provide additional benefits for employees of the Firemen's System in the form of severance pay and a limited retirement package. The severance pay applies to employees who are dismissed for any reason other than for just cause based on the wrongful conduct of the employee. The dismissed employee would be entitled to one month's pay for each year or part year that the employee has been employed by the Firemen's System. The retirement package is for employees who have completed five years of service. Upon completing five years of service, the employee will have five months salary credited to him or her. Thereafter the employee will be credited with a month's salary upon completion of each additional year of service. The employees' accounts will be credited each anniversary date with interest on the account at the same rate as earned by the Firemen's System.

Funding Policy

Firefighters are required to contribute 8% of their compensation to the Firemen's System, as mandated per State statute and adopted by City ordinance. The City is required to contribute the remaining amounts necessary to fund the Firemen's System. Members of the Firemen's System are entitled to a lump-sum distribution of the entire amount of their contribution without interest upon service retirement. Members whose employment terminates prior to retirement are entitled to a lump-sum distribution of their contribution, plus interest thereon.

Annual Pension Cost

Contributions of \$3,252 were made to the Firemen's System by the City during the City's fiscal year ended June 30, 2001. The contributions consisted of \$2,378 of normal cost plus \$874 in unfunded actuarial accrued liability amortization payments in accordance with actuarially determined contribution requirements based on an actuarial valuation performed at September 1, 2000. Due to the differences in the fiscal years and timing of the actuarial valuation, the contribution requirements calculated as of September 1, 2000 are appropriated and paid in the City's fiscal year ending June 30, 2002.

Historical trend information about the City's participation in the Firemen's System is presented below to help readers assess the Firemen's System's funding status on a going-concern basis and assess progress being made in accumulating assets to pay benefits when due.

System Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2000	\$ 3,252	100%	\$ -
1999	2,837	100	-
1998	6,576	100	-

Actuarial Valuation Date	Actuarial Value of System Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a/c)
9/1/00	\$ 441,611	\$ 457,572	\$ 15,961	96.5%	\$ 31,559	50.6%
9/1/99	418,663	430,622	11,959	97.2	29,749	40.2
9/1/98	402,931	404,999	2,068	99.5	29,163	7.1

The Firemen's System's net pension asset at the beginning and end of the City's fiscal year was \$24,527.

Significant actuarial assumptions used in the valuation of the Firemen's System are as follows:

Date of actuarial valuation	September 1, 2000
Actuarial cost method	Entry age-frozen liability method
Amortization method	30 years from establishment
Remaining amortization period	Various
Asset valuation method	3 year smoothed market
Inflation rate	3.500%, per year
Investment rate of return	8.125%, compounded annually
Projected salary increases	5.500%, per year to retirement age
Projected post-retirement benefit increases	5.000%

Police Retirement System of St. Louis

System Description

All persons who become police officers and all police officers that enter or reenter SLPD after October 1, 1957, become members of the Police System and are thereby eligible to participate from their date of hire. The Police System issues a publicly available financial report that includes financial statements and supplementary information. That information may be obtained by writing to the Police Retirement System of St. Louis; One South Memorial Drive, Suite 600; St. Louis, Missouri, 63102-2447.

Police officers may elect voluntary retirement after 20 or more years of credited service regardless of age or upon attaining age 55. The monthly allowance consists of 40% of the three-year average final monthly compensation for the first 20 years of service, plus 2% of such final average compensation for each of the next five years of service, plus 4% of average final compensation for each additional year of service after 25 years up to a maximum of 30 years. The monthly allowance of members who have at least 30 years of service is increased by 5%. The maximum pension is 75% of average final compensation. The Police System also provides death and disability benefits. Benefits vest after 20 years of service. Such benefits are established by State statute.

During the Police System year ended September 30, 1996, deferred retirement option plan (DROP) benefit provisions were added. The DROP option is available to members of the Police System who have at least 20 years of creditable service and have achieved eligibility for retirement. Members who elect DROP may continue to work for up to five years without accruing any additional retirement benefits. While they are working, their retirement allowance is accumulated in an account that earns interest at the same rate as the Police System, and the member's contribution to the system is eliminated.

During the Police System's year ended September 30, 1999, certain plan provisions were changed including 1) the widow's benefit, except for widows whose spouses die accidentally while in the line of duty, increased from 25% to 40% of the member's average final compensation. The benefit paid to widows whose spouses die accidentally while in the line of duty, increased from 50% to 75% of the member's average final compensation. 2) The dependent child's benefit upon the member's death or ordinary disability increased from 10% to 15% of the member's average final compensation. 3) The minimum monthly benefit for those

participants and widows eligible to become special consultants increased from \$550 to \$650 (not in thousands). 4) the special advisor's benefit was extended to include current widows and future widows of current active and retired members. 5) The service retirement benefit for members with more than 30 years of service was increased to 75% of the member's average final compensation.

Funding Policy

Police officers are required to contribute 7% of their compensation to the Police System per State statute. The City is required to contribute the remaining amounts necessary to fund the Police System, determined in accordance with City ordinances. Members of the Police System are entitled to a lump sum distribution of the entire amount of their contribution without interest upon service retirement. Members whose employment terminates prior to retirement are entitled to a lump sum distribution of their contribution plus interest thereon.

Annual Pension Cost

No actuarially determined contributions were made to the Police System by the City during the City's fiscal year ended June 30, 2001.

Historical trend information about the City's participation in the Police System is presented below.

System Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2000	\$ -	100%	\$ -
1999	-	100	-
1998	-	100	186

Significant actuarial assumptions used in the valuation of the Police System are as follows:

Date of actuarial valuation	October 1, 2000
Actuarial cost method	Aggregate cost method (this method does not identify or separately amortize unfunded actuarially accrued liabilities)
Asset valuation methods	5 year smoothed average of market value
Inflation rate	3.00%, per year
Investment rate of return	8.25%, per year
Projected salary increases	2.50 - 7.00%, varying by age
Projected post-retirement benefit increases	3.00% maximum per year, cumulative increase of 30%

Employees Retirement System of the City of St. Louis

System Description

All non-uniformed employees of the City and certain other public entities funded by or providing services to residents of the City become members of the Employees Retirement System upon employment with the exception of employees hired after attaining age 60. The City's participation in the Employees System is greater than 99% of total participation of all employers.

The Employees System issues a publicly available financial report that includes financial statements and supplementary information. That report may be obtained by writing to the Employees Retirement System of the City of St. Louis; 1300 Convention Plaza, Suite 217; St. Louis, Missouri 63103-1935.

The Employees System provides for defined benefit payments for retirement, death or disability to eligible employees or their beneficiaries based upon creditable service, final average compensation, and a benefit compensation base. Benefits vest to employees covered by the Employees System after the employee has attained five years of creditable service. The Board of Trustees approves all withdrawals, benefits and termination refunds from the Employees System's assets. An employee is eligible for normal retirement at age 65 or if the employee's age and creditable service combined equal or exceeds 85. Early retirement is at age 60, with five years of creditable service; age 55, with 20 years of creditable service; or at any age after 30 years of creditable service.

On June 8, 2000, the Mayor of the City approved an ordinance passed by the Board of Aldermen, which will establish a Deferred Retirement Option Plan (DROP), effective January 1, 2001. This plan states that when members reach retirement age, they are allowed to work for five additional years and defer receipt of their retirement allowance. The calculation of average salary for retirement benefits will not include the additional years of service after normal retirement age. The amount that would have been received as retirement benefit is put in a special DROP account monthly. The DROP account will not be adjusted for cost of living increases as the normal retirement benefits are. The DROP account earns interest at the actuarial valuation rate of return. After the member completely terminates employment, the member can withdraw amounts from the DROP account in a lump sum or according to a deferred retirement payment plan.

Funding Policy

Employer contribution rates are established annually by the Board of Trustees based on an actuarial study. In May 1987, and in each successive fiscal year through June 1995, the Board of Trustees elected to reduce the required employer contribution rate to zero as a result of the Employee System's overfunded status. The Board of Trustees elected to require employer contributions at a rate of 1% of active member payroll effective July 1995. The Board of Trustees then elected to reduce the required employer contribution rate back to zero effective July 1996. The 1% employer contribution rate was reinstated effective July 1997. The Board of Trustees elected to require employer contribution at a rate of 1.9% of active member payroll effective July 2000.

Employees who became members of the Employees System prior to October 14, 1977, may make voluntary contributions to the Employees System equal to 3% of the employee's compensation until the employee's compensation equals the maximum annual taxable earnings under the Federal Social Security Act in effect on

CITY OF SAINT LOUIS, MISSOURI

Notes to General Purpose Financial Statements, Continued

June 30, 2001

(Dollars in Thousands)

January 1 of the calendar year. Thereafter, voluntary employee contributions may be made equal to 6% of employee compensation. These voluntary contributions vest immediately.

For the City's 2000 and 2001 fiscal years, the Board of Aldermen did not appropriate adequate funds to pay the required contributions established by the Board of Trustees of the Employees Retirement System of the City of St. Louis. By ordinance of the City, the Board of Trustees of the Employees Retirement System of the City of St. Louis are to certify to employers of the system the contribution amount for the upcoming fiscal year and the employers are to include the amounts so certified in the annual budget. The contribution rate of 1% was certified effective July 1997 and amended to 1.9% effective July 2000.

Annual Pension Cost

No contributions were made to the Employee's System by the City during the City's fiscal year ended June 30, 2001.

Historical trend information about the City's participation in the Employees System is presented below to help readers assess the System's funding status on a going-concern basis and assess progress being made in accumulating assets to pay benefits when due.

System Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2000	\$ -	100 %	\$ -
1999	-	100	-
1998	-	100	-

Actuarial Valuation Date	Actuarial Value of System Assets (a)	Actuarial Accrued Liability (b)	Funding Excess (FE) (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	FE as a Percentage of Covered Payroll (b-a/c)
9/30/00	\$ 507,655	\$ 515,674	\$ (8,019)	98.40%	\$ 204,697	(3.92)%
9/30/99	482,750	415,595	67,115	116.16	193,274	34.75
9/30/98	460,683	390,781	69,902	117.89	188,141	37.15

The Employees System's net pension asset at the beginning and end of the City's fiscal year was \$4,580.

Significant actuarial assumptions used in the valuation of the Employees System are as follows:

Date of actuarial valuation	October 1, 2000
Actuarial cost method	Projected unit credit
Amortization method and remaining period	Level dollar amount over a one-year open period, a closed period ending December 31, 2011, and a 20-year closed period beginning December 31, 2019
Asset valuation methods	The book value at beginning of year; plus, 25% of the difference between market value and book for the last four years; less the member savings fund
Investment rate of return	7.75%
Projected salary increases	4.50 - 8.50%, depending on age
Projected post-retirement benefit increases	5.00% per year, maximum cumulative increase of 25%

Component Unit - SLDC

The SLDC Employees Retirement Plan and Trust (SLDC plan) is a defined contribution plan and became effective January 1, 1989. For the year ended June 30, 2001, required contributions of \$287 which amount to 9% of current covered payroll, were made by SLDC. For the year ended June 30, 2001, SLDC's current covered payroll was \$3,193 and total payroll amounted to \$3,689. Employees are not required to contribute to the SLDC Plan; however, they can contribute up to 5-1/2% of their monthly compensation if they so elect. In order to be eligible under the SLDC Plan, the participant must be a full-time employee, have attained the age of 18, and completed at least six months of active service. The employees vest at a rate of 33% per annum with full vesting occurring after the end of their third year of service. The SLDC Plan does not hold any employer or related-party securities. All plan investments are self-directed by the respective plan participants, within the limitation of the plan.

10. COMPONENT UNIT - SLPD POSTEMPLOYMENT HEALTHCARE AND LIFE INSURANCE

SLPD is obligated under Chapter 84.160 RSMo to provide healthcare and life insurance benefits for former civilian and commissioned employees who retired subsequent to 1969. Currently, SLPD provides healthcare insurance for 1,183 retirees, while 1,276 retirees were provided life insurance benefits. Retirees under 65 years of age are obligated to cover \$45 (in dollars) of the monthly premium under the Prudential Point of Service or Prudential Out of Area plan. SLPD covers all other costs of the healthcare and life insurance benefits for participants. These costs are accounted for on a pay-as-you-go basis and the cost to SLPD of providing these benefits to retirees was \$2,159 for healthcare and \$9 for life insurance coverage in 2001.

11. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City and SLPD employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employees or other beneficiary) held in trust for the exclusive benefit of the employees. As such, the trust account and related liability are not included in the general purpose financial statements.

12. GENERAL LONG-TERM OBLIGATIONS

a. Changes in General Long-Term Debt Account Group - Primary Government

Following is a summary of the changes in general long-term debt obligations for the year ended June 30, 2001:

	Balance, June 30, 2000	Additions	Deductions	Balance, June 30, 2001
General obligation bonds payable	\$ 62,870	-	(2,620)	60,250
Section 108 Loan Guarantee Assistance	-	55,000	-	55,000
Federal Financing Bank advances	925	-	(25)	900
MTFC direct loan agreement	636	-	-	636
Tax increment financing bonds payable	12,410	-	(662)	11,748
Capital lease – rolling stock	9,000	-	(1,600)	7,400
Master note purchase agreement	1,250	-	(52)	1,198
Obligations under capital leases with component units	12,870	-	(340)	12,530
Joint venture cooperation agreement	2,885	-	(2,885)	-
Accrued vacation, compensatory and sick time benefits	14,036	1,393	-	15,429
Note payable	-	1,980	(16)	1,964
Joint venture financing agreement	84,661	-	(2,617)	82,044
Contracts payable retained percentage	2,409	1,543	-	3,952
Leasehold revenue improvement and refunding bonds	332,822	-	(11,695)	321,127
	<u>\$ 536,774</u>	<u>59,916</u>	<u>(22,512)</u>	<u>574,178</u>

b. General Obligation Bonds

In June 1999, the City issued \$65,000 Public Safety General Obligation Bonds, Series 1999. The series consisted of \$64,305 current interest serial bonds due in the years 2000 through 2008 and 2010 through 2019 with rates ranging from 4% to 5.125%. The 2009 maturity is entirely capital appreciation bonds in the amount of \$695 sold to yield 5.15% and mature at \$3,655 (Collectively the "Series 1999 bonds"). The proceeds of the Series 1999 bonds are being used as follows: (i) \$44,000 for new fire equipment, new fire communication equipment, reconstruction and renovation of various existing fire houses and new construction of fire houses; (ii) \$10,000 for new police laboratory equipment, reconstruction and renovation of existing police buildings, and; (iii) \$11,000 for demolition and abatement of various abandoned or condemned buildings under the control of the City. The Series 1999 bonds are payable from ad valorem taxes to be levied without limitation as to rate or amount upon all taxable, tangible property, real and personal property within the City. The principal and interest on the Series 1999 bonds is guaranteed under a municipal bond new issue insurance policy issued by Financial Guaranty Insurance Company.

Principal and interest requirements are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30:			
2002	\$ 2,725	2,898	5,623
2003	2,840	2,786	5,626
2004	2,965	2,667	5,632
2005	3,100	2,540	5,640
2006	3,245	2,400	5,645
Thereafter	<u>45,375</u>	<u>20,581</u>	<u>65,956</u>
	<u>\$ 60,250</u>	<u>33,872</u>	<u>94,122</u>

c. Section 108 Loan Guarantee Assistance Programs

During 2001, the City entered into contracts with the U.S. Department of Housing and Urban Development for Section 108 loan guarantee assistance for the following maximum amounts:

- \$50,000 for Downtown Convention Headquarters Hotel project
- \$20,000 for Darst-Webbe Housing Redevelopment project
- \$10,000 for neighborhood projects

During 2001, the City issued a note in the amount of \$50,000 for the Downtown Convention Headquarters Hotel project. Additionally, during 2001, the City received \$5,000 in an advance funding draw for the Darst-Webbe Housing Redevelopment project. The \$50,000 note is intended to spur redevelopment in the downtown area. The \$50,000 note is a twenty year note at a variable rate of interest. The \$5,000 received during 2001 is an advance funding draw note related to the \$20,000 Darst-Webbe Housing Redevelopment project, and the remaining amount of the note was received subsequent to June 30, 2001.

Principal and interest requirements for the \$50,000 note are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30:			
2002	\$ —	1,428	1,428
2003	—	2,988	2,988
2004	1,610	2,954	4,564
2005	1,670	2,882	4,552
2006	1,770	2,800	4,570
Thereafter	<u>44,950</u>	<u>24,560</u>	<u>69,510</u>
	<u>\$ 50,000</u>	<u>37,612</u>	<u>87,612</u>

CITY OF SAINT LOUIS, MISSOURI

Notes to General Purpose Financial Statements, Continued

June 30, 2001

(Dollars in Thousands)

d. Federal Financing Bank Advances

Federal Financing Bank Advances represent promissory notes issued by the Federal Financing Bank to the City for redevelopment projects. These notes were issued under Section 108 of the Housing and Community Development Act of 1974. Interest is payable semi-annually based on rates established by the Secretary of the Treasury on the dates the notes are made. These notes and the related interest will be repaid from intergovernmental revenues of the special revenue - government grants fund. The notes are recorded as obligations in the general long-term debt account group. In 1997, the City signed a new contract and loan agreement under Section 108 in the amount of \$1,000. The proceeds were used to fund a portion of a Multi Modal distribution center which integrates trucking, railway and waterway transportation and distribution channels. The loan initially consisted of twenty variable rate notes, due in July of each year, to be retired over the twenty years ending July 2016. Interest, payable semi-annually and calculated monthly, is based on the variable rate of LIBOR plus 0.2%. In October 1997, the notes were changed to fixed rates with interest due in February and August of each year. The notes currently bear interest at rates ranging from 5.87% to 7.08%.

Principal and interest requirements are as follows:

Year ending June 30:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$ 25	60	85
2003	35	58	93
2004	35	56	91
2005	40	53	93
2006	40	51	91
Thereafter	<u>725</u>	<u>312</u>	<u>1,037</u>
	<u>\$ 900</u>	<u>590</u>	<u>1,490</u>

e. Missouri Transportation Finance Corporation (MTFC) Direct Loan Agreement

In 1999, the City entered into a principal only loan arrangement with MTFC in the amount of \$10,900 to fund a portion of the costs of constructing the St. Louis Gateway Transportation Center (SLGTC). The City received \$5,450 from this loan agreement during 1999 and expects to request the remaining \$5,450 during 2003. The major source of repayment funds is the Proposition M local sales tax with the remainder coming from a combination of federal transfers (ISTEA) and project net revenue. The principal will be paid from the capital projects - capital projects fund. The remaining principal balance of \$636 is due no later than fourteen months after the City receives the second disbursement of \$5,450.

When complete, SLGTC will be a central downtown center for persons accessing urban buses, intercity buses, light rail, passenger rail (Amtrak, future commuter rail and high speed rail), the Lambert-St. Louis International Airport (via Metro Link) and provide parking and commercial space. The terminal building will include Amtrak and Greyhound terminal ticketing, baggage and handling, waiting area facilities, plus concessionaire/food service space.

f. Tax Increment Financing Bonds Payable

In 1991, the City issued \$15,000 in tax increment financing bonds (Series 91 TIF Bonds) to provide funds to enable the City to acquire certain land and, upon such land, among other things, to widen and improve an existing street. The Scullin Redevelopment Area special revenue fund is used to account for the revenues, expenditures including debt service and other activities related to the Series 91 TIF Bonds. The Series 91 TIF Bonds constitute special obligations of the City, are recorded as obligations in the general long-term debt account group and are payable from payments in lieu of taxes from owners or property within the Scullin Redevelopment Tax Increment Financing Area (the 91 Area). In the event these payments are not sufficient to meet the debt service requirements, the Series 91 TIF Bonds are payable first from the additional tax revenue generated by increases in economic activities in the 91 Area, other than personal property tax revenue, and second from any monies legally available in the City's general fund. During 2001, \$626 of payments in lieu of taxes and \$1,044 in economic activity taxes were received. The Series 91 TIF Bonds bear interest at the rate of 10% per year, mature on August 1, 2010, and are subject to mandatory redemption prior to maturity.

In 1998, the City issued \$300 plus accrued interest for 25 months of Tax Increment Revenue Notes (Series 98 TIF Notes) for the 4548 West Pine Redevelopment Area (the 98 Area) in order to provide for the demolition of the existing buildings on the site as well as additional infrastructure and site improvements. Townhouses will be constructed in the 98 Area. The Series 98 TIF Notes were acquired by the Washington University Medical Center at a 7% interest rate. During 2001, \$53 of payments in lieu of taxes were received.

Principal and interest requirements for the two Tax Increment Financing debt issues are as follows:

	<u>Series 91 TIF Bonds</u>		<u>Series 98 TIF Notes</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
Year ending June 30:				
2002	\$ 720	1,110	\$ 26	20
2003	795	1,034	28	19
2004	875	950	30	17
2005	960	859	31	15
2006	1,055	758	34	12
Thereafter	7,050	1,891	144	24
	<u>\$ 11,455</u>	<u>6,602</u>	<u>\$ 293</u>	<u>107</u>

g. Master Note Purchase Agreement

In February 2000, the St. Louis Municipal Finance Corporation (SLMFC), the City and the Federal National Mortgage Association (Fannie Mae) entered into a Master Note Purchase Agreement to provide a low interest second mortgage for use as down payment and/or to pay other purchase costs to those who buy a single family residence in the City. The City provided a deposit of \$250 into a note reserve account and SLMFC pledged all payments of interest and principal from the homeowner's as payment for the Fannie Mae \$1,250 loan. The SLMFC obligation is limited to the monies in the various accounts established by the agreement including the note reserve account. A trustee holds the loan proceeds to be used exclusively for the City of St. Louis Homebuyers Incentive Program (CHIPS). The program is

designed to provide funding to assist homebuyers with a down payment and closing costs associated with the purchase of a home. The loan bears interest at the rate of 8.27% per annum and will mature on March 1, 2011 subject to prepayment based on the payment of the second loans to homeowners. During 2001, \$52 of principal relating to this note was paid, resulting in a balance of \$1,198 at June 30, 2001.

h. Note Payable

In April 2001, the City entered into a promissory note in the amount of \$1,980 with the General Services Administration of the United States of America to purchase the Federal Building located at Tucker and Market Streets in St. Louis, Missouri. It is a twenty year note at an annual interest rate of 4%. During 2001, \$16 of principal relating to this note was paid, resulting in a balance of \$1,964 at June 30, 2001.

Principal and interest requirements are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30:			
2002	\$ 66	78	144
2003	69	75	144
2004	72	72	144
2005	75	69	144
2006	78	66	144
Thereafter	<u>1,604</u>	<u>546</u>	<u>2,150</u>
	<u>\$ 1,964</u>	<u>906</u>	<u>2,870</u>

i. Component Unit – SLDC Line of Credit

In March 2000, LCRA entered into a construction loan agreement set up as a line of credit for \$1,000. The loan agreement requires LCRA to deposit \$115 to an interest reserve account prior to initial disbursement from the loan. All earnings on the reserve account shall remain in the account which will be disbursed upon maturity of the loan. As of June 30, 2001, no disbursements had been made from the loan, and the interest reserve account had a balance of \$121.

j. Component Unit – SLDC Notes Payable

At June 30, 2001, notes payable of SLDC consisted of the following:

SBA notes payable	\$ 175
Bank and other notes payable	<u>8,338</u>
	<u>\$ 8,513</u>

Maturities on the bank and other notes payable are as follows:

Year ending June 30:	
2002	\$ 6,118
2003	1,012
2004	1,202
2005	6
	<u>\$ 8,338</u>

k. Component Unit – SLPD General Long-Term Debt Account Group

The following represents a summary of SLPD's general long-term debt account group transactions for the year ended June 30, 2001:

	Balance, June 30, 2000	Addition	Deduction	Balance, June 30, 2001
Accrued vacation, compensatory and sick time benefits	\$ 17,783	849	-	18,632
Obligations under capital leases	9,825	-	(885)	8,940
Claims payable	15,119	6,947	-	22,066
	<u>\$ 42,727</u>	<u>7,796</u>	<u>(885)</u>	<u>49,638</u>

l. Component Unit – HSTRC Note Payable

At June 30, 2001, note payable of HSTRC in the amount of \$42 consist of an unsecured note payable, issued through the Missouri Department of Natural Resources, Local Government Program. The note payable bears interest of 2% and is payable through semi-annual installments through October 2002.

13. CAPITAL LEASES

Certain City services are provided by equipment financed under various capital lease agreements as follows:

a. Capital Lease – Rolling Stock

In March 2000, the City entered into a capital lease agreement with Banc One Leasing Corporation in the amount of \$9,000 at a rate of 5.8%. Proceeds of the lease are to be used to purchase certain rolling stock such as dump trucks and refuse trucks. Equal payments of \$2,099 are to be made annually with the final payment due March 7, 2005.

CITY OF SAINT LOUIS, MISSOURI
Notes to General Purpose Financial Statements, Continued
June 30, 2001
(Dollars in Thousands)

Year ending June 30:	
2002	\$ 2,099
2003	2,099
2004	2,099
2005	2,099
Total future minimum lease payments	<u>8,396</u>
Amount representing interest	(996)
Present value of net minimum lease payments	<u>\$ 7,400</u>

b. Capital Lease – Kiel Site Project

The City has a master lease agreement with SLDC, whereby the City has leased Stadium East Redevelopment Project and related property and portions of the City Block 210 (the Kiel Premises) to SLDC.

SLDC subleases the Kiel Premises back to the City. In 1998, SLDC issued two series of bonds for the purpose of refunding the outstanding bonds on which the City's lease payments were based. Pursuant to the master lease agreement, the lease payments made by the City are to be used by SLDC to fund annual debt service payments for SLDC's Kiel Site Lease Revenue Refunding Bonds, Series 1997A and B, in the original amount of \$13,605. The Series 1997 A and B bonds were issued by SLDC in September 1997, and the proceeds of which were used to retire SLDC's Station East Redevelopment Project Lease Revenue Bonds, Series 1990 and 1992. The capital lease obligation is recorded in the general long-term debt account group as a capital lease with component unit. The City's lease payments are payable from general fund revenues. The following is a schedule, by years, of the future minimum lease payments together with the present value of the net minimum payments for the Kiel Premises as of June 30, 2001.

Year ending June 30:	
2002	\$ 974
2003	974
2004	972
2005	974
2006	970
Thereafter	<u>15,549</u>
Total future minimum lease payments	20,413
Amount representing interest	<u>(7,883)</u>
Present value of net minimum lease payments	<u>\$ 12,530</u>

c. Component Unit - SLPD

Police Patrol Buildings

In December 1987, SLPD entered into a lease-purchase agreement with the Missouri Economic Development, Export and Infrastructure Board (Lessor). In June 1994, the Lessor issued \$13,725 of Leasehold Revenue Bonds, Series 1994 (SLPD Series 1994 Bonds). Proceeds from the bonds were used to defease the previously issued Leasehold Revenue Bonds, Series 1988 (SLPD Series 1988 Bonds).

Proceeds from the SLPD Series 1988 Bonds were used to finance the purchase, construction, expansion, and improvement of real estate and buildings for SLPD's police patrol buildings. The SLPD Series 1994 Bonds are not legal obligations of SLPD or the City, but are secured by the lease payments which were structured to provide sufficient funds over the lease term to pay the principal and interest related to the bonds. The full amount of the SLPD obligation under the terms of the lease agreement was recorded in the SLPD general long-term debt account group at the time the bonds were issued.

Lease payments are payable from tax proceeds generated from the capital improvements sales tax, a 1/2 cent City sales tax increase approved by the voters on August 3, 1993. These payments, made on behalf of the SLPD, are reflected as expenditures in the SLPD general fund. The lease payments are based on the systematic retirement of the SLPD Series 1994 Bonds which bear interest at rates ranging from 4.9% to 5.7% and mature through 2007. The SLPD future lease payments under these agreements are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30:			
2002	\$ 925	467	1,392
2003	970	418	1,388
2004	1,025	365	1,390
2005	1,070	309	1,379
2006	1,130	249	1,379
Thereafter	3,820	259	4,079
	<u>\$ 8,940</u>	<u>2,067</u>	<u>11,007</u>

14. LEASEHOLD REVENUE IMPROVEMENT AND REFUNDING BONDS

Civil Courts

The SLMFC-II issued \$32,505 in Leasehold Revenue Improvement Bonds, Series 1994 (Series 1994 Bonds). The Series 1994 Bonds include serial bonds in the principal amount of \$16,690, and term bonds in the principal amount of \$15,815. Interest is payable semiannually on all bonds. The term bonds are subject to mandatory sinking fund redemption prior to their stated maturity date of August 1, 2013. The mandatory redemption begins August 1, 2007 and each August 1st thereafter, including August 1, 2013. The proceeds of the Series 1994 Bonds are being used by the City to finance certain improvements, renovations, rehabilitation, remodeling and equipping of the Civil Courts Building.

CITY OF SAINT LOUIS, MISSOURI

Notes to General Purpose Financial Statements, Continued

June 30, 2001

(Dollars in Thousands)

The City's payments are secured by a pledge agreement between the City and the Series 1994 Bonds trustee. The City's payments are further insured by the Financial Guaranty Insurance Company (FGIC). The principal amount outstanding is recorded in the general long-term debt account group. The City's payments for debt service requirements are payable from the capital projects – capital improvements revenues and are based on the Series 1994 Bonds with interest rates ranging from 3.75% to 5.75%.

Convention Center

On July 15, 1993, SLMFC issued \$153,607 Leasehold Revenue Refunding Bonds (Series 1993 A and B Bonds) in two series. The Series 1993 A and B Bonds were issued to refund bonds previously issued by SLDC (SLDC Bonds). Pursuant to the SLDC Bonds, SLDC held title to the Convention Center. Once the proceeds of the Series 1993A and B Bonds were deposited in an irrevocable trust to pay the principal and interest on the outstanding SLDC Bonds and certain other conditions were satisfied, the Convention Center property was conveyed to SLMFC. The Series 1993 A Bonds consisted of current interest bonds (\$51,330 serial bonds and \$90,465 term bonds) ranging in rates from 3.0% to 6.0% and compound interest bonds with an initial offering price of \$2,567 and a final maturity amount on July 15, 2014, of \$9,615. The yield to maturity for the compound interest bonds at the initial offering price was 6.4%. The Series 1993 B Bonds in the amount of \$9,245 were taxable serial bonds with a final maturity on July 15, 2001, and interest rates ranging from 3.9% to 6.65%.

Lease payments calculated to meet the principal, interest and other costs related to the Series 1993 A and B Bonds are budgeted in the City's general fund.

Justice Center

In August 1996, the SLMFC issued \$75,705 Leasehold Revenue Improvement Bonds, Series 1996 A (Series 1996 A Bonds) and \$34,355 Leasehold Revenue Improvement and Refunding Bonds, Series 1996 B (Series 1996 B Bonds) (collectively the Justice Center Bonds). The Series 1996 A Bonds include serial bonds in the principal amount of \$20,155 and term bonds in the principal amount of \$55,550. The Series 1996 B Bonds include serial bonds in the principal amount of \$23,500 and term bonds in the principal amount of \$10,835. Interest is payable semiannually on all bonds. The term bonds are subject to mandatory sinking fund redemption prior to their stated maturity dates.

The City's payments are secured by a pledge between the City and the trustee for the Justice Center Bonds which authorizes the State to make direct payment to the trustee of the City's per diem reimbursement entitlements for costs incurred in boarding State prisoners. The City's payments are further insured by AMBAC. The principal amount of the bonds outstanding is recorded in the general long-term debt account group. The City's payments for debt service are payable from capital projects – capital improvements revenues. Interest rates on the Justice Center Bonds range from 4.25% to 6.0%.

Proceeds from the Series 1996 A Bonds are being used to construct the City Justice Center which will replace the existing municipal jail and house a total of seven hundred and thirty-two prisoners. When completed, the facility will be a major addition to the City's justice system bringing total detention capacity to over 1,500 beds. The City Justice Center site is located east of City Hall, south of the existing Federal

Courthouse and west of the Federal Courthouse currently under construction. The City Justice Center is designed to meet standards established by the American Correctional Association.

In February 2000, the SLMFC issued \$22,025 City Justice Center Leasehold Revenue Improvement Bonds (Series 2000A Bonds) for the purpose of financing the completion of the City Justice Center, and funding the debt service reserve fund with respect to the Series 2000A Bonds, and paying costs of issuance of the Series 2000A Bonds. The Series 2000A Bonds bearing a stated maturity of February 15, 2010, are not subject to redemption prior to their stated maturities. The Series 2000A Bonds bearing a stated maturity of February 15, 2011 are subject to optional redemption and payment prior to their stated maturities at the election of SLMFC, upon direction and instruction by the City, on February 15, 2010, and at any time thereafter, as a whole at any time in part at any time, and if in part in such order as the SLMFC shall determine, upon the direction and instruction by the City in its sole discretion, at redemption prices ranging from 100% to 101% plus accrued interest thereon to the redemption date.

The principal amount of the bonds outstanding is recorded in the general long-term debt account group. The City's payments for debt service are payable from capital projects – capital improvement revenues. Interest rates on the Justice Center 2000A Bonds range from 4.75% to 6.0%.

Forest Park

On March 1, 1997, the SLMFC issued \$19,270 Forest Park Leasehold Revenue Improvement Bonds, Series 1997, (Series 1997 Bonds). The City has agreed, subject to annual appropriation, to make payments from the Forest Park Subaccount in the Capital Improvements Sales Tax Fund sufficient for the prompt payment when due of the principal, and interest on the Series 1997 Bonds. As long as any Series 1997 Bonds remain outstanding, the percentage of the one-half cent capital improvements sales tax approved by City voters on August 3, 1993 allocated to the Forest Park Subaccount may not be reduced. Payments of principal and interest on the Series 1997 Bonds is insured by a policy of municipal bond insurance issued by Financial Guaranty Insurance Company. Interest is payable February 15 and August 15 of each year and principal is payable February 15 of each year until final maturity in 2022. Interest rates on the serial bonds payable 1998 through 2012 range from 3.7% to 5.375% and the term bonds due in 2017 and 2022 have a rate of 5.5%. The City's debt service payments are made from the Capital Improvements Sales Tax Trust fund capital projects fund.

The proceeds of the Series 1997 Bonds are being used to fund a major portion of the City's contribution toward the estimated \$86,000 Forest Park Master Plan (Plan). Forest Park, owned by the City, is one of the largest urban parks in the United States, encompassing 1,293 acres in the western portion of the City. As home to most of the region's important cultural institutions, including the Missouri History Museum, the St. Louis Art Museum, the St. Louis Science Center, the Municipal Opera Theater, the World's Fair Pavilion, the Jewel Box, Steinberg Rink and the St. Louis Zoo, it is a regional magnet drawing 10 to 12 million visitors (five times the population of the region) per year. After two years of planning, the City adopted the Plan in 1995 to integrate Forest Park's natural and man-made systems into a cohesive and mutually beneficial ecosystem. The Plan emphasizes technical and environmental designs that are economical to maintain with a "river-like" flowing water system, simplified road system, and an added 7,500 trees. The Plan is expected to be completed in five phases by 2004, the 100-year anniversary of the 1904 St. Louis World's Fair which was held in Forest Park. Forest Park Forever, a nonprofit corporation unrelated to the City, has been selected to

lead the campaign for raising the estimated \$43,000 needed from private individual and corporate donors to implement the Plan.

Firemen's System

On April 1, 1998, the SLMFC issued \$28,695 Firemen's Retirement Systems Lease Revenue Bonds, Series 1998, (Series 1998 Bonds). Interest is paid semi-annually on the Bonds at the rate of 5.6% to 6.55%. The Series 1998 Bonds are subject to mandatory sinking fund redemption prior to maturity.

The City has covenanted, subject to annual appropriation to pay rental payments at such times and in such amounts as are necessary to assure that no default in the payment of principal, premium, or interest on the Series 1998 Bonds occurs. The Series 1998 Bonds are further secured by a mortgage and deed of trust lien upon the facility (defined as the sites, building, structures, improvements, and fixtures occupied by the City's Fire Department Headquarters Building and 30 neighborhood engine houses) pursuant to the Deed of Trust and Security Agreement dated as of April 1, 1998. The principal amount of the bonds outstanding is recorded in the general long-term account group. The City's payments for debt service are payable from general fund revenues.

The proceeds derived from the sale of the Series 1998 Bonds will be used to prepay a portion of the City's unfunded accrued actuarial liabilities in the form of a contribution to the Firemen's Retirement System and to pay cost of issuance for the Series 1998 Bonds.

Principal and interest requirements for the Leasehold Revenue Improvement and Refunding Bonds are as follows:

CITY OF SAINT LOUIS, MISSOURI
Notes to General Purpose Financial Statements, Continued
June 30, 2001
(Dollars in Thousands)

	Civil Courts		Convention Center	
	Principal	Interest	Principal	Interest
Year ending June 30:				
2002	\$ 1,395	1,376	\$ 4,930	7,410
2003	1,465	1,304	5,755	7,128
2004	1,540	1,226	6,075	6,813
2005	1,620	1,143	6,835	6,461
2006	1,705	1,055	7,815	6,055
Thereafter	<u>17,615</u>	<u>4,344</u>	<u>101,802</u>	<u>32,809</u>
	<u>\$ 25,340</u>	<u>10,448</u>	<u>\$ 133,212</u>	<u>66,676</u>
	Justice Center		Forest Park	
	Principal	Interest	Principal	Interest
Year ending June 30:				
2002	\$ 4,275	6,856	\$ 450	927
2003	4,480	6,651	470	908
2004	4,700	6,430	490	887
2005	4,935	6,195	515	865
2006	5,185	5,942	540	841
Thereafter	<u>98,520</u>	<u>43,022</u>	<u>15,065</u>	<u>8,430</u>
	<u>\$ 122,095</u>	<u>75,096</u>	<u>\$ 17,530</u>	<u>12,858</u>
	Firemen's System			
	Principal	Interest		
Year ending June 30:				
2002	\$ 1,720	1,412		
2003	1,825	1,304		
2004	1,935	1,187		
2005	2,055	1,062		
2006	2,185	927		
Thereafter	<u>13,230</u>	<u>2,263</u>		
	<u>\$ 22,950</u>	<u>8,155</u>		

15. REVENUE BONDS PAYABLE

a. Airport

Bonds outstanding at June 30, 2001 are summarized as follows:

Bond Series 1992, interest rates ranging from 5.625% to 6.125%, payable in varying amounts through 2016	\$ 25,230
Bonds Series 1993, interest rates ranging from 5.9% to 6.2%, payable in varying amounts through 2006	59,270
Bond Series 1993A, interest rates ranging from 6.2% to 6.65%, payable in varying amounts through 2006	33,830
Bonds Series 1996, interest rates ranging from 4.75% to 6%, payable in varying amounts through 2008	25,745
Bonds Series 1997, interest rates ranging from 4.1% to 6%, payable in varying amounts through 2028	199,605
Bonds Series 1998, interest rates ranging from 4.0% to 5.125%, payable in varying amounts through 2016	68,945
Bonds Series 2000, interest rates ranging from 6.0% to 6.25%, payable in varying amounts through 2009	87,165
Bonds Series 2001A, interest rates ranging from 4.125% to 5.625%, payable in varying amounts through 2032	<u>435,185</u>
	934,975
Unamortized discounts and premiums	(1,071)
Deferred amount on refunding	<u>(7,903)</u>
	<u>\$ 926,001</u>

On July 15, 2000, the Airport issued \$87,165 in Series 2000 Letter of Intent Double Barrel Revenue Bonds. The Series 2000 Bonds are limited obligations of the Airport, payable solely from moneys to be received from the FAA pursuant to Letter of Intent Number ACE-98-01 dated November 10, 1998 and amended May 1, 2000; moneys on deposit in the Airport Development Fund; and certain other funds pledged under the bond indenture. None of the general Airport revenues or properties of the Airport have been pledged or mortgaged to secure payment of the Series 2000 Bonds. The net proceeds of the Series 2000 Bonds of \$85,536 (after the deduction of a \$125 original issue discount and the payment of \$1,504 in underwriting fees, legal, accounting, and other issuance costs), together with other available funds, are being applied to pay a portion of the cost of the acquisition of certain land located adjacent to the Airport and the construction of certain improvements thereon.

On May 1, 2001, the Airport issued \$435,185 in Series 2001A Airport Revenue Bonds for the purpose of acquiring certain land located adjacent to the Airport and acquiring, designing, constructing, improving, renovating, expanding, rehabilitating, and equipping certain Airport facilities. The net proceeds from the Series 2001A Bonds were \$426,782 (after the deduction of a \$1,050 original issue discount and the payment of \$7,353 in underwriting fees, legal, accounting, and other issuance costs). The Series 2001A Bonds are secured by the net revenues from the operations of the Airport.

As of June 30, 2001, aggregate debt service requirements for the next five years and thereafter of the above issues are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30:			
2002	\$ 38,375	42,499	80,874
2003	34,415	47,819	82,234
2004	39,760	45,688	85,448
2005	42,550	43,274	85,824
2006	43,200	40,707	83,907
Thereafter	<u>736,675</u>	<u>503,134</u>	<u>1,239,809</u>
	<u>\$ 934,975</u>	<u>723,121</u>	<u>1,658,096</u>

Additionally, in prior years, the Airport advance funded \$221,715 of Airport Revenue Bonds by placing funds in an irrevocable trust to provide for all future debt service payments on the prior bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the general purpose financial statements. At June 30, 2001, \$110,030 of outstanding bonds are considered defeased.

b. Water Division

Water revenue bonds outstanding at June 30, 2001 are payable solely from, and secured by, a pledge of net revenues from the operation of the Water Division and are summarized as follows:

Series 1994 Water Revenue Bonds, interest rates ranging from 5.4% to 7.0%, payable in varying amounts through 2006	\$ 13,815
Series 1998 Water Revenue Bonds, interest rates ranging from 4.1% to 4.75% payable in varying amounts through 2014	<u>29,175</u>
	<u>42,990</u>
Unamortized discount	(260)
Deferred amount on refunding of a portion of the 1994 Water Revenue Bonds	<u>(2,423)</u>
	<u>\$ 40,307</u>

Series 1994 Water Revenue Bonds

In April 1994, the Water Division issued \$51,570 in revenue refunding and improvement bonds (Series 1994 Bonds). The Series 1994 Bonds are payable solely from and secured by the revenues of the Waterworks System. The Series 1994 Bonds were issued as part of the \$170,000 of bonds approved by voters at an election held April 6, 1993. The Series 1994 Bond proceeds were principally used to finance the construction of improvements to the Waterworks System, to refund and defease all of the outstanding Series 1985 Bonds, and pay the costs of the Bonds' issuance. Proceeds of the Series 1994 Bonds were also used to pay the premiums of a municipal bond insurance policy issued by Financial Guaranty Insurance Company. This policy which guarantees the payment of principal and interest on the Series 1994 Bonds is noncancelable and extends for the term of the Series 1994 Bonds. The Water Division is subject to certain covenants under the Series 1994 Bonds.

CITY OF SAINT LOUIS, MISSOURI

Notes to General Purpose Financial Statements, Continued

June 30, 2001

(Dollars in Thousands)

As noted above, a portion of the Series 1994 Bond proceeds will fund the construction of certain improvements to the Waterworks System. These projects are: (1) improvements to the Chain of Rocks treatment plant sedimentation basin; (2) the rehabilitation of the 60-inch Conduit No. 1 from the Howard Bend treatment plant; (3) chlorination system improvements at the Howard Bend and Chain of Rocks plants; and (4) the improvement of the Compton Hill Reservoir. These projects respond to changing environmental regulations and maintaining the integrity and reliability of the Waterworks System.

Construction on the Compton Hill Reservoir and the rehabilitation of the 60-inch Conduit No. 1 from the Howard Bend treatment plant were completed in 1999 for total costs of \$22,664 and \$10,714, respectively. Chain of Rocks treatment plant sedimentation basins were completed in 2001 for a total cost of \$24,490. Chlorination system improvements are still in progress, as of June 30, 2001 total costs of \$6,924 have been incurred.

Series 1998 Water Revenue Bonds

In December 1998, the Water Division issued \$29,225 in Water Revenue Refunding Bonds (Series 1998 Bonds) with an average interest rate of 4.56 percent to advance refund \$27,775 of a portion of the outstanding Series 1994 Bonds, maturing between 2007 and 2014, with an average interest rate of 6.02 percent. The net proceeds of \$30,959, (after the subtraction of an original issue discount of \$190 and the payment of \$584 in underwriting fees and other issuance costs) plus an additional \$2,508 of Series 1994 Bonds debt service fund monies were deposited in an irrevocable trust with an escrow agent to provide for all future payments on the \$27,775 principal of the Series 1994 Bonds. As a result, this portion of the Series 1994 Bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. At June 30, 2001, \$27,775 of the defeased Series 1994 Bonds are outstanding.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$3,257. This difference, reported in the accompanying general purpose financial statements as a reduction from revenue bonds payable, is being charged to operations through the year 2014 using the bonds outstanding method.

Proceeds of the Series 1998 Bonds were also used to pay the premiums of a municipal bond insurance policy issued by AMBAC Assurance Corporation. This policy which guarantees the payment of principal and interest on the Series 1998 Bonds is noncancelable and extends for the term of the Series 1998 Bonds. The Water Division is subject to certain covenants under the Series 1998 Bonds.

Debt service requirements to maturity of the 1994 and 1998 Water Revenue Bonds are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30:			
2002	\$ 1,980	2,001	3,981
2003	2,090	1,854	3,944
2004	2,235	1,727	3,962
2005	2,365	1,590	3,955
2006	2,500	1,444	3,944
Thereafter	31,820	6,298	38,118
	<u>\$ 42,990</u>	<u>14,914</u>	<u>57,904</u>

c. Parking Division

Bonds outstanding at June 30, 2001 are summarized as follows:

Series 1996 Revenue Bonds, interest rates ranging from 3.6% to 5.375%, payable in varying amounts through 2021	\$ 24,440
Series 1998 Revenue Bonds, interest rates ranging from 3.7% to 6.375%, payable in varying amounts through 2023	7,630
Series 1999 Revenue Bonds, interest rates ranging from 5.75% to 7.375%, payable in varying amounts through 2021	<u>11,265</u>
	43,335
Unamortized discount and deferred loss on refunding	<u>(2,784)</u>
	<u>\$ 40,551</u>

On November 1, 1999, the Parking Division issued \$11,420 in Parking Revenue Bonds with interest rates ranging from 5.75% to 7.375%. The Bonds consist of \$5,840 Series 1999A Tax Exempt Bonds and \$5,580 Series 1999B Taxable Bonds. The net proceeds of the bonds, after payment of costs of issuance and the required deposits to the Series 1999 Debt Service Reserve Fund, together with other available funds, are to be used to design, construct and equip a public parking facility on land owned by the City.

On June 1, 1998, the Parking Division issued \$8,000 in Parking Revenue Bonds with interest rates ranging from 3.700% to 6.375%. The net proceeds of \$8,000 were used to construct and equip a parking facility at the Marquette Building location.

On December 5, 1996, the Parking Division issued \$25,820 in Parking Revenue Refunding Bonds with interest rates ranging from 3.600% to 5.375% to advance refund \$22,750 of outstanding 1992 Series bonds with interest rates ranging from 4.200% to 6.625%. The net proceeds of \$25,250 (after payment of \$570 of original issue discount) were used to pay underwriting fees, insurance and other issuance costs and the remaining proceeds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1992 Series bonds. As a result, the 1992 Series bonds are considered defeased and the liability for those bonds have been removed from the financial statements. At June 30, 2001, \$21,195 of Series 1992 Bonds remained outstanding.

The Parking Division issued the Series 1996 Bonds with a par value of \$25,820 to (1) pay the remaining costs of completing the Project (acquisition of real estate, the construction of a multilevel public parking garage and other parking facilities), (2) retire the Series 1992 Bonds, (3) pay issuance costs and (4) fund the Debt Service Reserve Fund. The Series 1996 Bonds are payable from, and secured by, a pledge of (1) revenues to be generated from the operation of the project, (2) certain other parking revenues derived from the activities of the Parking Division, and (3) certain revenues from parking fines and penalties collected by the City's Traffic Violations Bureau.

Debt service requirements for the Parking Division revenue bonds are as follows:

Year ending June 30:	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$ 890	2,389	3,279
2003	935	2,344	3,279
2004	980	2,297	3,277
2005	1,030	2,246	3,276
2006	1,085	2,191	3,276
Thereafter	38,415	22,156	60,571
	<u>\$ 43,335</u>	<u>33,623</u>	<u>76,958</u>

The Parking Division has a Forward Delivery Agreement with the trustee and a securities supplier. The Parking Division makes a monthly payment to the trustee who then invests the funds. The agreement can be canceled at any time by either party, however, a penalty payment is required if the Parking Division cancels the agreement.

d. Component Unit – SLDC

Revenue bonds outstanding at June 30, 2001 consist of LCRA Parking Facility Revenue Bonds Series 1999A, Parking Facility Revenue Refunding Bonds Series 1999B, and Parking Facility Revenue Refunding and Improvement Bonds Series 1999C (Bonds). The Bonds are dated October 21, 1999.

The Series 1999A bonds with an original issue amount of \$2,470 are due at intervals until September 1, 2009. Bond proceeds are to repay an LCRA note payable. During the year ended June 30, 2001, no bonds were redeemed, leaving a balance of \$2,470 at June 30, 2001. These bonds carry rates of interest ranging from 7.625% to 9.0%.

The Series 1999B bonds with an original issue amount of \$8,300 are due at intervals until September 1, 2019, and are payable solely from, and secured by, a pledge of gross revenues from the operation of SLDC Parking Facilities' St. Louis Centre East parking garage. The bonds may be redeemed prior to maturity at the option of LCRA and are subject to special mandatory redemption prior to maturity following the occurrence of a determination of taxability as defined in the bond indenture. During the year ended June 30, 2001, no bonds were redeemed, leaving a balance of \$8,300 at June 30, 2001. These bonds carry rates of interest ranging from 6.5% to 7.0%.

The Series 1999C bonds with an original issue amount of \$3,040 are due September 1, 2024. Bond proceeds are to repay an LCRA note payable and construct a parking lot on a portion of the St. Louis Centre North Garage premises. The Bonds may be redeemed prior to maturity at the option of LCRA and are subject to special mandatory redemption prior to maturity following the occurrence of a determination of taxability as defined in the bond indenture. During the year ended June 30, 2001, no bonds were redeemed, leaving a balance of \$3,040 at June 30, 2001. These bonds carry a rate of interest of 7.05%.

16. JOINT VENTURE FINANCING AGREEMENT

St. Louis Regional Convention and Sports Complex Authority (Authority)

In April 1990, the Authority was established as a separate legal entity by an Act of the Missouri State legislature to acquire, purchase or lease and construct, operate and maintain convention centers, sports stadiums, field houses, indoor and outdoor convention, recreational and entertainment facilities, and to do all things incidental or necessary to facilitate these purposes.

Series C 1991 Bonds and Series C 1997 Bonds (Series C Bonds)

On August 15, 1991, the City sponsored the issuance of \$60,075 in Convention and Sports Facility Project Bonds Series C 1991 (Series C 1991 Bonds). The Series C Bonds were issued by the Authority, together with the proceeds of the Authority's \$132,910 principal amount of Convention and Sports Facility Project Bonds, Series A 1991 (State, Sponsor) (Series A Bonds) and the Authority's \$65,685 principal amount of Convention and Sports Facility Bonds, Series B 1991 (County, Sponsor) (Series B Bonds). The Series A Bonds, the Series B Bonds and the Series C 1991 Bonds (collectively the Project Bonds) were issued for the purpose of providing funds to finance the costs of acquiring land and constructing thereon an eastward expansion of the Cervantes Convention Center to be used as a multipurpose convention and indoor sports facility (Project). On December 15, 1993, the Authority issued \$121,705 in Series A refunding bonds and \$60,180 in Series B refunding bonds to advance refund \$101,410 of Series A Bonds and \$50,275 of Series B Bonds, respectively.

During February 1997, the Authority issued Convention and Sports Facility Project and Refunding Bonds Series C 1997 (Series C 1997 Bonds) in the amount of \$61,285. The proceeds were used to refund, in advance of maturity, \$47,155 of the Series C 1991 bonds. A portion of the Series C 1991 Bonds maturing on August 15, 2021 are not subject to optional redemption and \$8,820 remain outstanding. Approximately \$2,100 of the proceeds were used for various project improvements.

The Authority entered into a Project Financing Construction and Operation Agreement dated August 1, 1991 (Financing Agreement) with the City, State and County (collectively the Sponsors) providing for the application of the proceeds of the Project Bonds, for the repayment of the Project Bonds, and for the operation and maintenance of the Project. Pursuant to the Financing Agreement, the Authority will lease the Project to the Sponsors who will sublease the project back to the Authority. The rental payments made by the Sponsors under the Financing Agreement are designed to be sufficient to pay the principal and interest on the Project Bonds. The Preservation payments to be made by the Sponsors under the Financing Agreement will be used to pay for repairs and replacement of major Project components and renovation necessary to maintain the Project. A portion of the preservation payments from each sponsor will be deposited to the Bond Fund of the Authority each year from 1994 through 1999, to pay principal and interest on the Project Bonds. On August 1 and February 1 of each year, the City is obligated (subject to appropriations) to make rental payments of \$2,500 and preservation payments of \$500 regardless of the principal and interest payments due.

At June 30, 2001, the City's obligation for the Series C Bonds and net preservation payments (after deposits to the Bond Fund) payable from the general fund under the Financing Agreement is as follows:

CITY OF SAINT LOUIS, MISSOURI

Notes to General Purpose Financial Statements, Continued

June 30, 2001

(Dollars in Thousands)

Year ending June 30:	<u>Principal</u>	<u>Interest</u>	<u>Preservation Payments</u>	<u>Total</u>
2002	\$ 1,665	3,280	1,055	6,000
2003	1,770	3,169	1,061	6,000
2004	1,885	3,049	1,066	6,000
2005	2,010	2,939	1,051	6,000
2006	2,105	2,842	1,053	6,000
Thereafter	52,815	25,677	14,508	93,000
	<u>\$ 62,250</u>	<u>40,956</u>	<u>19,794</u>	<u>123,000</u>

Series C Bonds' principal and the preservation payments are included in the City's general long-term debt account group as contractual obligations under a joint venture financing agreement.

17. OPERATING LEASES

- a. At June 30, 2001, the City was committed under miscellaneous operating leases for office space. Future minimum base rental payments under terms of the operating leases are as follows:

Year ending June 30:	
2002	\$ 529
2003	275
2004	138
2005	23
	<u>\$ 965</u>

- b. The Airport has long-term use agreements and leases with signatory air carriers which expire on December 31, 2005. Under the terms of the use agreements and leases, the air carriers have agreed to pay airfield landing fees; terminal and concourse rentals; hangar, cargo and maintenance facility rentals; and certain miscellaneous charges in consideration for use of the Airport. The use and lease agreements also require the Airport to make certain capital improvements and to provide maintenance of certain Airport facilities. Payments by the air carriers are determined as follows:

- Landing fees are calculated based on estimated operating and maintenance expenses of the airfield, and allocated to the air carriers on the basis of landing weights. Landing fee revenues are adjusted each year by retroactive rate adjustment which is calculated as the difference between estimated and actual costs incurred and estimated and actual landing weights. These revenues are included in aviation revenue.
- Rentals are calculated based on estimated operating and maintenance expenses of the terminal and concourse areas and hangars, cargo and maintenance facilities, and allocated to the air carriers on the basis of square footage utilized. Rental revenue is adjusted each year by retroactive rate adjustment which is calculated as the difference between estimated and actual costs incurred. These revenues are included in aviation revenue.

- Miscellaneous income is derived from the air carriers for their use of sanitary disposal facilities and airline service buildings.

During fiscal year 2001, revenues from signatory air carriers accounted for 61% of total Airport operating revenues.

Minimum future rentals for each year in the next five years and in the aggregate are not determinable given the method of calculation.

The following is a summary of aviation revenue by category and source from signatory and nonsignatory air carriers for the year ended June 30, 2001:

	<u>Signatory</u>	<u>Nonsignatory</u>	<u>Total</u>
Airfield	\$ 40,186	4,887	45,073
Terminal and concourses	22,559	545	23,104
Hangars and other buildings	455	28	483
Cargo buildings	1,995	-	1,995
	<u>\$ 65,195</u>	<u>5,460</u>	<u>70,655</u>

The Airport also leases facilities and land with varying renewal privileges to various nonsignatory air carriers, concessionaires and others. These leases, for periods ranging from 1 to 50 years, require the payment of minimum annual rentals. The following is a schedule by year of minimum future rentals on noncancellable operating leases, other than leases with signatory airlines pursuant to long-term use agreements, as of June 30, 2001:

Year ending June 30:		
2002		\$ 20,484
2003		20,324
2004		15,254
2005		7,998
2006		6,592
Thereafter		20,878
Total minimum future rentals		<u>\$ 91,530</u>

The above amounts do not include contingent rentals which may be received under certain leases. Such contingent rentals amounted to \$26,499 for the year ended June 30, 2001.

The Airport leases computer and other equipment and has service agreements under noncancellable arrangements which expire at various dates through 2004. Expenses for operating leases and service agreements were \$2,211 for the year ended June 30, 2001. Future minimum payments (excluding payments for snow removal which are not determinable) are as follows:

Year ending June 30:		
2002		\$ 122
2003		94
2004		37
Total minimum future rentals		<u>\$ 253</u>

CITY OF SAINT LOUIS, MISSOURI

Notes to General Purpose Financial Statements, Continued

June 30, 2001

(Dollars in Thousands)

- c. The SLPD leases buildings, computer equipment, and other miscellaneous items under noncancelable operating leases. Total expenditures for such leases were \$146 for the year ended June 30, 2001. The future minimum lease payments for the year ended June 30, 2002 is \$73.
- d. In December 1996, SLDC, in conjunction with the Community Development Agency (CDA), signed a five-year lease for office space, which commenced March 1997. In January 2001, SLDC signed an agreement to extend the lease for fifteen years. The new agreement will end February 2017. SLDC also has sublease agreements with the Planning and Urban Design Development Agency (PDA) in effect through February 2002. Future minimum base rents under the terms of the lease agreements, net of sublease rents received from CDA and PDA are as follows:

Year ending June 30:	
2002	\$ 359
2003	565
2004	565
2005	584
2006	621
Thereafter	<u>1,770</u>
	\$ <u>4,464</u>

Rent expenditures, net of \$282 in rents received, were \$243 during the year ended June 30, 2001.

At June 30, 2001, SLDC was committed for approximately twelve years under an original twenty-five year operating lease with the City which requires annual rental payments of \$1 (in dollars) for certain property along the St. Louis Riverfront. Under the lease agreement, SLDC shall make improvements to the leased premises and award subleases for all or a portion of the leased premises.

18. INTERFUND BALANCES

Individual fund interfund receivable and payable balances as of June 30, 2001 are as follows:

Receivable Fund	Payable Fund	Amount
General	Special Revenue – Assessor	\$ 267
	Enterprise:	
	Airport	1,286
	Water Division	687
	Parking Division	1,169
	Agency:	
	Collector of Revenue	2,234
	License Collector	171
	Circuit Clerk	227
	Other Agency	451
		6,492
Special Revenue:		
Government Grants	General	434
Convention and Tourism	Agency – License Collector	4
Lateral Sewer Lines	Agency – Collector of Revenue	35
Tax Increment Financing	General	242
Tax Increment Financing	Special Revenue – Transportation	90
Tax Increment Financing	Capital Projects – Capital Improvements	
	Sales Tax Trust Fund	90
Other Special Revenue	Agency – Collector of Revenue	129
		1,024
Debt Service	Agency – License Collector	3
	Agency – Collector of Revenue	1,038
		1,041
Capital Projects:		
Capital Projects	Special Revenue – Government Grants	4,887
		4,887
Enterprise:		
Enterprise – Water Division	Agency – Collector of Revenue	360
Enterprise – Airport	General	15
		375
Internal Service:		
PFPC	Enterprise:	
	Airport	1,073
	Water Division	2,120
	Parking Division	180
		3,373
		\$ 17,192

CITY OF SAINT LOUIS, MISSOURI
Notes to General Purpose Financial Statements, Continued
June 30, 2001
(Dollars in Thousands)

19. ENTERPRISE FUNDS SEGMENT INFORMATION

The City maintains three enterprise funds; the Airport, the Water Division and the Parking Division. Segment information for these funds as of and for the year ended June 30, 2001, is as follows:

	<u>Airport</u>	<u>Water Division</u>	<u>Parking Division</u>	<u>Total</u>
Operating revenues	\$ 120,403	41,863	9,867	172,133
Operating expenses:				
Depreciation and amortization	(33,429)	(3,175)	(1,323)	(37,927)
Other	(70,048)	(33,742)	(5,997)	(109,787)
Income from operations	16,926	4,946	2,547	24,419
Nonoperating revenues (expenses):				
Investment income	27,882	953	932	29,767
Interest expense	(32,506)	(2,278)	(2,557)	(37,341)
Passenger facility charges	44,456	-	-	44,456
Miscellaneous, net	1,055	(625)	1	431
Operating transfers in	-	-	415	415
Operating transfers out	-	-	(470)	(470)
Net income before capital contributions	57,813	2,996	868	61,677
Capital contributions	20,554	248	-	20,802
Net income	78,367	3,244	868	82,479
Property, plant, and equipment additions (including construction in progress), net	123,167	5,255	5,444	133,866
Net working capital (excluding current restricted assets and liabilities payable from restricted assets)	25,993	12,502	1,346	39,841
Total assets	1,770,455	189,911	59,369	2,019,735
Bonds and other long-term liabilities – payable from operating revenues	891,662	39,855	39,661	971,178
Fund equity:				
Contributed capital	227,090	5,994	2,929	236,013
Retained earnings	573,165	130,960	10,055	714,180

The Airport's primary service is the operation and maintenance of the Airport. The Water Division provides water service to the general public. The Parking Division operates and maintains parking meters, public parking lots and a public parking garage.

20. COMMITMENTS AND CONTINGENCIES

a. Grants

In connection with various federal, state, and local grant programs, the City is obligated to administer related programs and spend the grant monies in accordance with regulatory restrictions, and is subject to audit by the grantor agencies. In cases of noncompliance, the agencies involved may require the City to refund program monies. Through June 30, 2001, claims have been made on the City to make refunds under certain programs and other programs are still open as to compliance determination by the respective agencies. In the opinion of City officials, settlement of these matters will not result in a material liability to the City.

b. Commitments

At June 30, 2001, the Airport had outstanding commitments amounting to approximately \$46,422 resulting primarily from contracts for construction projects. In addition, the Airport has \$14,244 in outstanding commitments resulting from service agreements.

c. Trans World Airlines, Inc. (TWA)

Prior to April 9, 2001, Trans World Airlines, Inc. (TWA) represented the major air carrier providing air passenger service at the Airport. TWA provided 43% of the Airport's total operating revenues and 67% of total revenues from signatory air carriers for the fiscal year ended June 30, 2001.

Acquisition of TWA's Assets by American Airlines

On January 10, 2001, TWA filed a petition for reorganization under Chapter 11 of the United States Bankruptcy Code and filed a petition with the motion to sell substantially all of its assets to American Airlines, Inc. (American) or its designees, including AMR Corp. (AMR), the parent company of American. The motion to sell the assets was approved by the United States Bankruptcy Court for the District of Delaware on March 12, 2001. The sale of TWA's assets to a newly created subsidiary of American (AMR Sub) was closed on April 9, 2001. In a letter dated March 28, 2001 to the Director of the Airport, American expressed its intent to continue operating a system hub at the Airport. This intent was further expressed in AMR's Form 10-K filed with the Securities and Exchange Commission dated March 22, 2001.

Although American has expressed its intent to continue operating a system hub at the Airport, no assurance can be given as to the levels of aviation activity which will be achieved at the Airport in future fiscal years. Future traffic at the Airport is sensitive to a variety of factors including: (1) the growth in the population and the economy of the area served by the Airport, (2) national and international political and economic conditions, including the effects of the terrorist attacks of September 11, 2001, or any future attacks, (3) air carrier economics and air fares, (4) the availability and price of aviation fuel, (5) air carrier service and route networks, (6) the capacity of the air traffic control system, and (7) the capacity of the Airport/airways system.

The level of aviation activity at the Airport can have a material impact on the amount of PFC

CITY OF SAINT LOUIS, MISSOURI

Notes to General Purpose Financial Statements, Continued

June 30, 2001

(Dollars in Thousands)

revenues and the amount of operating revenues of the Airport. Should the Airport incur a substantial loss of revenue and any Airport contingency plan to replace such revenue prove unsuccessful, the City's ability to make payments of principal, premium, if any, and interest on the outstanding bonds could be adversely affected. However, payment of the principal and interest on outstanding bonds is insured by a bonds insurance policy.

Use Agreement with TWA

In 1993, the City purchased from TWA all of TWA's leasehold interests relating to the use of certain gates, terminal support facilities, air cargo facilities and improvements at the Airport, together with related personal property, leasehold interest in a hangar and office building and a flight training facility (Purchased Assets). TWA had a month-to-month lease covering the Purchased Assets with automatic renewals through December 31, 2005. In conjunction with the sale of TWA's assets to AMR Sub, American assumed and assigned to AMR Sub TWA's obligations under the lease agreement.

Under the lease agreement, if during any month AMR Sub has an average of less than 190 regularly scheduled departures, the City has a right to reclaim and redesignate the use of the gates and terminal support facilities and equipment to other airlines so that AMR Sub would retain only the number of gates which represents an average of 3.33 daily flight departures per gate. Also, under the lease agreement, if AMR Sub fails to make a payment of any rents, fees or charges, the City may terminate all of AMR Sub's airport agreements and retain ownership of all assets acquired under the purchase transaction.

Lease revenue under the agreement was \$7,829 for the year ended June 30, 2001. Accounts receivable at June 30, 2001 contained \$9,109 relating to amounts owed to the Airport by AMR Sub.

d. Airport Expansion

On September 30, 1998, the Airport received a favorable Record of Decision from the Federal Aviation Administration (FAA) for the W-1W expansion of the Airport, marking the beginning of a new economic era for aviation in St. Louis. The proposed \$2.6 billion program will provide the building blocks for a highly competitive "world class" aviation system for the 21st century, including:

- One additional 9,000 foot parallel runway to add capacity in all weather conditions;
- The modernization and renovation of existing terminal facilities;
- The addition of up to 25 new passenger gates;
- Additional terminal facilities, doubling the Airport's existing space;
- Renovation of Lambert's existing runway and taxiway system; and the
- Addition of more than 6,000 parking spaces.

The construction for this program will be funded with Airport Development Funds, Passenger Facilities Charges, FAA Improvement Program grants, and Airport Revenue Bonds. During fiscal year 2001, the Series 2000 Letter of Intent Double Barrel Revenue Bonds and the Series 2001A Airport Revenue Bonds were issued as part of the overall funding plan for this program.

Lawsuits previously filed by the Cities of St. Charles and Bridgeton, Missouri, challenging the project have been adjudicated and fully reviewed by the appellate courts. In both cases, final judgments were rendered in favor of the City and the Airport.

Land acquisition activities are underway with approximately 2,100 parcels to be acquired. As of October 5, 2001, 974 parcels have been accepted; 879 real estate transactions have been closed; of these, 839 properties have been vacated by the seller and are in the possession of the Airport; of these, 630 homes have been demolished with others to follow in the coming months.

e. Asbestos Removal

The Water Division has identified certain of its structures as having asbestos in place. As part of its continuing process of upgrading facilities, the costs for removal of the asbestos material and restoration or replacement of the affected areas are being included in budgets for capital projects. No mandatory time requirement is in effect. The removal plan would be accelerated by changes in plans for remodeling, if any.

f. Component Units – SLPD and SLDC

SLPD and SLDC receive financial assistance from several federal, state and local government agencies in the form of grants and contracts. The disbursements of funds received under these programs generally requires compliance with terms and conditions specified in the contract and grant agreements and is subject to audit by the granting agencies. Any disallowed claims resulting from such audits could become an SLPD or SLDC liability. However, in the opinion of their respective management, any such disallowed claims will not have a material effect on the financial statements of SLPD or SLDC at June 30, 2001. SLDC has entered into various cooperative agreements with the Community Development Agency of the City as a subrecipient/administrator of the Community Development Block Grant programs.

21. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is self-insured with respect to its obligation to provide worker's compensation, general liability, and unemployment benefits to its employees. The City has sovereign tort immunity from liability and suit for compensatory damages for negligent acts or omissions, except in the case of injuries arising out of the operation of City motor vehicles or caused by the condition of City property. The maximum claim settlement established by state statute for such claims is \$300 per person and \$2,000 per occurrence. Various claims and legal actions involving the City are presently pending. Additionally, a number of legal suits against SLPD are presently pending for alleged wrongful personal injuries, civil rights violations and negligence in the line of duty. The City's policy is to record these claims in its general purpose financial statements when it is probable that a liability has been incurred and the amount can be reasonably estimated. In the opinion of the City Counselor, the ultimate outcome of these matters will not have a material effect on the general purpose financial statements of the City.

The estimated liability for payment of incurred (both reported and unreported) but unpaid claims and claim adjustment expenditures of \$10,185 at June 30, 2001, relating to these matters is recorded in the self insurance internal service fund - PFPC for worker's compensation and general liability. The City obtains periodic funding valuations from a claims-servicing company managing the appropriate level of estimated claims liability. Enterprise funds reimburse PFPC on a cost-reimbursement basis. The City maintains surety bonds on various employees that handle cash. In addition, the City purchases commercial insurance for other risks, including property damage and liability coverage applicable to the Airport and Cervantes Convention Center. There were no significant changes in coverage for the year ended June 30, 2001, and for the years ended June 30, 2001, 2000, and 1999, settlements did not exceed coverage.

Changes in the self-insurance claims liability for the years ended June 30, 2001 and 2000 are as follows:

	Beginning Balance	Current Year Claims and Changes in Estimates	Claim Payments	Ending Balance
2001	\$ 9,267	8,880	(7,962)	10,185
2000	11,297	5,649	(7,679)	9,267

22. GRANT LOAN PROGRAMS

Primary Government

The City's general and special revenue fund types include the activities of the CDA which, among other activities, makes loans to developers under the Housing Implementation Program. This program, which is administered for the City by certain financial institutions, provides funds to rehabilitate housing units for low and moderate income families. These loans typically are noninterest bearing, due in 25 years, and secured by a second deed of trust. CDA also made loans under the Urban Development Action Grant (UDAG) program to assist organizations with development projects within the City. These loans typically have a lower than market interest rate and payback periods ranging from 10 - 40 years after completion of the projects.

Any funds received from the repayments of these loans are to be spent by the City in accordance with Community Development Block Grant program regulations. Since repayment of the loans is dependent on the success of projects that involve considerable risk, collectibility is not assured and, accordingly, the City reflects these loans as an expenditure of the special revenue fund in the year the loans are made. Any loan repayments are reflected as intergovernmental revenue (or deferred revenue if monies have not been spent) in the year of receipt.

23. PENDING LITIGATION

Component Unit – SLDC

In the normal course of its operations, certain lawsuits and legal action are pending against SLDC. In the opinion of SLDC officials and legal counsel, these items are not expected to have a material effect, individually or in the aggregate, upon the financial position or the results of operations of SLDC.

In addition, certain properties held for development may be subject to future environmental remediation costs. In the opinion of SLDC officials, these costs would not have a material adverse effect upon the financial position or the results of operations of SLDC.

24. INDIVIDUAL FUND DEFICITS

At June 30, 2001, the internal service – PFPC retained earnings deficit of \$6,963 is the result of actual claims incurred exceeding projected claims. The accumulated deficit will be offset by charges for services to other funds in future years.

At June 30, 2001, the special revenue – government grants fund deficit of \$62 is due to the timing of the receipt of certain intergovernmental revenues. The accumulated deficit will be offset by intergovernmental revenues to be received in future years.

25. TAX AND REVENUE ANTICIPATION NOTES

During 2001, the City issued and redeemed \$42,000 in Tax and Revenue Anticipation Notes (Notes). The Notes bore interest at the rate of 5.25% per year and matured June 28, 2001. Interest on the Notes of \$2,174 was paid from the general fund.

26. COMPONENT UNIT – SLDC CONDUIT DEBT

SLDC facilitates the issuance of tax exempt bonds for various private enterprises and government agencies. The bonds are sold to various banks and the proceeds are typically used to purchase real estate or fund capital improvements for the respective organization. These organizations enter into lease agreements with SLDC that are, in substance, sales of the related properties or improvements. SLDC assigns these leases to various trusts which collect the lease payments to satisfy the debt service requirements. After SLDC assigns the leases to the trusts, the properties are no longer under their control and they have no liability for the bonds. Therefore transactions related to the leases and the bond liability are not presented in SLDC's financial statements.

27. SUBSEQUENT EVENTS

Tax and Revenue Anticipation Notes

In July 2001, the City issued \$43,000 in Tax and Revenue Anticipation Notes (2001 Notes) payable from the general fund. The 2001 Notes mature on June 27, 2002 and bear interest at a rate of 3.25% per year.

City Justice Center Leasehold Revenue Refunding Bonds

In September 2001, SLMFC issued City Justice Center Leasehold Revenue Refunding Bonds, Series 2001A in the amount of \$62,205. The proceeds of the Series 2001A Bonds will be used to refund a portion of the SLMFC Leasehold Revenue Improvement Bonds, Series 1996A and to pay certain costs of issuance of the Series 2001A Bonds. The proceeds of the Series 1996A Bonds were used for the acquisition, and construction and equipping of a City Justice Center. The Series 2001A Bonds are due in annual installments from 2006 through 2019 at interest rates varying from 3.4% to 5.375%.

Section 108 Loan Guarantee Assistance Programs

During 2000, the City entered into contracts with the U.S. Department of Housing and Urban Development for Section 108 loan guarantee assistance for the maximum amount of \$20,000 for the Darst-Webbe Housing Redevelopment project and \$10,000 for neighborhood projects. Subsequent to June 30, 2001, the City issued notes and received \$13,840 and \$10,000 for the Darst-Webbe Housing Redevelopment project and neighborhood projects, respectively.

Amendment to Master Note Purchase Agreement

On November 15, 2001, the St. Louis Municipal Finance Corporation (SLMFC), the City, and the Federal National Mortgage Association (Fannie Mae) amended their existing Master Note Purchase Agreement, which provides low interest second mortgages for use as down payment and/or to pay other purchase costs to those who buy a single family residence in the City. Under the amendment, Fannie Mae purchased a Series 2001 Note in the amount of \$460 from SLMFC. The amendment required the City to provide an additional deposit of \$130 into a newly established note reserve account, and required SLMFC to pledge all payments of principal and interest from the homeowners as payment for the Series 2001 Note. The Series 2001 Note bears interest at the rate of 5.21% per annum and will mature on December 1, 2012, subject to prepayment based upon the payment of the second loans to homeowners.

Loan Agreement with Missouri Department of Natural Resources

In July 2001, the City agreed to enter into a loan agreement with the Missouri Department of Natural Resources (DNR) pursuant to the Missouri Energy Efficiency Leveraged Loan Program in the amount of \$2,000 at an annual interest rate of 4.35%. The proceeds of the loan are to be used to complete Energy Conservation Measures designated as approved by the DNR.

28. NEW ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 34, *Basic Financial Statements – and Management Discussion and Analysis – For State and Local Governments*, issued June 1999, as amended by GASB Statement No. 37, will impose new standards for financial reporting. GASB Statement No. 38, *Certain Financial Statement Note Disclosures* modifies existing, and imposes new, disclosure requirements. These statements will be effective for the City and its component units for the fiscal year ending June 30, 2002. Management of the City has not yet completed its assessment of the statements, however, they will have a material effect on the overall financial presentation of the City. It is also anticipated that the statements will have a material effect on the overall financial statement presentation of certain component units.

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.

Military Person 'L'



Artist **Vic Mastis**
Sponsor **Anheuser-Busch Companies**

Governmental Fund Types General Fund

GENERAL FUND

The general fund is the general operating fund of the City and accounts for all financial transactions not required to be accounted for in another fund. It is used to account for a wide range of municipal services such as: fire and other public safety; parks and recreation; forestry; health and other social service; street maintenance; refuse collection; public services; convention and tourism and general administrative services. It derives from a variety of sources such as: earnings, franchise, property and sales taxes; licenses and permits; and charges for services.

Schedule 1

CITY OF SAINT LOUIS, MISSOURI
Schedule of Revenues and Expenditures -
Budget and Actual - Budget Basis - General Fund
For the year ended June 30, 2001
(Dollars in thousands)

	Revised Budget	Actual	Variance - favorable (unfavorable)
Revenues:			
Taxes:			
Gross receipts	\$ 10,501	11,305	804
Earnings	122,100	122,594	494
Franchise	52,574	57,189	4,615
Sales	49,500	49,807	307
Property	39,214	39,830	616
Payroll	32,000	34,719	2,719
Motor fuel	10,100	10,220	120
Motor vehicle	4,100	4,135	35
Other	830	951	121
Total taxes	320,919	330,750	9,831
Licenses and permits:			
Cigarette	1,892	1,950	58
Graduated business	7,310	7,105	(205)
Building	2,905	2,817	(88)
Automobile	1,425	1,415	(10)
Communication transmission	1,000	1,025	25
Liquor	388	355	(33)
Other	374	443	69
Total licenses and permits	15,294	15,110	(184)
Intergovernmental:			
Juvenile detention center	2,401	2,718	317
Emergency medical services	2,200	2,270	70
Other	611	523	(88)
Total intergovernmental	5,212	5,511	299
Charges for services, net:			
Parks and recreation	345	381	36
Streets	2,540	2,413	(127)
Public Safety	2,798	3,509	711
Health	1,112	1,116	4
Multigraph	10	2	(8)
Public Service	57	80	23

(Continued)

CITY OF SAINT LOUIS, MISSOURI
 Schedule of Revenues and Expenditures -
 Budget and Actual - Budget Basis - General Fund
 For the year ended June 30, 2001
 (Dollars in thousands)

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance - favorable (unfavorable)</u>
Revenues, continued:			
Charges for services, net, continued:			
Fee offices:			
Recorder of Deeds	\$ 2,233	2,505	272
Sheriff	1,098	1,047	(51)
Circuit Court	310	403	93
Probate Court	63	37	(26)
Medical Examiner	4	8	4
Services provided to other funds	4,583	4,433	(150)
Total charges for services, net	<u>15,153</u>	<u>15,934</u>	<u>781</u>
Court fines and forfeitures	5,301	4,293	(1,008)
Investment income	3,221	2,668	(553)
Miscellaneous	3,475	3,004	(471)
Total revenues	<u>368,575</u>	<u>377,270</u>	<u>8,695</u>
Expenditures (Schedule 2)	<u>266,229</u>	<u>259,177</u>	<u>7,052</u>
Excess of revenues over expenditures	<u>102,346</u>	<u>118,093</u>	<u>15,747</u>
Other financing sources (uses):			
Operating transfers in	19,475	19,201	(274)
Operating transfers to component units	(118,174)	(116,994)	1,180
Operating transfers out	(11,320)	(11,332)	(12)
Total other financing sources (uses), net	<u>(110,019)</u>	<u>(109,125)</u>	<u>894</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ (7,673)</u>	<u>8,968</u>	<u>16,641</u>

See accompanying independent auditors' report.

Schedule 2

CITY OF SAINT LOUIS, MISSOURI
 Schedule of Expenditures - Budget and Actual
 Budget Basis - General Fund
 For the year ended June 30, 2001
 (Dollars in thousands)

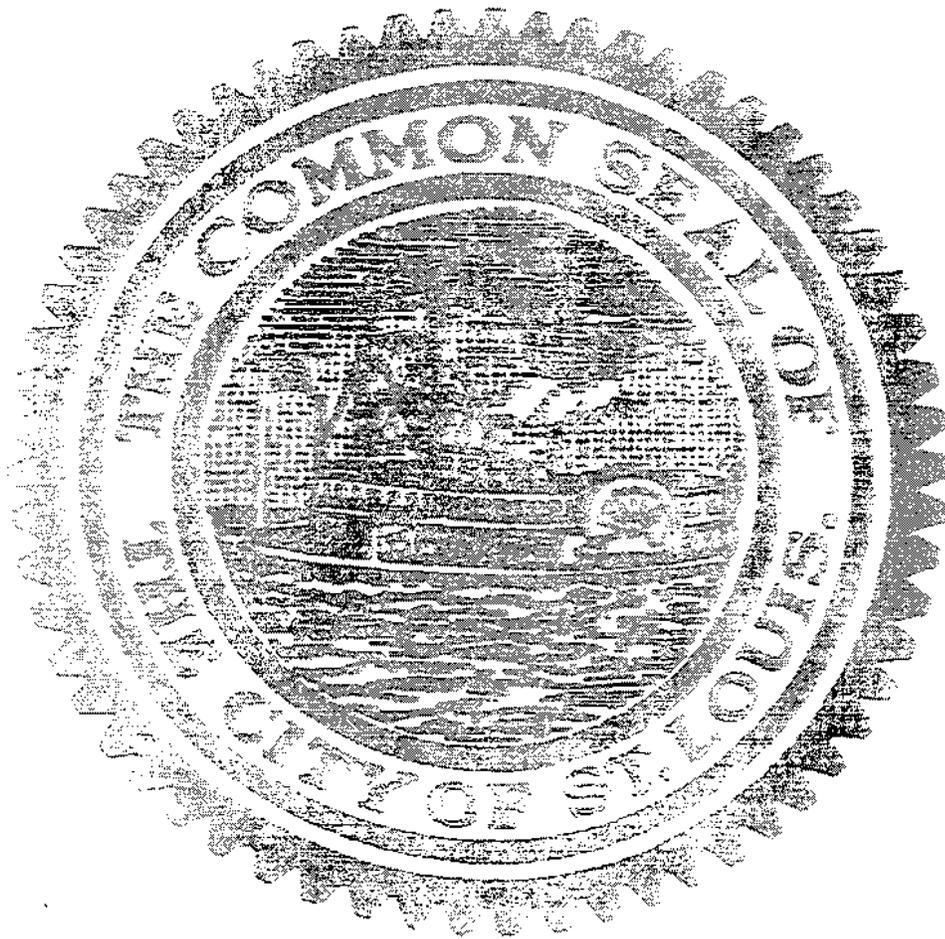
	Revised Budget	Actual			Variance - favorable (unfavorable)
		Personal Services	Other Expenditures	Total Expenditures	
General government:					
Board of Aldermen	\$ 2,018	1,808	183	1,991	27
Mayor's Office	2,118	1,798	134	1,932	186
St. Louis Agency on Training and Employment	183	122	28	150	33
Department of Personnel	3,062	2,461	370	2,831	231
Registrar	116	104	8	112	4
Civil Rights Enforcement Agency	455	283	75	358	97
Division of the Budget	4,750	2,689	1,860	4,549	201
City Counselor	7,697	3,006	4,817	7,823	(126)
Comptroller	7,061	3,442	3,225	6,667	394
Municipal Garage	226	207	16	223	3
Microfilm Section	306	200	47	247	59
Supply Commissioner	547	503	24	527	20
Multigraph Section	1,293	464	803	1,267	26
City-Wide Accounts	6,049	5,244	1,499	6,743	(694)
Tax Equalization Board	17	10	-	10	7
Recorder of Deeds	1,597	1,503	150	1,653	(56)
Election and Registration	2,591	1,753	593	2,346	245
Treasurer	634	596	29	625	9
Prior Year Encumbrances	1,587	-	690	690	897
Total general government	42,307	26,193	14,551	40,744	1,563
Convention and tourism:					
Soldier's Memorial Building	161	142	12	154	7
Cervantes Convention Center	2,000	-	2,000	2,000	-
Total convention and tourism	2,161	142	2,012	2,154	7
Parks and recreation:					
Director of Parks, Recreation and Forestry	331	282	41	323	8
Division of Recreation	2,474	2,004	110	2,114	360
Division of Forestry	5,543	5,659	189	5,848	(305)
Division of Parks	8,243	7,220	687	7,907	336
Tower Grove Park	674	-	674	674	-
Prior Year Encumbrances	131	-	125	125	6
Total parks and recreation	17,396	15,165	1,826	16,991	405
Judicial:					
Circuit Court (Circuit Judges)	1,285	108	913	1,021	264
Circuit Court (General)	5,484	2,724	1,984	4,708	776
Circuit Attorney	4,742	4,205	352	4,557	185
Board of Jury Supervisors	1,386	360	985	1,345	41
Probate Court	106	-	83	83	23
Sheriff	6,495	6,114	253	6,367	128
City Courts	2,666	1,425	1,022	2,447	219
City Marshal	1,159	1,129	16	1,145	14
Probation Department and Juvenile					
Detention Center	12,321	10,399	1,852	12,251	70
Circuit Drug Court	396	-	315	315	81
Prior Year Encumbrances	2,233	-	1,647	1,647	586
Total judicial	38,273	26,464	9,422	35,886	2,387

(Continued)

CITY OF SAINT LOUIS, MISSOURI
 Schedule of Expenditures - Budget and Actual
 Budget Basis - General Fund
 For the year ended June 30, 2001
 (Dollars in thousands)

	Revised Budget	Actual			Variance - favorable (unfavorable)
		Personal Services	Other Expenditures	Total Expenditures	
Streets:					
Director of Streets	\$ 770	782	10	792	(22)
Transportation and Traffic Division	7,303	3,825	3,374	7,199	104
Auto Towing and Storage	1,443	1,102	312	1,414	29
Street Division	6,100	5,173	878	6,051	49
Refuse Division	14,340	6,169	7,809	13,978	362
Prior Year Encumbrances	402	-	327	327	75
Total streets	30,358	17,051	12,710	29,761	597
Public safety - fire:					
Fire Department Operations	42,805	41,055	1,569	42,624	181
Firemen's Retirement System	2,926	2,925	-	2,925	1
Prior Year Encumbrances	32	-	16	16	16
Total public safety - fire	45,763	43,980	1,585	45,565	198
Public safety - other:					
Emergency Management	300	281	20	301	(1)
Director of Public Safety	566	509	58	567	(1)
Excise Commissioner	278	255	15	270	8
Police Retirement System	245	227	-	227	18
Building Commissioner	8,552	8,036	326	8,362	190
Neighborhood Stabilization	2,195	1,876	222	2,098	97
Division of Adult Services - Medium Security Institution	18,994	12,960	6,327	19,287	(293)
Prior Year Encumbrances	173	-	121	121	52
Total public safety - other	31,303	24,144	7,089	31,233	70
Health and welfare:					
Medical Examiner	1,369	486	604	1,090	279
Division of Air Pollution	314	294	10	304	10
Director, Health and Hospitals	473	429	43	472	1
Health Commissioner	809	668	179	847	(38)
Communicable Disease Control	1,552	1,235	159	1,394	158
School Health Program	956	867	17	884	72
Laboratory Section	525	455	69	524	1
Rabies Control	641	564	69	633	8
Community Sanitation and Vector Control	1,655	1,451	74	1,525	130
Lead Poison Control Section	278	260	4	264	14
Biostatistics - Vital Records	431	341	67	408	23
Immunization	424	359	59	418	6
Food Control Section	542	496	16	512	30
Health Promotion and Education	493	379	38	417	76
Director of Human Services	2,208	1,073	1,050	2,123	85
Prior Year Encumbrances	698	-	533	533	165
Total health and welfare	13,368	9,357	2,991	12,348	1,020
Public services:					
Soulard Market	264	137	120	257	7
President's Office, Board of Public Services	3,951	3,166	362	3,528	423
Building Operations	8,796	3,055	5,873	8,928	(132)
Equipment Services Division	9,360	4,075	5,412	9,487	(127)
Prior Year Encumbrances	1,179	-	565	565	614
Total public services	23,550	10,433	12,332	22,765	785
Debt service:					
Principal	7,810	-	7,810	7,810	-
Interest and fiscal charges	13,940	-	13,920	13,920	20
Total debt service	21,750	-	21,730	21,730	20
Total expenditures	\$ 266,229	172,929	86,248	259,177	7,052

See accompanying independent auditors' report



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

Piano Man



Artist Rich Brooks & Corky Schultz
Sponsor Monsanto Company

Governmental Fund Types Special Revenue Funds

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of special revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes. The special revenue funds maintained by the City are as follows:

Transportation – Used to record sales tax revenue and expenditures for transportation purposes.

Government Grants – Used to account for financial assistance received from federal and state agencies and their contractual arrangements. These funds are used to record expenditures of monies received from the granting agencies in accordance with the specific terms of the contracts and grant agreements.

Convention and Tourism – Used to record revenue received from the one-cent restaurant tax, three and one-half percent hotel tax, and football admission gross receipts and expenditures made to promote convention and tourism activities.

Licensed Gaming – Used to record revenue received from adjusted gross receipts and admissions taxes imposed on riverboat gaming excursion boats.

Assessor – Used to account for financial assistance received from the State of Missouri, commissions received from the collection of property taxes and expenditures made to operate the Assessor's office.

Lateral Sewer Lines – Used to account for revenue received from charges on specific residential support within the boundaries of the City of St. Louis and expenditures made to repair lateral sewer service lines leading from the residential properties to any sewer main that is maintained by the Metropolitan St. Louis Sewer District.

Collector of Revenue – Used to account for operating receipts and disbursement of the Collector of Revenue's office.

Tax Increment Financing – Used to account for the revenues, expenditures and other activities relating to the tax increment financing bonds.

License Collector – Used to account for the operating receipts and disbursements of the License Collector's office.

Other Special Revenue – Used to account for the activities of other less significant special revenue sources. These funds include both budgeted and unbudgeted activities as follows:

Budgeted

Child Support Unit
Victim Assistance
Communications Division
Health Care Trust
Miscellaneous Special

Unbudgeted

Election and Registration
Victim Assistance
Demolition and Board-Up
Miscellaneous Special
Special Tax Districts

CITY OF SAINT LOUIS, MISSOURI
 Combining Balance Sheet -
 Special Revenue Funds
 June 30, 2001
 (Dollars in thousands)

<u>Assets</u>	<u>Transportation</u>	<u>Government Grants</u>	<u>Convention and Tourism</u>	<u>Licensed Gaming</u>	<u>Assessor</u>	<u>Lateral Sewer Lines</u>	<u>Collector of Revenue</u>	<u>Tax Increment Financing</u>	<u>License Collector</u>	<u>Other Special Revenue</u>	<u>Total</u>
Cash and cash equivalents:											
Restricted								1,457		2,216	3,673
Unrestricted			187	273		364	102	81	1,694	981	3,682
Investments - unrestricted		3,356	741	1,081		3,728		321		16,596	25,823
Receivable, net of allowances:											
Taxes	3,351		995	506		2,583		464		1,621	9,520
Intergovernmental		11,155			432					176	11,763
Charges for services										33	33
Notes and loans										347	347
Due from other funds		434	4			35		422		129	1,024
Total assets	\$ 3,351	14,945	1,927	1,860	432	6,710	102	2,745	1,694	22,099	55,865
<u>Liabilities and Fund Balances</u>											
Liabilities:											
Accounts payable and accrued liabilities		8,167				32				358	8,557
Accrued salaries and other benefits		153			109						262
Due to component units										5,014	5,014
Due to other funds	90	4,887			267						5,244
Deferred revenue		1,800				2,583		464		841	5,688
Other liabilities							102				102
Total liabilities	90	15,007			376	2,615	102	464		6,213	24,867
Fund balances:											
Reserved for:											
Encumbrances				17	15	213				1,080	1,325
Debt service								1,440			1,440
Unreserved - undesignated	3,261	(62)	1,927	1,843	41	3,882		841	1,694	14,806	28,233
Total fund balances	3,261	(62)	1,927	1,860	56	4,095		2,281	1,694	15,886	30,998
Total liabilities and fund balances	\$ 3,351	14,945	1,927	1,860	432	6,710	102	2,745	1,694	22,099	55,865

See accompanying independent auditors' report.

CITY OF SAINT LOUIS, MISSOURI
 Combining Statement of Revenues, Expenditures, and
 Changes in Fund Balances - Special Revenue Funds
 For the year ended June 30, 2001
 (Dollars in thousands)

	Transportation	Government Grants and Tourism	Licensed Gaming	Assessor	Lateral Sewer Lines	Collector of Revenue	Tax Increment Financing	License Collector	Other Special Revenue	Total
Revenues:										
Taxes	\$ 27,151	-	5,146	1,178	-	-	3,790	-	9,597	54,842
Licenses and permits	-	-	-	-	-	-	-	-	2,335	2,335
Intergovernmental	-	73,215	-	534	-	-	-	-	4,071	77,820
Charges for services, net	-	-	-	-	2,717	4,205	-	943	2,446	10,311
Court fines and forfeitures	-	-	-	-	-	-	-	-	203	203
Investment income	81	-	19	11	114	1,108	67	-	687	2,103
Miscellaneous	-	-	-	-	-	264	13	-	2,019	2,296
Total revenues	<u>27,232</u>	<u>73,215</u>	<u>5,165</u>	<u>1,723</u>	<u>2,831</u>	<u>5,577</u>	<u>3,870</u>	<u>943</u>	<u>21,358</u>	<u>149,910</u>
Expenditures:										
Current:										
General government	-	3,320	-	3,528	-	5,577	47	2,084	4,322	18,878
Convention and tourism	-	163	-	-	-	-	-	-	-	163
Parks and recreation	-	-	-	-	-	-	-	-	404	404
Judicial	-	5,784	-	-	-	-	-	-	1,376	7,160
Streets	-	-	-	-	-	-	-	-	18	59
Public safety:										
Fire	-	-	-	-	-	-	-	-	-	22
Police	-	-	-	-	-	-	-	-	251	657
Other	-	-	-	-	-	-	-	-	2,072	2,072
Health and welfare	-	13,783	-	-	-	-	-	-	7,961	21,744
Public services	27,670	7,909	-	-	3,172	-	-	-	1,807	40,558
Community development	-	97,333	-	-	-	-	1,110	-	-	97,333
Capital outlay	-	-	-	-	-	-	-	-	-	1,110
Debt service:										
Principal	-	25	-	-	-	-	662	-	52	3,624
Interest and fiscal charges	-	61	-	-	-	-	1,224	-	118	1,464
Total expenditures	<u>27,670</u>	<u>128,215</u>	<u>469</u>	<u>3,528</u>	<u>3,172</u>	<u>5,577</u>	<u>3,043</u>	<u>2,084</u>	<u>18,381</u>	<u>195,248</u>
Excess (deficiency) of revenues over expenditures	<u>(438)</u>	<u>(55,000)</u>	<u>4,696</u>	<u>(1,805)</u>	<u>(341)</u>	<u>-</u>	<u>827</u>	<u>(1,141)</u>	<u>2,977</u>	<u>(45,338)</u>
Other financing sources (uses):										
Proceeds from Section 108 loan guarantee assistance program	-	55,000	-	-	-	-	-	-	-	55,000
Operating transfers in	178	-	-	1,550	-	-	150	-	6,464	9,443
Operating transfers to component units	-	-	-	-	-	-	-	-	-	(600)
Operating transfers out	(85)	(141)	(600)	-	-	-	(1,362)	-	(12,237)	(26,525)
Total other financing sources (uses), net	<u>93</u>	<u>54,859</u>	<u>(4,850)</u>	<u>1,550</u>	<u>-</u>	<u>-</u>	<u>(1,212)</u>	<u>-</u>	<u>(5,773)</u>	<u>37,318</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(345)</u>	<u>(141)</u>	<u>(154)</u>	<u>(255)</u>	<u>(341)</u>	<u>-</u>	<u>(385)</u>	<u>(1,141)</u>	<u>(2,796)</u>	<u>(8,020)</u>
Fund balances:										
Beginning of year	3,606	79	2,014	311	4,436	-	2,666	2,835	18,682	39,018
End of year	<u>3,261</u>	<u>(62)</u>	<u>1,860</u>	<u>56</u>	<u>4,095</u>	<u>-</u>	<u>2,281</u>	<u>1,694</u>	<u>15,886</u>	<u>30,998</u>

See accompanying independent auditors' report.

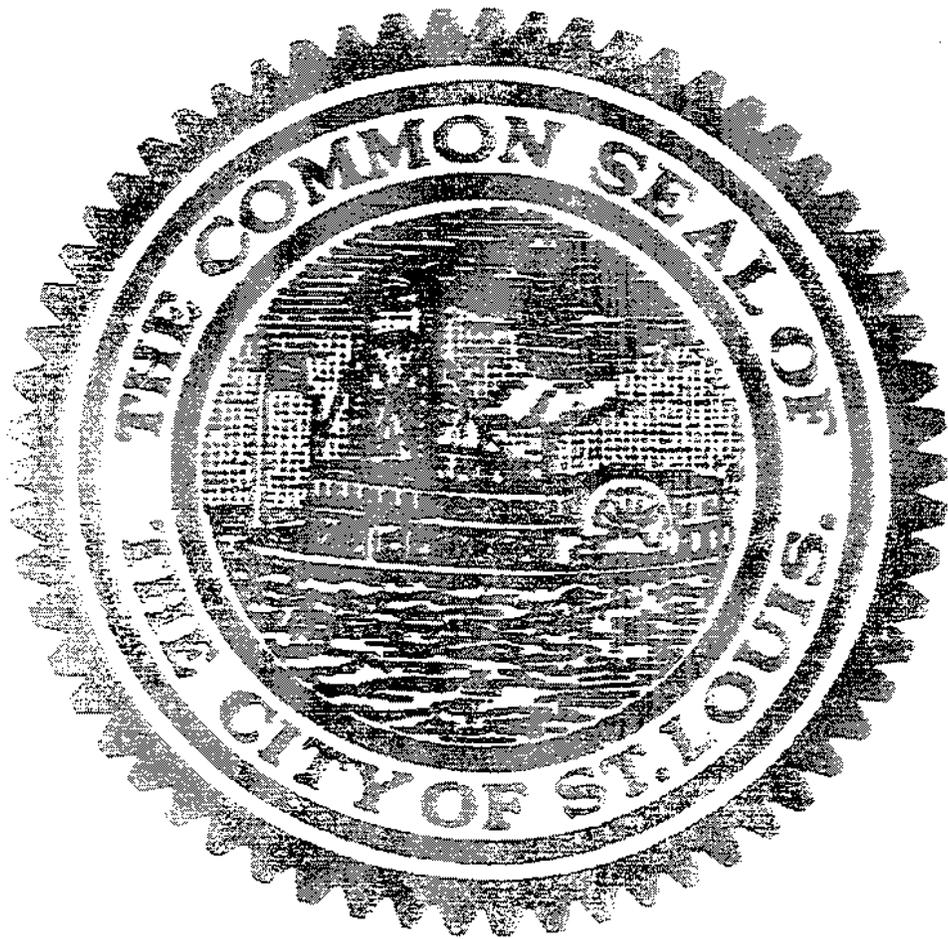
Schedule 6

CITY OF SAINT LOUIS, MISSOURI
 Combining Schedule of Revenues and Expenditures -
 Budget and Actual - Budget Basis - Other Special Revenue Funds
 For the year ended June 30, 2001
 (Dollars in thousands)

	Child Support Unit			Victim Assistance		
	Revised Budget	Actual	Variance - favorable (unfavorable)	Revised Budget	Actual	Variance - favorable (unfavorable)
Revenues:						
Taxes	\$ -	-	-	-	-	-
Licenses and permits	-	-	-	55	48	(7)
Intergovernmental	1,350	2,188	838	-	-	-
Charges for service, net	-	-	-	-	-	-
Court fines and forfeitures	-	-	-	115	120	5
Investment income	-	-	-	14	13	(1)
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>1,350</u>	<u>2,188</u>	<u>838</u>	<u>184</u>	<u>181</u>	<u>(3)</u>
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Judicial	1,122	1,041	81	-	-	-
Public safety -						
Police	-	-	-	-	-	-
Health and welfare	-	-	-	450	287	163
Public services	-	-	-	-	-	-
Total expenditures	<u>1,122</u>	<u>1,041</u>	<u>81</u>	<u>450</u>	<u>287</u>	<u>163</u>
Excess (deficiency) of revenues over expenditures	<u>228</u>	<u>1,147</u>	<u>919</u>	<u>(266)</u>	<u>(106)</u>	<u>160</u>
Other financing sources (uses):						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	(500)	(1,100)	(600)	(62)	(62)	-
Total other financing sources (uses), net	<u>(500)</u>	<u>(1,100)</u>	<u>(600)</u>	<u>(62)</u>	<u>(62)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ (272)</u>	<u>47</u>	<u>319</u>	<u>(328)</u>	<u>(168)</u>	<u>160</u>

See accompanying independent auditors' report.

Communications Division			Health Care Trust			Miscellaneous Special			Totals		
Revised Budget	Actual	Variance - favorable (unfavorable)	Revised Budget	Actual	Variance - favorable (unfavorable)	Revised Budget	Actual	Variance - favorable (unfavorable)	Revised Budget	Actual	Variance - favorable (unfavorable)
1,400	1,527	127	-	-	-	4,225	5,221	996	5,625	6,748	1,123
-	-	-	-	-	-	-	-	-	55	48	(7)
-	-	-	-	-	-	-	-	-	1,350	2,188	838
-	-	-	-	-	-	424	758	334	424	758	334
-	-	-	-	-	-	103	110	7	218	230	12
-	-	-	-	-	-	151	389	238	165	402	237
-	-	-	-	-	-	74	56	(18)	74	56	(18)
<u>1,400</u>	<u>1,527</u>	<u>127</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,977</u>	<u>6,534</u>	<u>1,557</u>	<u>7,911</u>	<u>10,430</u>	<u>2,519</u>
-	-	-	-	-	-	5	4	1	5	4	1
-	-	-	-	-	-	1,912	393	1,519	1,912	393	1,519
-	-	-	-	-	-	130	165	(35)	1,252	1,206	46
-	-	-	-	-	-	167	110	57	167	110	57
-	-	-	5,000	5,000	-	1,125	1,059	66	6,575	6,346	229
<u>2,062</u>	<u>1,845</u>	<u>217</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,062</u>	<u>1,845</u>	<u>217</u>
<u>2,062</u>	<u>1,845</u>	<u>217</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>3,339</u>	<u>1,731</u>	<u>1,608</u>	<u>11,973</u>	<u>9,904</u>	<u>2,069</u>
<u>(662)</u>	<u>(318)</u>	<u>344</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>1,638</u>	<u>4,803</u>	<u>3,165</u>	<u>(4,062)</u>	<u>526</u>	<u>4,588</u>
-	-	-	5,000	5,139	139	1,125	1,125	-	6,125	6,264	139
-	-	-	-	-	-	(4,800)	(4,824)	(24)	(5,362)	(5,986)	(624)
-	-	-	<u>5,000</u>	<u>5,139</u>	<u>139</u>	<u>(3,675)</u>	<u>(3,699)</u>	<u>(24)</u>	<u>763</u>	<u>278</u>	<u>(485)</u>
<u>(662)</u>	<u>(318)</u>	<u>344</u>	<u>-</u>	<u>139</u>	<u>139</u>	<u>(2,037)</u>	<u>1,104</u>	<u>3,141</u>	<u>(3,299)</u>	<u>804</u>	<u>4,103</u>



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

He's A Real Puzzler



Artist **Susan C. Koen**
Sponsor **Anheuser-Busch Companies**

Governmental Fund Types Capital Projects Funds

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds. The capital projects funds maintained by the City are as follows:

Capital Projects – Used to account for appropriated proceeds of bonded debt issued and other monies appropriated by City ordinance to be used for the acquisition or construction of major capital projects.

Capital Improvements – Used to account for monies received from the sale of City assets and other financial resources to be used for the acquisition or construction of major capital projects.

Forest Park Redevelopment – Used to account for monies received from the proceeds of capital lease obligations to be used for the construction, renovation, replacement, equipping and installation of site furnishings and improvements to Forest Park.

City Jail, Civil Courts, and Justice Center – Used to account for monies received from the proceeds of capital lease obligations to be used for construction of a new city jail, improvements in the existing city courts building and acquisition of certain equipment. Also, used to account for monies received from the proceeds of capital lease obligations to be used for the acquisition of real and personal property, equipping, construction, and installation of furnishings and equipment for the City Justice Center.

Capital Improvements Sales Tax Trust Fund – Used to account for all revenue received by the City from a 1/2 cent sales tax for the purpose of funding capital improvements, including the operation and maintenance of capital improvements.

Civil Courts – Used to account for monies received from the proceeds of capital lease obligations to be used for improvements, renovations, rehabilitation, remodeling and equipping of the Civil Courts Building. This fund was closed in fiscal year 2001.

CITY OF SAINT LOUIS, MISSOURI
 Combining Balance Sheet -
 Capital Projects Funds
 June 30, 2001
 (Dollars in thousands)

Assets	Capital Projects	Capital Improvements	Forest Park Redevelopment	City Jail, Civil Courts, and Justice Center		Capital Improvements Sales Tax Trust Fund	Civil Courts	Total
				Justice Center	Improvements			
Cash and cash equivalents:								
Restricted	\$ -	-	-	27,864	-	-	-	27,864
Unrestricted	1,890	3,129	6,558	-	-	6,640	-	18,217
Investments:								
Restricted	-	-	-	21,975	-	-	-	21,975
Unrestricted	52,456	12,407	-	-	-	26,333	-	91,196
Receivable, net of allowances:								
Taxes	-	-	-	-	-	2,242	-	2,242
Intergovernmental	325	-	-	-	-	-	-	325
Due from other funds	4,887	-	-	-	-	-	-	4,887
Total assets	\$ 59,558	15,536	6,558	49,839	-	35,215	-	166,706
<u>Liabilities and Fund Balances</u>								
Accounts payable and accrued liabilities	2,706	198	158	2,691	-	1,099	-	6,852
Due to other funds	-	-	-	-	-	90	-	90
Fund balances:	2,706	198	158	2,691	-	1,189	-	6,942
Reserved:								
Encumbrances	26,083	438	559	26,134	-	2,859	-	56,073
Debt service	-	-	1,452	-	-	-	-	1,452
Capital projects	-	-	4,389	21,014	-	-	-	25,403
Unreserved - undesignated	30,769	14,900	-	-	-	31,167	-	76,836
Total fund balances	56,852	15,338	6,400	47,148	-	34,026	-	159,764
Total liabilities and fund balances	\$ 59,558	15,536	6,558	49,839	-	35,215	-	166,706

See accompanying independent auditors' report.

CITY OF SAINT LOUIS, MISSOURI

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances -
Capital Projects Funds
For the year ended June 30, 2001
(Dollars in thousands)

	Capital Projects	Capital Improvements	Forest Park Redevelop- ment	City Jail, Civil Courts, and Justice Center	Capital Improvements Sales Tax Trust Fund	Civil Courts	Total
Revenues:							
Taxes	-	1,750	-	-	17,919	-	19,669
Intergovernmental	10,613	-	480	-	-	-	11,093
Investment income	389	973	502	4,874	1,332	95	8,165
Miscellaneous	425	101	2,720	-	17	-	3,263
Total revenues	<u>11,427</u>	<u>2,824</u>	<u>3,702</u>	<u>4,874</u>	<u>19,268</u>	<u>95</u>	<u>42,190</u>
Expenditures:							
Capital outlay	37,496	3,724	4,649	36,929	9,484	-	92,282
Debt service:							
Principal	-	6,970	-	-	435	-	7,405
Interest and fiscal charges	-	7,284	63	-	1,743	-	9,090
Total expenditures	<u>37,496</u>	<u>17,978</u>	<u>4,712</u>	<u>36,929</u>	<u>11,662</u>	<u>-</u>	<u>108,777</u>
Excess (deficiency) of revenues over expenditures	<u>(26,069)</u>	<u>(15,154)</u>	<u>(1,010)</u>	<u>(32,055)</u>	<u>7,606</u>	<u>95</u>	<u>(66,587)</u>
Other financing sources (uses):							
Sale of general fixed assets	-	119	-	-	-	-	119
Operating transfers in	7,020	15,976	-	-	174	-	23,170
Operating transfers to component unit	-	-	-	-	(1,324)	-	(1,324)
Operating transfers out	(33)	(2,235)	-	-	(35)	(2,492)	(4,795)
Total other financing sources (uses), net	<u>6,987</u>	<u>13,860</u>	<u>-</u>	<u>-</u>	<u>(1,185)</u>	<u>(2,492)</u>	<u>17,170</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(19,082)</u>	<u>(1,294)</u>	<u>(1,010)</u>	<u>(32,055)</u>	<u>6,421</u>	<u>(2,397)</u>	<u>(49,417)</u>
Fund balances:							
Beginning of year	75,934	16,632	7,410	79,203	27,605	2,397	209,181
End of year	<u>\$ 56,852</u>	<u>15,338</u>	<u>6,400</u>	<u>47,148</u>	<u>34,026</u>	<u>-</u>	<u>159,764</u>

See accompanying independent auditors' report.

CITY OF SAINT LOUIS, MISSOURI
 Combining Schedule of Revenues and Expenditures -
 Budget and Actual - Budget Basis - Capital Projects Funds
 For the year ended June 30, 2001
 (Dollars in thousands)

	Capital Improvements			Capital Improvements Sales Tax Trust Fund			Total		
	Revised Budget	Actual	Variance - favorable (unfavorable)	Revised Budget	Actual	Variance - favorable (unfavorable)	Revised Budget	Actual	Variance - favorable (unfavorable)
Revenues:									
Taxes	\$ 1,750	1,750	-	17,999	18,071	72	19,749	19,821	72
Investment income	-	1,031	1,031	-	1,393	1,393	-	2,424	2,424
Miscellaneous	100	101	1	-	17	17	100	118	18
Total revenues	1,850	2,882	1,032	17,999	19,481	1,482	19,849	22,363	2,514
Expenditures:									
Capital outlay	2,063	4,559	(2,496)	14,471	9,572	4,899	16,534	14,131	2,403
Debt service:									
Principal	6,971	6,971	-	1,320	1,320	-	8,291	8,291	-
Interest and fiscal charges	7,994	7,284	710	2,289	2,182	107	10,283	9,466	817
Total expenditures	17,028	18,814	(1,786)	18,080	13,074	5,006	35,108	31,888	3,220
Excess (deficiency) of revenues over expenditures	(15,178)	(15,932)	(754)	(81)	6,407	6,488	(15,259)	(9,525)	5,734
Other financing sources (uses):									
Sale of general fixed assets	725	119	(606)	-	-	-	725	119	(606)
Operating transfers in	16,688	15,976	(712)	-	174	(174)	16,688	16,150	(538)
Operating transfers out	(2,235)	(2,235)	-	(35)	(35)	-	(2,270)	(2,270)	-
Total other financing sources (uses), net	15,178	13,860	(1,318)	(35)	139	(174)	15,143	13,999	(1,144)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	(2,072)	(2,072)	(116)	6,546	6,662	(116)	4,474	4,590

See accompanying independent auditors' report.

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 cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Partnership



Artist Robert Lee Walker
Sponsor Schnuck Markets, Inc.

Proprietary Fund Types Enterprise Funds

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 cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are to be financed or recovered primarily through user charges. The City's operations for enterprise are as follows:

Lambert – St. Louis International Airport – Used to account for the activities of the Airport. The principal services provided are financed primarily through landing fees and terminal concession revenues.

Water Division – Used to account for sale of water to the general public and the operation of the water delivery system.

Parking Division – Used to account for the operations of public parking facilities and parking meters.

Schedule 10

CITY OF SAINT LOUIS, MISSOURI

Combining Balance Sheet

Enterprise Funds

June 30, 2001

(Dollars in thousands)

<u>Assets</u>	Lambert - St. Louis <u>International Airport</u>	<u>Water Division</u>	<u>Parking Division</u>	<u>Total</u>
Cash and cash equivalents:				
Restricted	\$ 88,942	6,343	3,383	98,668
Unrestricted	13,950	2,887	2,582	19,419
Investments:				
Restricted	741,572	16,655	5,713	763,940
Unrestricted	-	11,259	2,720	13,979
Receivables, net of allowances:				
Charges for services	11,431	6,042	54	17,527
Accrued interest	5,701	-	-	5,701
Passenger facility charges	3,869	-	-	3,869
Due from other funds	15	360	-	375
Inventories	2,453	1,663	-	4,116
Property, plant, and equipment	689,576	219,311	35,286	944,173
Less accumulated depreciation	<u>(379,761)</u>	<u>(89,552)</u>	<u>(5,836)</u>	<u>(475,149)</u>
	309,815	129,759	29,450	469,024
Land	499,012	1,254	13,763	514,029
Construction in progress	<u>62,373</u>	<u>12,822</u>	<u>-</u>	<u>75,195</u>
Property, plant and equipment, net	<u>871,200</u>	<u>143,835</u>	<u>43,213</u>	<u>1,058,248</u>
Deferred charges and other assets	<u>31,322</u>	<u>867</u>	<u>1,704</u>	<u>33,893</u>
Total assets	<u>\$ 1,770,455</u>	<u>189,911</u>	<u>59,369</u>	<u>2,019,735</u>

See accompanying independent auditors' report.

<u>Liabilities and Fund Equity</u>	Lambert - St. Louis			<u>Total</u>
	<u>International Airport</u>	<u>Water Division</u>	<u>Parking Division</u>	
Liabilities:				
Accounts payable and accrued liabilities	\$ 3,911	2,412	145	6,468
Accrued salaries and other benefits	1,287	602	171	2,060
Payable from restricted cash and investments:				
Contracts and retainage	7,890	-	1,284	9,174
Accrued interest	17,802	-	100	17,902
Current portion of revenue bonds	38,375	1,980	890	41,245
Deposits held for others	-	1,410	-	1,410
Due to other funds	2,359	2,807	1,349	6,515
Accrued interest payable	-	1,046	-	1,046
Due to other governmental agencies	-	-	400	400
Deferred revenue	3,869	1,432	2,261	7,562
Revenue bonds payable, net	887,626	38,327	39,661	965,614
Accrued vacation, compensatory and sick time benefits	3,045	1,413	124	4,582
Other liabilities	4,036	1,528	-	5,564
Total liabilities	<u>970,200</u>	<u>52,957</u>	<u>46,385</u>	<u>1,069,542</u>
Fund equity:				
Contributed capital:				
Other governmental agencies	203,045	-	2,929	205,974
Municipality	24,045	-	-	24,045
Developers	-	5,994	-	5,994
Total contributed capital	<u>227,090</u>	<u>5,994</u>	<u>2,929</u>	<u>236,013</u>
Retained earnings:				
Reserved for revenue bond requirements	128,697	6,728	2,139	137,564
Unreserved	444,468	124,232	7,916	576,616
Total retained earnings	<u>573,165</u>	<u>130,960</u>	<u>10,055</u>	<u>714,180</u>
Total fund equity	<u>800,255</u>	<u>136,954</u>	<u>12,984</u>	<u>950,193</u>
Total liabilities and fund equity	<u>\$ 1,770,455</u>	<u>189,911</u>	<u>59,369</u>	<u>2,019,735</u>

Schedule 11

CITY OF SAINT LOUIS, MISSOURI
Combining Statement of Revenues, Expenses
and Changes in Fund Equity - Enterprise Funds
For the year ended June 30, 2001
(Dollars in thousands)

	Lambert - St. Louis			
	International Airport	Water Division	Parking Division	Total
Operating revenues:				
Aviation revenues	\$ 70,655	-	-	70,655
Concessions	39,532	-	-	39,532
Water sales	-	38,856	-	38,856
Lease revenue	7,829	-	-	7,829
Parking	2,387	-	9,867	12,254
Miscellaneous	-	3,007	-	3,007
Total operating revenues	120,403	41,863	9,867	172,133
Operating expenses:				
Personal services	32,104	12,177	4,128	48,409
Materials and supplies	5,350	6,967	160	12,477
Purchased power	-	2,604	-	2,604
Contractual services	18,275	2,531	980	21,786
Miscellaneous	14,319	9,463	729	24,511
Depreciation and amortization	33,429	3,175	1,323	37,927
Total operating expenses	103,477	36,917	7,320	147,714
Income from operations	16,926	4,946	2,547	24,419
Nonoperating revenues (expenses):				
Investment income	27,882	953	932	29,767
Interest expense	(32,506)	(2,278)	(2,557)	(37,341)
Passenger facility charges	44,456	-	-	44,456
Miscellaneous, net	1,055	(625)	1	431
Total nonoperating revenues (expenses), net	40,887	(1,950)	(1,624)	37,313
Income before operating transfers	57,813	2,996	923	61,732
Operating transfers in	-	-	415	415
Operating transfers out	-	-	(220)	(220)
Operating transfers to component unit	-	-	(250)	(250)
Total operating transfers	-	-	(55)	(55)
Net income before capital contributions	57,813	2,996	868	61,677
Capital contributions	20,554	248	-	20,802
Net income	78,367	3,244	868	82,479
Depreciation on contributed assets	4,778	107	-	4,885
Increase in retained earnings	\$ 83,145	3,351	868	87,364
Fund equity				
Retained earnings:				
Beginning of year	\$ 490,020	127,609	9,187	626,816
Increase in retained earnings	83,145	3,351	868	87,364
End of year	573,165	130,960	10,055	714,180
Contributed capital:				
Beginning of year	231,868	6,101	2,929	240,898
Depreciation on contributed assets	(4,778)	(107)	-	(4,885)
End of year	227,090	5,994	2,929	236,013
Total fund equity	\$ 800,255	136,954	12,984	950,193

See accompanying independent auditors' report.

CITY OF SAINT LOUIS, MISSOURI

Combining Statement of Cash Flows -

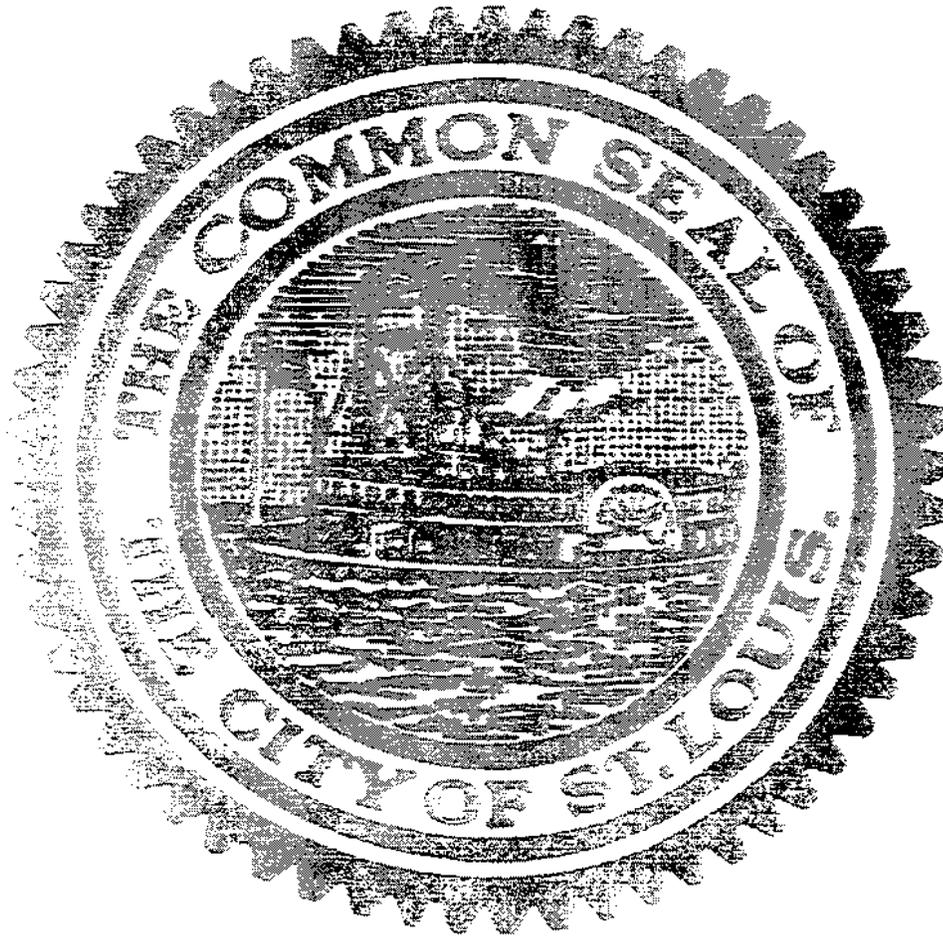
Enterprise Funds

For the year ended June 30, 2001

(Dollars in thousands)

	Lambert - St. Louis International Airport	Water Division	Parking Division	Total
Cash flows from operating activities:				
Income from operations	\$ 16,926	4,946	2,547	24,419
Adjustments to reconcile income from operations to net cash provided by operating activities:				
Depreciation and amortization	33,429	3,175	1,323	37,927
Loss on disposal of property, plant, and equipment	-	29	-	29
Cash paid for customer deposits	-	113	-	113
Change in assets and liabilities:				
Decrease in receivables, net	3,943	10	29	3,982
Decrease in due from other funds	-	102	-	102
(Increase) decrease in inventories	(21)	166	-	145
Increase in deferred charges and other assets	(30)	(71)	(195)	(296)
Increase (decrease) in accounts payable and accrued liabilities	(819)	797	(1,320)	(1,342)
Increase (decrease) in due to other funds	(1,072)	237	(659)	(1,494)
Increase (decrease) in other liabilities	(648)	(330)	37	(941)
Total adjustments	<u>34,782</u>	<u>4,228</u>	<u>(785)</u>	<u>38,225</u>
Net cash provided by operating activities	<u>51,708</u>	<u>9,174</u>	<u>1,762</u>	<u>62,644</u>
Cash flows from noncapital financing activities:				
Operating transfers in	-	-	415	415
Operating transfers out	-	-	(295)	(295)
Operating transfers to component unit	-	-	(250)	(250)
Cash paid for financing of retirement plan	(311)	-	-	(311)
Net cash used in noncapital financing activities	<u>(311)</u>	<u>-</u>	<u>(130)</u>	<u>(441)</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(125,312)	(5,231)	(4,579)	(135,122)
Principal paid on revenue bonds and capital lease obligations	(23,615)	(1,880)	(760)	(26,255)
Interest paid on revenue bonds and capital lease obligations	(23,974)	(2,823)	(2,421)	(29,218)
Cash collections from passenger facility charges	44,456	-	-	44,456
Proceeds from sale of property and equipment	-	-	12	12
Receipts from federal financial assistance	21,920	-	-	21,920
Receipts of other capital contributions	-	248	-	248
Proceeds from issuance of revenue bonds	521,175	-	-	521,175
Cash paid for bond issuance and underwriting costs	(8,857)	-	-	(8,857)
Net cash provided by (used in) capital and related financing activities	<u>405,793</u>	<u>(9,686)</u>	<u>(7,748)</u>	<u>388,359</u>
Cash flows from investing activities:				
Purchase of investments	(2,443,262)	(74,679)	(12,110)	(2,530,051)
Proceeds from sales and maturities of investments	2,001,018	75,450	15,161	2,091,629
Investment income on cash and investments	23,319	1,114	895	25,328
Net cash provided by (used in) investing activities	<u>(418,925)</u>	<u>1,885</u>	<u>3,946</u>	<u>(413,094)</u>
Net increase (decrease) in cash and cash equivalents	38,265	1,373	(2,170)	37,468
Cash and cash equivalents, beginning of year	64,627	7,857	8,135	80,619
Cash and cash equivalents, end of year	<u>\$ 102,892</u>	<u>9,230</u>	<u>5,965</u>	<u>118,087</u>

See accompanying independent auditors' report.



Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, on a cost-reimbursement basis.

St. Louis Plays



Artist **Robert A. Ketchens**
Sponsor **Tom, Lou, Becky & Thomas Ditchfield**

Proprietary Fund Types Internal Service Funds

INTERNAL SERVICE FUNDS

Internal service funds are use to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis. The internal service funds maintained by the City are as follows:

Public Facilities Protection Corporation – Used to account for payment of workers' compensation and various other claims against legal actions on behalf of other funds.

Mailroom Services – Used to account for mail handling services provided to other funds.

Schedule 13

CITY OF SAINT LOUIS, MISSOURI
 Combining Balance Sheet - Internal Service Funds
 June 30, 2001
 (Dollars in thousands)

<u>Assets</u>	Public Facilities Protection Corporation	Mailroom Services	<u>Total</u>
Cash and cash equivalents - unrestricted	\$ 50	6	56
Investments - unrestricted	200	25	225
Due from other funds	3,373	-	3,373
Prepaid assets	-	8	8
Property, plant, and equipment	-	178	178
Less accumulated depreciation	-	(109)	(109)
Property, plant, and equipment, net	-	69	69
Total assets	<u>\$ 3,623</u>	<u>108</u>	<u>3,731</u>
<u>Liabilities and Fund Equity</u>			
Accounts payable and accrued liabilities	31	7	38
Accrued salaries and other benefits	-	-	-
Claims payable	10,185	-	10,185
Total liabilities	<u>10,216</u>	<u>7</u>	<u>10,223</u>
Fund equity:			
Contributed capital	370	40	410
Retained earnings (deficit) - unreserved	(6,963)	61	(6,902)
Total fund equity	<u>(6,593)</u>	<u>101</u>	<u>(6,492)</u>
Total liabilities and fund equity	<u>\$ 3,623</u>	<u>108</u>	<u>3,731</u>

See accompanying independent auditors' report.

CITY OF SAINT LOUIS, MISSOURI
Combining Statement of Revenues, Expenses and
Changes in Fund Equity - Internal Service Funds
For the year ended June 30, 2001
(Dollars in thousands)

	Public Facilities Protection <u>Corporation</u>	Mailroom <u>Services</u>	<u>Total</u>
Operating revenues - charges for services	\$ 10,944	589	11,533
Operating expenses:			
Claims incurred	9,176	-	9,176
Premiums	2,379	-	2,379
Personal services	-	130	130
Materials and supplies	-	467	467
Contractual services	31	15	46
Depreciation and amortization	-	17	17
Total operating expenses	<u>11,586</u>	<u>629</u>	<u>12,215</u>
Loss from operations	(642)	(40)	(682)
Depreciation on contributed assets	-	8	8
Decrease in retained earnings	<u>(642)</u>	<u>(32)</u>	<u>(674)</u>
Fund equity:			
Retained earnings (deficit):			
Beginning of year	\$ (6,321)	93	(6,228)
Decrease in retained earnings	(642)	(32)	(674)
End of year	<u>(6,963)</u>	<u>61</u>	<u>(6,902)</u>
Contributed capital:			
Beginning of year	370	48	418
Depreciation on contributed assets	-	(8)	(8)
End of year	<u>370</u>	<u>40</u>	<u>410</u>
Total fund equity	<u>\$ (6,593)</u>	<u>101</u>	<u>(6,492)</u>

See accompanying independent auditors' report.

Schedule 15

CITY OF SAINT LOUIS, MISSOURI
Combining Statement of Cash Flows -
Internal Service Funds
For the year ended June 30, 2001
(Dollars in thousands)

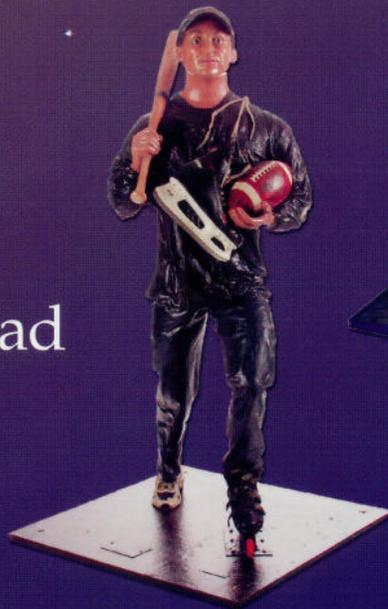
	Public Facilities Protection Corporation	Mailroom Services	Total
Cash flows from operating activities:			
Loss from operations	\$ (642)	(40)	(682)
Adjustments to reconcile loss from operations to net cash provided by operating activities:			
Depreciation and amortization	-	17	17
Change in assets and liabilities:			
Increase in due from other funds	(125)	-	(125)
Decrease in prepaid assets	-	25	25
Increase in accounts payable and accrued liabilities	31	1	32
Increase in claims payable	918	-	918
Total adjustments	<u>824</u>	<u>43</u>	<u>867</u>
Net cash provided by operating activities	<u>182</u>	<u>3</u>	<u>185</u>
Cash flows from investing activities - purchase of investments	<u>(200)</u>	<u>(25)</u>	<u>(225)</u>
Net decrease in cash and cash equivalents	<u>(18)</u>	<u>(22)</u>	<u>(40)</u>
Cash and cash equivalents, beginning of year	<u>68</u>	<u>28</u>	<u>96</u>
Cash and cash equivalents, end of year	<u>\$ 50</u>	<u>6</u>	<u>56</u>

See accompanying independent auditors' report.

Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, or other funds. These include pension trust, expendable trust, and agency funds. The pension trust funds are accounted for in essentially the same manner as proprietary funds. The expendable trust fund is accounted for and reported in the same manner as governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operation.

Team Player

Sports Dad



Artist Jan Brander-Kinnison
Sponsor Anheuser-Busch Companies



Artist Bob & Tony Rocca
Sponsor The People Project

Fiduciary Fund Types Trust and Agency Funds

TRUST AND AGENCY FUNDS

Trust and agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and other funds. These include pension trust, expendable trust and agency funds. Pension trust funds are accounted for and reported similarly to proprietary funds. Expendable trust and agency funds are accounted for and reported similarly to governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. The trust and agency funds maintained by the City are as follows:

Pension Trust Funds

Firemen's System – A single employer public employee retirement system fund used to account for the accumulation of resources to be used for the pension and other benefit payments for City firefighters.

Police System – A single employer public employee retirement system fund used to account for the accumulation of resources to be used for pension and other benefit payments for City police officers.

Employees System – A multiemployer public employee retirement system used to account for the accumulation of resources to be used for pension and other benefit payments for employees of the City (excluding firefighters and police officers) and other anticipating governmental agencies. City employees account for greater than 99% of total plan participants.

Expendable Trust Funds

Other Trust – Used to account for donations and other resources of the Rosalie Tilles Fund, Treemembrance Fund, and other miscellaneous funds to be used for various restricted activities.

Agency Funds

Collector of Revenue – Used to account for the receipt and disbursement of various taxes and other charges that are collected by the Collector of Revenue and remitted to various City funds and other governmental agencies that levy taxes on residents of the City of St. Louis and on corporations located within the City limits and the employees.

Property Tax Escrow – Used to account for property taxes paid under protest whose disposition is still pending and duplicate payments of property taxes which have not been claimed.

General Insurance – Used to control funds for payroll withholdings and other City deposits to be used for the payment of insurance premiums due from employees and the City.

Bail Bonds – Used to account for bail bonds deposited by court defendants. The bonds are held until court orders are issued to refund the bonds to the defendants or others.

License Collector – Used to account for the receipt and disbursement of municipal manufacturer's and hotel taxes that are collected by the License Collector and remitted to various City funds and other governmental agencies.

Circuit Clerk – Used to account for funds held in a fiduciary capacity by the Circuit Clerk's Office. These funds include various litigation fees, garnishments and bail bonds, in addition to funds related to the parent locator program.

Other Agency – Used to account for contracts and other deposits, union dues and land auction sales.

Schedule 16

CITY OF SAINT LOUIS, MISSOURI
 Combining Balance Sheet -
 Trust and Agency Funds
 June 30, 2001
 (Dollars in thousands)

<u>Assets</u>	Pension <u>Trust</u>	Expendable <u>Trust</u>	<u>Agency</u>	<u>Total</u>
Cash and cash equivalents - unrestricted	\$ 4,367	46	34,485	38,898
Investments - unrestricted	1,708,980	182	6,437	1,715,599
Receivable, net of allowances:				
Taxes	-	-	28,980	28,980
Contributions	5,826	-	-	5,826
Accrued interest	8,668	-	-	8,668
Other	9,187	-	794	9,981
Total assets	<u>\$ 1,737,028</u>	<u>228</u>	<u>70,696</u>	<u>1,807,952</u>
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable and accrued liabilities	1,410	-	2,940	4,350
Deposits held for others	43	-	27,620	27,663
Due to component units	-	-	18	18
Due to other funds	-	-	4,652	4,652
Due to other governmental agencies	-	-	35,466	35,466
Other liabilities	34,101	-	-	34,101
Total liabilities	<u>35,554</u>	<u>-</u>	<u>70,696</u>	<u>106,250</u>
Fund balances:				
Reserved for employees retirement systems	1,701,474	-	-	1,701,474
Unreserved - undesignated	-	228	-	228
Total fund balances	<u>1,701,474</u>	<u>228</u>	<u>-</u>	<u>1,701,702</u>
Total liabilities and fund balances	<u>\$ 1,737,028</u>	<u>228</u>	<u>70,696</u>	<u>1,807,952</u>

See accompanying independent auditors' report.

CITY OF SAINT LOUIS, MISSOURI
Combining Statement of Plan Net Assets
June 30, 2001
(Dollars in thousands)

<u>Assets</u>	<u>Firemen's System</u>	<u>Police System</u>	<u>Employees System</u>	<u>Total</u>
Cash and cash equivalents - unrestricted	\$ 3,141	951	275	4,367
Investments - unrestricted	474,150	734,325	500,505	1,708,980
Receivables:				
Contributions	3,252	14	2,560	5,826
Accrued interest	1,538	3,820	3,310	8,668
Other	2,287	6,900	-	9,187
Total assets	<u>484,368</u>	<u>746,010</u>	<u>506,650</u>	<u>1,737,028</u>
<u>Liabilities and Net Assets</u>				
Accounts payable and accrued liabilities	388	587	435	1,410
Deposits held for others	43	-	-	43
Other liabilities	6,894	27,207	-	34,101
Total liabilities	<u>7,325</u>	<u>27,794</u>	<u>435</u>	<u>35,554</u>
Net assets held in trust for employee pension benefits	<u>\$ 477,043</u>	<u>718,216</u>	<u>506,215</u>	<u>1,701,474</u>

See accompanying independent auditors' report.

Schedule 18

CITY OF SAINT LOUIS, MISSOURI

Combining Statement of Changes in Plan Net Assets

For the year ended June 30, 2001

(Dollars in thousands)

	<u>Firemen's System</u>	<u>Police System</u>	<u>Employees System</u>	<u>Total</u>
Additions:				
Contributions	\$ 5,473	4,389	2,577	12,439
Investment income:				
Interest and dividends	8,954	26,603	15,188	50,745
Net appreciation in fair value of investments	54,005	40,215	22,943	117,163
	<u>62,959</u>	<u>66,818</u>	<u>38,131</u>	<u>167,908</u>
Less investment expense	(1,428)	(2,663)	(2,020)	(6,111)
Net investment income	<u>61,531</u>	<u>64,155</u>	<u>36,111</u>	<u>161,797</u>
Total additions	<u>67,004</u>	<u>68,544</u>	<u>38,688</u>	<u>174,236</u>
Deductions:				
Benefits	25,348	32,329	23,993	81,670
Inducement bonuses	-	-	7	7
Refunds of contributions	2,281	5,157	115	7,553
Administrative expense	832	1,024	614	2,470
Total deductions	<u>28,461</u>	<u>38,510</u>	<u>24,729</u>	<u>91,700</u>
Net increase	38,543	30,034	13,959	82,536
Net assets held in trust for employee pension benefits:				
Beginning of year	438,500	688,182	492,256	1,618,938
End of year	<u>\$ 477,043</u>	<u>718,216</u>	<u>506,215</u>	<u>1,701,474</u>

See accompanying independent auditors' report.

CITY OF SAINT LOUIS, MISSOURI
 Combining Balance Sheet -
 Agency Funds
 June 30, 2001
 (Dollars in thousands)

Assets	Collector of Revenue	Property Tax Escrow	General Insurance	Bail Bonds	License Collector	Circuit Clerk	Other Agency	Total
Cash and cash equivalents - unrestricted	\$ 3,847	6,243	1,993	968	7,807	8,135	5,492	34,485
Investments - unrestricted	-	-	-	-	-	6,290	147	6,437
Receivable, net of allowances:								
Taxes	28,980	-	-	-	-	-	-	28,980
Other	-	-	794	-	-	-	-	794
Total assets	\$ 32,827	6,243	2,787	968	7,807	14,425	5,639	70,696
Liabilities								
Accounts payable and accrued liabilities	-	-	2,787	-	-	-	153	2,940
Deposits held for others	-	6,243	-	968	6,250	11,841	2,318	27,620
Due to component units	-	-	-	-	-	-	18	18
Due to other funds	3,796	-	-	-	178	227	451	4,652
Due to other governmental agencies	29,031	-	-	-	1,379	2,357	2,699	35,466
Total liabilities	\$ 32,827	6,243	2,787	968	7,807	14,425	5,639	70,696

See accompanying independent auditors' report.

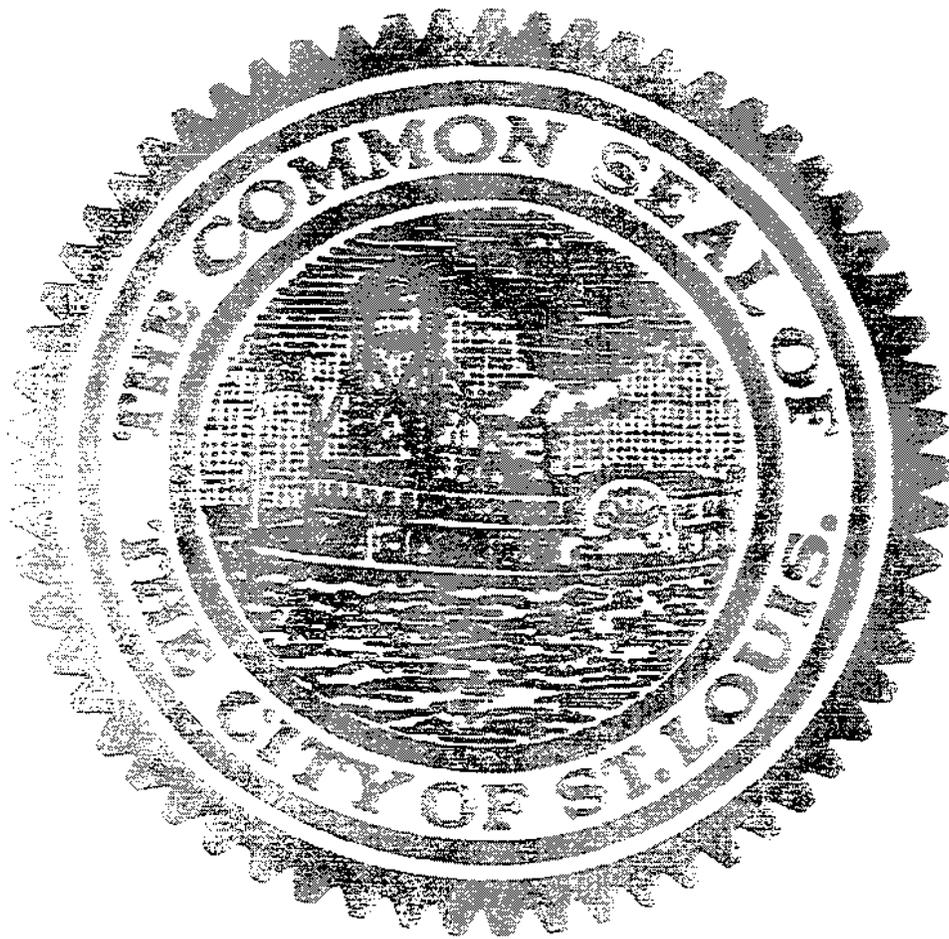
Schedule 20

CITY OF SAINT LOUIS, MISSOURI
 Combining Statement of Changes in
 Assets and Liabilities - Agency Funds
 For the year ended June 30, 2001
 (Dollars in thousands)

	Balance, June 30, <u>2000</u>	<u>Additions</u>	<u>Deductions</u>	Balance, June 30, <u>2001</u>
<u>Collector of Revenue</u>				
Assets:				
Cash and cash equivalents - unrestricted	\$ 3,543	452,075	(451,771)	3,847
Receivables, net of allowances - taxes	26,860	235,468	(233,348)	28,980
Total assets	<u>\$ 30,403</u>	<u>687,543</u>	<u>(685,119)</u>	<u>32,827</u>
Liabilities:				
Due to other funds	3,134	218,109	(217,447)	3,796
Due to other governmental agencies	27,269	469,434	(467,672)	29,031
Total liabilities	<u>\$ 30,403</u>	<u>687,543</u>	<u>(685,119)</u>	<u>32,827</u>
<u>Property Tax Escrow</u>				
Assets - cash and cash equivalents - unrestricted	<u>\$ 6,112</u>	<u>5,993</u>	<u>(5,862)</u>	<u>6,243</u>
Liabilities - deposits held for others	<u>\$ 6,112</u>	<u>5,993</u>	<u>(5,862)</u>	<u>6,243</u>
<u>General Insurance</u>				
Assets:				
Cash and cash equivalents - unrestricted	\$ 1,437	24,977	(24,421)	1,993
Receivables, net of allowances - other	667	794	(667)	794
Total assets	<u>\$ 2,104</u>	<u>25,771</u>	<u>(25,088)</u>	<u>2,787</u>
Liabilities - accounts payable and accrued liabilities	<u>\$ 2,104</u>	<u>25,771</u>	<u>(25,088)</u>	<u>2,787</u>
<u>Bail Bonds</u>				
Assets - cash and cash equivalents - unrestricted	<u>\$ 958</u>	<u>1,294</u>	<u>(1,284)</u>	<u>968</u>
Liabilities - deposits held for others	<u>\$ 958</u>	<u>1,294</u>	<u>(1,284)</u>	<u>968</u>
<u>License Collector</u>				
Assets - cash and cash equivalents - unrestricted	<u>\$ 4,771</u>	<u>56,851</u>	<u>(53,815)</u>	<u>7,807</u>
Liabilities:				
Deposits held for others	3,456	3,571	(777)	6,250
Due to other funds	73	34,465	(34,360)	178
Due to other governmental agencies	1,242	18,815	(18,678)	1,379
Total liabilities	<u>\$ 4,771</u>	<u>56,851</u>	<u>(53,815)</u>	<u>7,807</u>

<u>Circuit Clerk</u>	Balance, June 30, 2000	Additions	Deductions	Balance, June 30, 2001
Assets:				
Cash and cash equivalents - unrestricted	\$ 6,810	326,228	(324,903)	8,135
Investment - unrestricted	9,186	-	(2,896)	6,290
Total assets	<u>\$ 15,996</u>	<u>326,228</u>	<u>(327,799)</u>	<u>14,425</u>
Liabilities:				
Deposits held for others	13,131	267,932	(269,222)	11,841
Due to other funds	252	5,135	(5,160)	227
Due to other governmental agencies	2,613	53,161	(53,417)	2,357
Total liabilities	<u>\$ 15,996</u>	<u>326,228</u>	<u>(327,799)</u>	<u>14,425</u>
 <u>Other Agency</u>				
Assets:				
Cash and cash equivalents - unrestricted	\$ 5,490	26,880	(26,878)	5,492
Investments - unrestricted	45	599	(497)	147
Total assets	<u>\$ 5,535</u>	<u>27,479</u>	<u>(27,375)</u>	<u>5,639</u>
Liabilities:				
Accounts payable and accrued liabilities	122	789	(758)	153
Deposits held for others	1,903	11,839	(11,424)	2,318
Due to component units	59	571	(612)	18
Due to other funds	1,420	-	(969)	451
Due to other governmental agencies	2,031	14,280	(13,612)	2,699
Total liabilities	<u>\$ 5,535</u>	<u>27,479</u>	<u>(27,375)</u>	<u>5,639</u>
 <u>Total - All Agency Funds</u>				
Assets:				
Cash and cash equivalents - unrestricted	\$ 29,121	894,298	(888,934)	34,485
Investments - unrestricted	9,231	599	(3,393)	6,437
Receivables, net of allowances:				
Taxes	26,860	235,468	(233,348)	28,980
Other	667	794	(667)	794
Total assets	<u>\$ 65,879</u>	<u>1,131,159</u>	<u>(1,126,342)</u>	<u>70,696</u>
Liabilities:				
Accounts payable and accrued liabilities	2,226	26,560	(25,846)	2,940
Deposits held for others	25,560	290,629	(288,569)	27,620
Due to component units	59	571	(612)	18
Due to other funds	4,879	257,709	(257,936)	4,652
Due to other governmental agencies	33,155	555,690	(553,379)	35,466
Total liabilities	<u>\$ 65,879</u>	<u>1,131,159</u>	<u>(1,126,342)</u>	<u>70,696</u>

See accompanying independent auditors' report.



The General Fixed Assets Account Group is established to account for all fixed assets of the City, other than accounted for in the Proprietary Fund Types.

Seeking Equilibrium



Artist Chris Donaldson & Jenny Pesout
Sponsor Natoli Engineering Co., Inc.

Account Group
General Fixed Assets
Account Group

GENERAL FIXED ASSETS ACCOUNT GROUP

This account group is established to account for all fixed assets of the City, other than those accounted for in the proprietary funds.

Schedule 21

CITY OF SAINT LOUIS, MISSOURI

Schedule of General Fixed Assets

by Source -- General Fixed Assets

Account Group

June 30, 2001

(Dollars in thousands)

General fixed assets:

Land	\$ 68,939
Buildings and other structures	231,502
Improvement other than buildings	15,539
Equipment	97,445
Construction in progress	58,068
Total general fixed assets	\$ <u>471,493</u>

Investment in general fixed assets:

General fund	386,624
Special revenue funds	4,715
Capital project funds	66,009
Donations	14,145
Total investment in general fixed assets	\$ <u>471,493</u>

See accompanying independent auditors' report.

CITY OF SAINT LOUIS, MISSOURI
 Schedule of General Fixed Assets
 by Function and Activity --
 General Fixed Assets Account Group
 June 30, 2001
 (Dollars in thousands)

<u>Function and Activity</u>	<u>Land</u>	<u>Buildings and Other Structures and Construction in Progress</u>	<u>Improvements Other Than Buildings</u>	<u>Equipment</u>	<u>Total</u>
General government	\$ 20,066	198,964	9,904	8,041	236,975
Convention and tourism	15,739	33,998	726	2,507	52,970
Parks and recreation	29,262	9,934	3,817	12,739	55,752
Judicial	183	4,117	74	2,759	7,133
Streets	1,841	4,108	456	33,287	39,692
Public safety:					
Fire	787	5,057	18	30,136	35,998
Other	230	23,059	400	2,438	26,127
Health and welfare	633	9,029	121	2,930	12,713
Public services	198	1,304	23	2,608	4,133
Total general fixed assets	\$ <u>68,939</u>	<u>289,570</u>	<u>15,539</u>	<u>97,445</u>	<u>471,493</u>

See accompanying independent auditors' report.

Schedule 23

CITY OF SAINT LOUIS, MISSOURI
Schedule of Changes in General Fixed Assets
by Function and Activity –
General Fixed Assets Account Group
For the year ended June 30, 2001
(Dollars in thousands)

		Balance June 30, <u>2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Adjustment</u>	<u>Transfers</u>	Balance June 30, <u>2001</u>
General government	\$	199,601	41,790	(2,767)	(3,703)	2,054	236,975
Convention and tourism		53,505	7	(3)	(539)	-	52,970
Parks and recreation		55,790	1,211	(511)	(798)	60	55,752
Judicial		9,315	2,761	(200)	(2,592)	(2,151)	7,133
Streets		36,282	8,454	(4,291)	(667)	(86)	39,692
Public safety:							
Fire		28,239	10,751	(2,566)	(1,252)	826	35,998
Other		26,995	1,203	(1,086)	(1,012)	27	26,127
Health and welfare		14,109	528	(336)	(830)	(758)	12,713
Public services		4,968	530	(324)	(1,069)	28	4,133
Total general fixed assets	\$	<u>428,804</u>	<u>67,235</u>	<u>(12,084)</u>	<u>(12,462)</u>	<u>-</u>	<u>471,493</u>

See accompanying independent auditors' report.

Saluting The Saint Louis Symphony



Artist Arlene Ligori & Tim McNabb
Sponsor Thompson Coburn LLP

Statistical Section

CITY OF SAINT LOUIS, MISSOURI
 General Fund Expenditures by Function -
 Last Ten Fiscal Years
 (Dollars in thousands)

Function	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992
General government	\$ 39,254	\$ 37,461	\$ 38,331	\$ 40,986	\$ 33,035	\$ 31,392	\$ 37,215	\$ 29,342	\$ 30,786	\$ 27,667
Convention and tourism	2,159	1,936	2,042	2,027	1,035	4,758	1,044	1,360	1,943	924
Parks and recreation	16,929	16,275	15,916	14,166	15,231	13,833	13,628	12,403	12,112	10,799
Judicial	35,608	34,100	32,480	31,523	29,233	28,918	28,179	26,329	24,879	24,187
Streets	29,245	28,565	29,470	28,593	29,136	29,341	28,471	26,112	24,524	24,011
Public safety:										
Fire	45,719	45,729	44,736	76,106	(2) 39,683	39,214	37,762	32,902	34,414	34,205
Police	228	249	446	2,868	-	-	-	-	(1) 84,796	85,296
Other	30,623	29,963	28,520	26,241	24,210	23,320	19,636	19,297	16,908	16,932
Health and welfare	12,103	11,668	11,046	16,111	18,392	16,496	16,353	16,297	32,101	32,569
Public services	22,961	20,550	20,992	18,678	19,125	18,413	16,928	17,050	15,728	15,387
Capital outlay	2,134	3,920	649	1	464	4	4	1,221	3,636	1,041
Debt service	22,702	30,041	23,567	21,399	21,974	18,600	23,809	21,658	20,641	20,309
Total	\$ 259,665	\$ 260,457	\$ 248,195	\$ 278,699	\$ 231,518	\$ 224,289	\$ 223,029	\$ 203,971	\$ 302,468	\$ 293,327

NOTES:

- (1) During 1994, the City changed its method of reporting expenditures from the police department under GASB 14.
- (2) In 1998, the City made a payment in the amount of \$27,943 in excess of the actuarially required pension contribution.

Source: General purpose financial statements.

Table 2

CITY OF SAINT LOUIS, MISSOURI
 General Fund Revenues by Source -
 Last Ten Fiscal Years
 (Dollars in thousands)

Source	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992
Taxes	\$ 329,498	\$ 311,310	\$ 306,628	\$ 297,000	\$ 289,466	\$ 281,237	\$ 281,745	\$ 269,293	\$ 249,555	\$ 240,783
Licenses and permits	15,191	15,891	19,792	15,033	14,965	13,498	13,584	14,952	19,592	16,954
Intergovernmental	13,155	8,255	3,139	5,550	4,155	4,826	3,035	6,317	7,640	7,870
Charges for services, net	15,312	14,668	13,683	11,904	12,210	11,791	11,592	11,681	11,629	11,199
Court fines and forfeitures	7,132	8,450	7,535	8,070	4,327	6,435	6,365	5,850	6,055	6,500
Interest	3,680	4,729	2,846	6,890	5,973	6,037	3,984	2,845	2,848	3,181
Miscellaneous	3,455	3,155	2,724	8,820	7,307	2,917	2,976	2,963	2,757	2,276
Total	\$ 387,423	\$ 366,458	\$ 356,347	\$ 353,267	\$ 338,403	\$ 326,741	\$ 323,281	\$ 313,901	\$ 300,076	\$ 288,763

Source: General purpose financial statements.

CITY OF SAINT LOUIS, MISSOURI
 General and Debt Service Funds - Property Tax Levies And Collections -
 Last Ten Fiscal Years
 (Dollars in thousands)

(1) Fiscal Year	Total Tax Levy	(2) Current tax Collections	Percent Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Total Tax Levy
1992	\$ 30,363	\$ 26,156	86.1%	\$ 3,134	\$ 29,290	96.5%	\$ 8,510	28.0%
1993	32,942	28,906	87.7%	3,967	32,873	99.8%	7,959	24.2%
1994	34,616	30,392	87.8%	3,998	34,390	99.3%	8,196	23.7%
1995	36,083	32,137	89.1%	3,659	35,796	99.2%	8,048	22.3%
1996	37,105	31,920	86.0%	3,212	35,132	94.7%	7,426	20.0%
1997	38,067	34,041	89.4%	4,248	38,289	100.6%	7,601	20.0%
1998	39,544	34,271	86.7%	3,316	37,587	95.1%	9,057	22.9%
1999	(3) 38,197	33,704	88.2%	4,632	38,336	100.4%	9,563	25.0%
2000	43,073	37,070	86.1%	3,576	40,646	94.4%	9,927	23.0%
2001	44,679	39,540	88.5%	5,251	44,791	100.3%	9,369	21.0%

NOTES:

(1) Figures are based on the Collector of Revenue's fiscal year which begins the first Monday of March.

(2) Includes monies collected that were paid to the state for reassessment.

(3) No levy was charged for debt service during fiscal year 1999.

Source: Collector of Revenue, City of St. Louis.

Table 4

CITY OF SAINT LOUIS, MISSOURI
 Assessed and Estimated Actual Value of Taxable Property -
 Last Ten Fiscal Years
 (Dollars in thousands)

Fiscal Year	Real Property		Personal Property		Total		Total Assessed Value to Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1992	\$ 1,780,496	\$ 7,431,006	\$ 666,341	\$ 2,001,023	\$ 2,446,837	\$ 9,432,029	25.9%
1993	1,801,414	7,495,500	673,523	2,040,979	2,474,937	9,536,479	26.0%
1994	1,826,336	7,576,616	678,513	2,056,099	2,504,849	9,632,715	26.0%
1995	1,836,918	7,610,241	770,926	2,315,093	2,607,844	9,925,334	26.3%
1996	1,791,104	7,543,672	766,625	2,302,177	2,557,729	9,845,849	26.0%
1997	1,765,203	7,457,159	784,576	2,356,085	2,549,779	9,813,244	26.0%
1998	1,788,722	7,539,338	795,179	2,387,926	2,583,901	9,927,264	26.0%
1999	1,804,666	7,594,278	842,767	2,530,831	2,647,433	10,125,109	26.1%
2000	1,912,874	8,012,687	769,882	2,311,957	2,682,756	10,324,644	26.0%
2001	1,923,262	8,042,460	805,857	2,419,992	2,729,119	10,462,452	26.1%

NOTE:

Residential real property is assessed at 19% of estimated value, commercial at 32%, and agricultural at 12%; personal property assessed at 33-1/3%. A complete reassessment is made on personal property by the Assessor every year and every odd year for real property.

Source: City Assessor's Office.

CITY OF SAINT LOUIS, MISSOURI
 Property Tax Rates Per \$100 Assessed Value - Direct and Overlapping - Governments
 Last Ten Fiscal Years

	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992
City of St. Louis:										
Municipal purposes	\$ 0.963	\$ 0.94	\$ 0.96	\$ 0.94	\$ 0.93	\$ 0.90	\$ 0.86	\$ 0.85	\$ 0.80	\$ 0.74
County purposes	0.350	0.34	0.35	0.34	0.33	0.32	0.31	0.30	0.29	0.27
Hospital purposes	0.100	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.08
Public health purposes	0.020	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Recreation purposes	0.020	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Interest and public debt	0.180	0.20	-	0.11	0.11	0.11	0.11	0.11	0.11	0.12
Total City of St. Louis	1.633	1.62	1.45	1.53	1.51	1.47	1.42	1.40	1.34	1.25
Overlapping governments:										
State Blind Pension Fund	0.030	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Board of Education of the City of St. Louis	4.300	4.30	4.30	4.30	4.25	4.19	4.25	4.18	4.31	3.98
St. Louis Community College	0.240	0.24	0.24	0.24	0.24	0.24	0.24	0.22	0.22	0.19
Metropolitan St. Louis Sewer District	0.090	0.09	0.09	0.09	0.09	0.09	0.10	0.10	0.10	0.10
Sheltered Workshop District	0.150	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15
St. Louis Public Library	0.560	0.56	0.56	0.56	0.56	0.56	0.56	0.38	0.38	0.38
Community Mental Health	0.090	0.09	0.09	0.09	0.09	0.09	0.09	0.09	-	-
Metropolitan Zoological Park and Museum District:										
Zoological Subdistrict	0.063	0.062	0.063	0.063	0.063	0.062	0.061	0.06	0.058	0.053
Art Museum Subdistrict	0.063	0.062	0.063	0.063	0.063	0.062	0.061	0.06	0.058	0.053
Museum of Science and Natural History Subdistrict	0.033	0.032	0.033	0.033	0.033	0.032	0.031	0.03	0.029	0.027
Botanical Garden Subdistrict	0.033	0.032	0.033	0.033	0.033	0.032	0.031	0.03	0.029	0.027
Missouri History Museum Subdistrict	0.040	0.039	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.038
Total overlapping governmental	5.692	5.687	5.692	5.692	5.642	5.578	5.644	5.370	5.404	5.028
Total City of St. Louis and overlapping governmental	\$ 7.325	\$ 7.307	\$ 7.142	\$ 7.222	\$ 7.152	\$ 7.048	\$ 7.064	\$ 6.770	\$ 6.744	\$ 6.278

Source: City Assessor's Office.

Table 6

CITY OF SAINT LOUIS, MISSOURI

Principal Taxpayers

June 30, 2001

(Dollars in thousands)

<u>Taxpayer</u>	<u>2000 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>	<u>(1) Total Taxes</u>
Anheuser Busch Companies, Inc.	\$ 74,413	2.77 %	\$ 13,473
Southwestern Bell	85,211	3.18	12,516
Ameren UE	71,479	2.66	8,456
A. G. Edwards & Sons, Inc.	37,889	1.41	8,247
Laclede Gas Company	72,038	2.69	6,778
Tenet Health Systems	44,462	1.66	5,786
Firststar	17,577	0.66	3,430
BJC Health Systems	NP	0.00	3,909
Washington University	NP	0.00	3,525
Ralston Purina	15,348	0.57	3,051
	\$ <u>418,417</u>	<u>15.60</u> %	\$ <u>69,171</u>

NOTE:

(1) Represents total of payroll, earnings and property taxes paid.

Source: Office of the Comptroller.

CITY OF SAINT LOUIS, MISSOURI

Computation of Legal Debt Margin

June 30, 2001

(Dollars in thousands)

	<u>City purposes Basis Limit (1)</u>	<u>Streets and Sewers Additional Limit (2)</u>
Assessed value for calendar year 2000:		
Real property	\$ 1,923,262	
Personal property	805,857	
Manufacturer's, machinery tools and equipment	304,559	
	<u>\$ 3,033,678</u>	
Authorized debt limit-10% of assessed value	\$ 303,368	\$ 303,368
Subtract total outstanding debt:		
General Obligation Bonds	\$ 60,250	
Water Revenue Bonds	42,990	
Parking Revenue Bonds	43,335	
Airport Revenue Bonds	<u>934,975</u>	
		1,081,550
Add exemptions:		
Water Revenue Bonds	42,990	
Parking Revenue Bonds	43,335	
Airport Revenue Bonds	<u>934,975</u>	
		1,021,300
	<u>\$ 243,118</u>	<u>\$ 303,368</u>

NOTES:

- (1) The Charter of the City of St. Louis permits the City, by vote of two-thirds of the qualified electors thereof voting thereon to incur and indebtedness for City purposes not to exceed 10% of the value of taxable tangible property therein as shown by the last completed assessment.
- (2) The Charter of the City of St. Louis permits the City, by vote of two-thirds of the qualified property for the purpose of acquiring right-of-way, constructing, extending and improving sanitary or storm sewer systems.

Table 8

CITY OF SAINT LOUIS, MISSOURI
 Ratio of Net General Obligation Debt to Assessed Value
 and Net General Obligation Bonded Debt Per Capita -
 Last Ten Fiscal Years
 (Dollars in thousands)

Fiscal Year	(1) Population	(2) Assessed Value	(3) Gross Bonded Debt	(3) Less Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita (in dollars)
1992	387,900	\$2,446,837	\$ 28,525	\$ 11,205	\$ 17,320	0.7%	45
1993	380,800	2,474,938	24,825	9,871	14,954	0.6%	39
1994	377,700	2,504,849	17,075	4,351	12,724	0.5%	34
1995	364,200	2,607,844	14,625	4,500	10,125	0.4%	28
1996	355,600	2,557,729	12,075	4,851	7,224	0.3%	20
1997	355,600	2,549,779	7,200	3,095	4,105	0.2%	12
1998	351,000	2,583,901	2,000	2,299	(299)	0.0%	(0)
1999	342,900	2,647,433	65,000	1,454	63,546	2.4%	185
2000	333,960	2,682,756	62,870	6,328	56,542	2.1%	169
2001	348,189	2,729,119	60,250	10,134	50,116	1.8%	144

NOTES:
 (1) Population figures were taken from the Greater St. Louis Executive Summary.
 (2) Source: City Assessor's Office.
 (3) Source: Comptroller's Office.

CITY OF SAINT LOUIS, MISSOURI
Ratio of Annual Debt Service Expenditures for General Obligation
Bonded Debt to Total General Fund Expenditures -
Last Ten Fiscal Years
(Dollars in thousands)

Fiscal Year	Debt Service Fund			Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures
	Principal	Interest and Fiscal Charges	Total		
1992	\$ 3,455	\$ 2,032	\$ 5,487	\$ 293,327	1.9%
1993	3,700	1,829	5,529	302,468	1.8%
1994	7,750	1,602	9,352	203,971	4.6%
1995	2,450	1,398	3,848	223,029	1.7%
1996	2,550	950	3,500	224,289	1.6%
1997	4,875	790	5,665	231,518	2.4%
1998	5,200	454	5,654	278,699	2.0%
1999	2,000	172	2,172	248,195	0.9%
2000	2,130	2,209	4,339	260,457	1.7%
2001	2,620	3,076	5,696	259,665	2.2%

Table 10

CITY OF SAINT LOUIS, MISSOURI

Computation of Direct and Overlapping Bonded Debt -
General Obligation Bonds

June 30, 2001

(Dollars in thousands)

	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City of St. Louis	Amount Applicable to City of St. Louis
Direct - City of St. Louis	\$ 50,116	100.00%	\$ 50,116
Overlapping:			
Metropolitan St. Louis Sewer District- Mississippi River Subdistrict (1)	1,886	30.76%	580
Board of Education of the City of St. Louis (2)	<u>145,248</u>	100.00%	<u>145,248</u>
	147,134		145,828
Total	\$ <u>197,250</u>		\$ <u>195,944</u>

Source:

(1) Metropolitan St. Louis Sewer District - St. Louis.

(2) Board of Education City of St. Louis.

CITY OF SAINT LOUIS, MISSOURI
 Schedule of Revenue Bond Coverage -
 Last Ten Fiscal Years
 (Dollars in thousands)

Fiscal Year	(1) Gross Revenues	(1) Operating Expenses	(1) Net Revenue Available for Debt Service	Debt Service Requirements	Coverage Ratio
WATER REVENUE BONDS					
1992	\$ 30,404	23,459	6,945	1,459	4.76
1993	30,608	24,264	6,344	1,460	4.35
1994	29,830	25,222	4,608	321 (3)	14.36
1995	35,204	27,802	7,402	2,257	3.28
1996	38,970	29,155	9,815	4,438	2.21
1997	41,113	28,951	12,162	4,434	2.74
1998	40,763	30,316	10,447	4,057	2.58
1999	39,486	29,883	9,603	4,271	2.25
2000	41,588	30,897	10,691	4,197	2.55
2001	42,816	33,742	9,074	3,990	2.27
AIRPORT REVENUE BONDS					
1992	\$ 83,801	36,811	46,990	24,326	1.93
1993	80,161	40,909	39,252	32,471	1.21
1994	84,875	38,207	46,668	27,371	1.71
1995	97,880	42,579	55,301	27,823	1.99
1996	102,749	37,204	65,545	34,391	1.91
1997	102,533	55,554	46,979	36,629	1.28
1998	119,983	57,872	62,111	41,234	1.51
1999	125,691	63,457	62,234	44,548	1.40
2000	133,036	63,042	69,994	46,230	1.51
2001	148,285	70,048	78,237	46,946	1.67
PARKING REVENUE BONDS					
1992	\$ 300	12	288	155	1.86
1993	(2) 4,531	2,878	1,653	826	2.00
1994	4,821	2,895	1,926	1,532	1.26
1995	6,947	3,175	3,772	1,850	2.04
1996	7,961	3,592	4,369	1,742	2.51
1997	8,195	3,905	4,290	1,504	2.85
1998	8,877	4,660	4,217	1,478	2.85
1999	8,936	5,028	3,908	2,181	1.79
2000	10,227	4,644	5,583	2,714	2.06
2001	10,799	5,997	4,802	3,275	1.47

NOTES:

- (1) As defined by the bond indenture.
- (2) During 1993, certain activities from the trust and agency fund and the parking special revenues fund were combined to form the Parking Division enterprise fund.
- (3) Only one semiannual interest payment is reflected for 1994, as the Water Division defeased the Series 1985 Water Revenue Bonds.

Table 12

CITY OF SAINT LOUIS, MISSOURI
Demographic Statistics -
Last Ten Calendar Years

Year	(1) Population	(2) Estimated Buying Income Per Capita	(2) Median Age	(3) Public School Enrollment	(4) Unemployment Rate	(2) Retail Sales (000s)
1991	396,685	\$ 13,108	33.5	42,264	9.1%	\$ 2,410,317
1992	387,900	11,802	32.8	42,722	8.0%	2,723,287
1993	380,800	12,467	34.3	42,692	9.3%	2,943,671
1994	377,700	13,002	33.8	46,622	7.1%	2,590,349
1995	364,200	13,915	33.5	41,711	7.6%	2,843,604
1996	355,600	13,029	34.7	44,012	7.5%	2,692,407
1997	351,000	13,481	35.1	44,128	7.2%	2,681,488
1998	342,900	13,695	35.6	45,675	6.2%	2,733,585
1999	333,960	14,073	35.8	44,522	5.9%	3,559,630
2000	348,189	14,459	36.1	41,867	4.1%	3,751,088

NOTES:

- (1) Population figures were taken from the Statistical Abstract for Missouri; amounts represent estimates calculated by using an average percentage rate.
- (2) Source: Sale and marketing management, survey of buying power.
- (3) Data provided by the Board of Education of the City of St. Louis.
- (4) Data provided by the U. S. Bureau of Labor Statistics.

CITY OF SAINT LOUIS, MISSOURI
Property Value, Construction and Bank Deposits -
Last Ten Fiscal Years
(Dollars in thousands)

Fiscal Year	(1) Property Value		(2) Construction			Bank Deposits (in millions)		
	Real Estate	Personal Property	Value of Commercial, Industrial or Other Nonhousing	Value of Housing	Number of Permits	Total Value	(3) Banks-Metropolitan Statistical Area	(3&4) Savings and Loans-Metropolitan Area
1992	\$ 7,431,006	\$ 2,001,023	\$ 268,654	\$ 17,366	3,220	\$ 286,020	\$ 24,589	\$ 5,081
1993	7,495,500	2,040,979	221,234	18,025	3,858	239,259	25,902	5,451
1994	7,576,616	2,056,099	326,531	12,865	3,201	339,396	27,487	6,291
1995	7,610,241	2,315,093	274,221	17,631	3,397	291,852	30,041	6,686
1996	7,543,672	2,302,177	263,294	33,820	3,284	297,114	27,650	6,752
1997	7,457,159	2,356,085	217,505	49,897	2,968	267,402	34,776	7,929
1998	7,539,338	2,387,926	177,983	35,229	4,019	213,212	30,670	1,740
1999	7,595,278	2,530,831	234,447	39,826	4,347	274,273	34,358	1,896
2000	8,012,687	2,311,957	205,603	50,794	4,420	256,397	35,358	2,420
2001	8,042,460	2,419,992	431,577	83,442	5,047	256,397	34,164	1,932

NOTES:

(1) City Assessor's Office.

(2) St. Louis Building Division.

(3) Federal Reserve Bank of St. Louis.

(4) Federal Home Loan Bank of Des Moines.

Table 14

CITY OF SAINT LOUIS, MISSOURI

Miscellaneous Statistics

June 30, 2001

Date of Incorporation	1823
City Charter Adopted	1914
Form of Government	Mayor/Council
Area of City	61.38 Square Miles
City Government:	
Wards	28
Precincts	374
Registered voters	177,844
Polling sites	208
Handicapped accessible polls	154
Elections:	
Last General Election April 3, 2001:	
Persons registered	195,874
Number of voters cast	48,785
Percentage of registered votes cast	25%
Last State General Election November 7, 2000:	
Persons registered	190,304
Number of votes cast	129,047
Percentage of registered votes cast	68%
Employees:	
Civil Service	5,003
County offices	1,114
Fire/EMS Protection:	
Firefighters	631
Fire stations	30
Fire Department vehicles	118
EMS Vehicles	41
Activity:	
Responses-Fire	41,169
Responses-EMS	82,385
Rescues	16
Police Protection:	
Police officers	1,427
Police patrol buildings (Including Police headquarters)	4
Police vehicles	649
Streets and Alleys (in miles):	
Streets-paved	1,100
Alleys	400

Table 14, Cont.

Lighting:	
Streets	51,500
Alleys	16,000
Easements	2,100
Recreation:	
Parks	105
Recreation centers	9
Neighborhood centers	1
Swimming pools	8
Golf courses	3
Enterprise:	
Water:	
Treatment plants	2
Plant's capacity per day	340
Storage capacity per gallons (in millions), (28 under construction)	128
Average demand per day, per gallon (in millions)	140
Lambert-St. Louis International Airport:	
Major airlines	10
Commuter airlines	10
Air Cargo Carriers	6
Number of passengers	29,909,488
Aircraft operations	483,941

Source: City of St. Louis, various departments.
St. Louis Public Library

Major Employers

<u>Company</u>	<u>Number of Full Time Equivalent Employees</u>
Southwestern Bell Telephone Co.	6,911
Anheuser-Busch Companies, Inc.	6,322
A. G. Edwards	6,025
May Department Stores Co.	5,805
Tenet Health Systems	5,189
Schnucks	4,282
Bank of America	4,137
AmerenUE	2,578
Firststar Bank	2,484
Transworld Airlines	2,117

Major noncommercial employers, employing in excess of 3,500 employees, include the City of Saint Louis, United States Post Office, Board of Education of the City of Saint Louis, Washington University, St. Louis University, State of Missouri and BJC Health Systems.

Source: Collector of Revenue
City of St. Louis, Missouri

Table 14, Cont.

Metropolitan Statistical Overview	2000	1999	1998	1997
Area (square miles)	6,397	6,397	6,397	6,397
Population	2,603,607	2,600,300	2,582,500	2,569,900
Population-Market Area (100 miles)	2,972,300	2,972,300	2,957,900	2,957,900
Households	981,800	981,800	972,400	972,400
Effective Buying Income:				
Per Household	\$ 41,602	\$ 41,602	\$ 38,920	\$ 38,920
(in billions)	\$ 49	\$ 49	\$ 45.3	\$ NA
Labor force	1,364,823	1,366,695	1,355,687	1,352,800
Employment	1,364,823	1,312,630	1,299,511	1,299,300
Retail sales (in billions)	\$ 32.8	\$ 32.8	\$ 24	\$ 24
How St. Louis Ranks:				
Population	18th largest			
Households	15th largest			
Manufacturing	9th largest			
Corporate headquarters	6th largest			
Airport (flights)	14th largest in the world			
Rail hub	2nd largest in jobs			
Inland port	2nd largest-- northmost ice-free			
Motor vehicle assembled	2nd largest			
Quality of life	In top 10% of all metro areas			
Renovation	1st			
Crime rate	4th lowest of 28 metro areas			
Cost of living	2nd lowest of top 20 metropolitan areas			
Housing affordability	16th lowest			
Meeting and lodging costs	5th lowest of 23 largest metro areas			
Climate:				
Normal Temperature:				
January: daily minimum	20.8 degrees			
July: daily maximum	89.3 degrees			
Precipitation:				
Normal rainfall per year	37.51 inches			
Normal snowfall per year	19.5 inches			

Source: Regional Commerce and Growth Association.





*Title Super Surfer Girl
Artist Carlin Coleman
Sponsor EDS*



*Title Scott Joplin In A Creative Moment
Artist Uriel Starbuck
Sponsor Edward Jones*



*Title A Penny For Your Thoughts
Artist Kim Mulkey & Bryan Young
Sponsor FIRSTAR*



*Title Recess
Artist Mary Sprague
Sponsor Friends of Innsbrook*



*Title Doodle Dancer
Artist Virginia Magel
Sponsor MasterCard International*



*Title Family, The Spirit Of St. Louis
Artist Chuck Niesen
Sponsor Edward Jones*



*Title All Things Equal
Artist Kuumba (Katrin Butler-Powell)
Sponsor Equal Sweetener*



*Title Re-Pose
Artist L. Horsley
Sponsor Washington University*

