

CITY OF CLAYTON

Missouri



Comprehensive Annual Financial Report 
For the year ended September 30, 2015

Solar Array at Clayton Municipal Facility

***CITY OF CLAYTON, MISSOURI
COMPREHENSIVE ANNUAL
FINANCIAL REPORT***
For The Fiscal Year Ended September 30, 2015

*Report prepared and submitted by the
Finance Department*

Contents

	Page
Part I - Introductory Section:	
Letter Of Transmittal.....	i - vi
Principal Officials.....	vii
Organizational Chart	viii
GFOA - Certificate Of Achievement For Excellence In Financial Reporting.....	ix
Part II - Financial Section:	
Independent Auditors' Report	1 - 3
Management's Discussion And Analysis.....	4 - 12
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement Of Net Position	13 - 14
Statement Of Activities	15
Fund Financial Statements:	
Balance Sheet - Governmental Funds	16
Reconciliation Of The Balance Sheet Of Governmental Funds To The Statement Of Net Position	17
Statement Of Revenues, Expenditures And Changes In Fund Balances - Governmental Funds	18
Reconciliation Of The Statement Of Revenues, Expenditures And Changes In Fund Balances To The Statement Of Activities.....	19
Statement Of Fiduciary Net Position - Fiduciary Funds	20
Statement Of Changes In Fiduciary Net Position - Fiduciary Funds	21
Notes To Basic Financial Statements	22 - 51
Required Supplementary Information	
Budgetary Comparison Information - Budget Basis - General Fund	52
Notes To Budgetary Comparison Information	53
Schedule Of Changes In Net Pension Liability And Related Ratios - Nonuniformed Employees' Retirement Fund	54
Schedule Of Contributions - Nonuniformed Employees' Retirement Fund	55
Schedule Of Investment Returns - Nonuniformed Employees' Retirement Fund	56

Contents

Page

Part II - Financial Section (*Continued*):

Required Supplementary Information (*Continued*)

Schedule Of Changes in Net Pension Liability and Related Ratios - Uniformed Employees' Pension Fund	57
Schedule Of Contributions - Uniformed Employees' Pension Fund.....	58
Schedule Of Investment Returns - Uniformed Employees' Pension Fund.....	59
Schedule Of Funding Progress - Other Post-Employment Benefit Plan	60

Other Supplementary Information

Nonmajor Governmental Funds:	61
Combining Balance Sheets: Nonmajor Governmental Funds.....	62
Nonmajor Special Revenue Funds	63
Nonmajor Debt Service Funds	64
Combining Statements Of Revenues, Expenditures And Changes In Fund Balances: Nonmajor Governmental Funds.....	65
Nonmajor Special Revenue Funds	66
Nonmajor Debt Service Funds	67
Schedule Of Revenues, Expenditures, And Changes In Fund Balance - Budget And Actual - Budget Basis: Special Taxing District Special Revenue Fund	68
Sewer Lateral Special Revenue Fund.....	69
2007 Project Bond Debt Service Fund	70
2005 Bond Debt Service Fund	71
2009 Build America Bond Debt Service Fund.....	72
2011 Bond Debt Service Fund.....	73
2014 S. O. Bond Issue Debt Service Fund	74
Major Governmental Funds - Budgetary Information:	75
Schedule Of Revenues, Expenditures And Changes In Fund Balance Budget And Actual - Budget Basis: Capital Improvement Capital Projects Fund	76
Equipment Replacement Capital Projects Fund.....	77
2014 G. O. Bond Issue Fund.....	78
Fiduciary Funds:.....	79
Combining Statement Of Fiduciary Net Position - Pension Trust Funds.....	80
Combining Statement Of Changes In Fiduciary Net Position - Pension Trust Funds.....	81
Schedule Of Changes In Fiduciary Net Position - Budget And Actual: City Of Clayton Non-Uniformed Employees' Retirement Pension Trust Fund	82
City Of Clayton Uniformed Employees' Pension Trust Fund.....	83

Contents

Page

Part III - Statistical Section (Unaudited):

Statistical Section.....	84
Net Position By Component	85
Changes In Net Position.....	86 - 87
Fund Balances - Governmental Funds.....	88
Changes In Fund Balances - Governmental Funds.....	89
Assessed Value And Actual Value Of Taxable Property	90
Direct And Overlapping Property Tax Rates (Residential Only) Per \$100 Of Assessed Value.....	91
Principal Property Taxpayers	92
Property Tax Levies And Collections.....	93
Ratios Of Outstanding Debt By Type	94
Ratios Of Net General Bonded Debt Outstanding.....	95
Direct And Overlapping Governmental Activities Debt.....	96
Legal Debt Margin Information.....	97
Demographic And Economic Statistics.....	98
Principal Employers	99
Full-Time Equivalent City Government Employees By Function/Program.....	100
Operating Indicators By Function/Program.....	101
Capital Asset Statistics By Function/Program	102

INTRODUCTORY SECTION



March 31, 2016

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

Pursuant to City policy and in accordance with state law, the Comprehensive Annual Financial Report (CAFR) of the City of Clayton, Missouri, for the fiscal year (FY) ended September 30, 2015, is herewith submitted for your review. This report was prepared in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by an independent firm of licensed certified public accountants.

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

The City's financial statements have been audited by RubinBrown LLP, a firm of licensed certified public accountants. The goal of this independent audit was to provide reasonable assurance that the basic financial statements of the City for the year ended September 30, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management evaluating the overall basic financial statement presentation. The independent auditors concluded, based upon its audit, that there was a reasonable basis for rendering unmodified opinions that the City's financial statements for the year ended September 30, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

CITY PROFILE AND STRUCTURE

The City was incorporated in 1913 and is a home rule municipal corporation operating under its own charter. The governing body for the City consists of an elected six-member Board of Aldermen and the Mayor, and operates under the Council/Manager form of government. The Mayor and Board of Aldermen collectively appoint a City Manager to administer daily operations. The City's borders encompass 2.5 square miles and combine a bustling downtown with quiet, secure residential neighborhoods. The City's downtown is the leading business district in the region and home to extraordinary commercial enterprises. The City has a residential population of 15,939 and an estimated daytime population of 46,000. The City serves as the governmental seat for St. Louis County, Missouri.

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

The City uses the Governmental Accounting Standards Board criteria to examine the relationship of the City to other associated but legally separate entities, to determine if their inclusion in this report would be necessary to fairly represent the financial position of the City. These criteria for including entities as a potential component unit are generally related to the financial benefit or burden, and levels of influence over the activities of these organizations. The financial reporting entity includes all funds of the City. This report does not include the Clayton Recreation, Sports and Wellness Commission (CRSWC). The CRSWC is considered a joint venture of the City and Clayton School District and further information on this entity can be found in Note 11 in the Notes to Financial Statements.

FINANCIAL INFORMATION

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

The annual budget serves as a foundation for the City's financial and operational plan for the following year. The City Manager requests each department develop an annual operating and capital planning budget request, including revenue and expenditures, for appropriation. In addition, two planning years are included in the budget document and are updated annually. The budget is prepared by fund, broken down further by department, programs, or projects within the department, then object of expenditures within programs, and finally line items within the objects. The City Manager presents a proposed budget to the Board of Aldermen and a public hearing is held prior to final approval. Budget transfers within a department require approval by the City Manager. Budget transfers between departments or between funds require approval by the Board of Aldermen and these approvals occur quarterly. Budgetary control is maintained at the departmental and fund levels partially through the use of an encumbrance system. Monies of respective accounts are encumbered as purchase orders so that budgeted appropriations may not be overspent without proper approval. Open encumbrances at year-end are reported as assignments of the fund balance.

In addition to City funds, the City has a fiduciary responsibility as a trustee for assets for the Uniformed and Non-Uniformed pension plans. Additional information can be found in Note 7 in the Notes to Financial Statements.

ECONOMIC CONDITION AND OUTLOOK

The City blends an active business district with an outstanding housing mix. The downtown area combines approximately 7,000,000 square feet of prestigious office space with the vitality of more than 1,000,000 square feet of retail space. The City's appealing residential neighborhoods provide a mix of housing, to include single-family homes, condominiums, and multi-family apartment dwellings. Much of the residential area is within walking distance of the downtown or neighborhood retail districts that include specialty boutiques, restaurants, services, fitness facilities, and cafes. In addition to its strong economy, the City has beautiful residential neighborhoods and has devoted nearly 90 acres of green space to passive and active park areas and recreation adding to its quality of life. Included in these resources is The Center of Clayton, a multi-use recreational facility operated in conjunction with the Clayton School District.

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

The City's location within the region further strengthens the City's attractiveness to residents, businesses, and visitors. As the seat for St. Louis County, many county residents come to the City on a daily basis to do business in the many County offices. MetroLink (the region's light-rail system) through the City provides easy and quick access to downtown St. Louis, the airport, and parts of south St. Louis County. A regional bus transfer station that is connected to the Central Avenue MetroLink station provides public transportation access to most of the region. Finally, the City's proximity to numerous interstates and major County arterials, as well as its central location, allows that trips to the airport, downtown St. Louis, or other major attractions can be made within 15 minutes.

The City's stable retail community includes approximately 85 restaurants (many of which are award winning), 70 vibrant retail boutiques, and 230 personal service businesses. The City's downtown is the region's premier business district and home to numerous Forbes and Fortune 500 headquarters and branch offices. To name just a few, the City has attracted Enterprise Holdings, Caleres (formerly Brown Shoe Group), Commerce Bank, Centene Corporation, Graybar, Barry-Wehmiller Companies, Olin Corporation, Apex Oil, and a many of the largest law firms in the St. Louis area. The City maintains one of the highest commercial occupancy rates in the region and it continues to be one of the steadiest submarkets in the St. Louis area. Occupancy rates are above 90%, which results in one of the lowest vacancy rates in the metropolitan area.

The City is experiencing strong commercial and multi-family development. In 2015, the City approved three residential developments that will represent 625 downtown luxury rental apartments. These projects also include 26,000 sq. ft. of retail space. All of these projects are significantly underway and there are other large mixed-use, residential and commercial projects, which are in the proposal process. In addition, the St. Louis County Juvenile Court Building is nearly complete which will also bring visitors to the downtown area daily. Clayton also remains the region's premiere dining destination. Within the past year, Clayton has seen the openings of 801 Fish, Parigi, Peno, Nami Ramen and a relocation and expansion of Tani Sushi Bistro. Restaurants set to open soon include Qdoba, Planet Sub, Louie's Wine Dive, and Wicked Greenz.

To aid in further development, the City updated the Central Business District Master Plan, which calls for a stronger identity for the downtown area, specifically the retail component. The revised plan provides a comprehensive framework for future development and strategic retail marketing efforts. The plan includes streetscape improvements; interconnecting open space creating a downtown identity; and developing a marketing strategy to benefit private and public sectors and encourage tourism. Two projects included in the master plan are already underway which are a comprehensive signage and wayfinding system; and an inviting, new pedestrian entrance to Shaw Park from the downtown which will include a large, natural water feature at the northeast corner of the park. The City continues to expand the offering of community events in the downtown area.

MAJOR INITIATIVES

Citizen Survey and Performance Management

The City has moved to biennial citizen's surveys, which are conducted to ensure the City is meeting the needs and expectations of our citizens. In the last survey, the City maintained high ratings, setting new high standards in several categories tracked by The ETC Institute, the survey administrator. The City continues to develop its performance measurement and management system to align City services and programs with the feedback from the survey.

Strategic Plan

The City has also completed a new strategic plan for the future, entitled *C the Future*. The City hired a consultant, which facilitated the process, established a steering committee, created a fifty-person stakeholder's group, and received public input through focus groups and online forums. The final plan generated the following community vision.

VISION

Clayton is recognized regionally and nationally as a premier city of its size and character. The community is a safe, vibrant destination defined by its unique combination of leading businesses and educational institutions, the seat of county government and picturesque neighborhoods, all of which combine to provide an exceptional quality of life.

Four Key Performance Areas and Strategic Initiatives were identified and developed for the community. These are the critical areas that must be successful in order to achieve the vision above. Strategic initiatives have also been identified for each key performance area. The four key performance areas are as follows:

- Exceptional City Services - Clayton residents, visitors, and businesses are proud of its City government and the exceptional level of City services provided by dedicated employees. City services are provided in a financially sustainable manner with high service levels delivered with a commitment to efficiency.
- Livable Community - Clayton is a sustainable, welcoming community comprised of desirable neighborhoods, attractive green space, diverse artistic, cultural and recreational opportunities, and a multi-modal transportation system, all of which foster a safe, healthy, and enriched quality of life.
- Strategic Relationships - Clayton ensures its long-term viability as a thriving community and premier destination by developing and leveraging strategic relationships. Clayton leads and fosters collaboration among public, private, and non-profit entities for the greater good of the community and the region.
- Economic Development and Vibrant Downtown - Clayton is a premier economic center, welcoming and fostering entrepreneurs and new companies, attracting diverse talent while maintaining and promoting established businesses and investment. Clayton's economy and

sense of place is anchored by a vibrant downtown that is characterized by a blend of corporate headquarters, local businesses, restaurants, residences, retail uses, and regional government.

Safe Demonstrations

The City of Clayton is home to many St. Louis County government offices, including the county prosecutor. There has been civil unrest in a community several miles away and the City was challenged this year to provide opportunities for safe demonstration activities near the county prosecutor's office. This work involved establishing the goals to support a safe demonstration environment for these activities; enlisting many neighboring communities and state and local governments in the public safety effort; providing open communication to residents and businesses; and planning and establishing an emergency command center for the central county region.

Sustainability

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

LONG-TERM FINANCIAL PLANNING

The City prepares a three-year capital improvement plan annually and includes this information in the budget document. In the next three fiscal years, the capital plan includes nearly \$19.5 million in infrastructure, parks, and facility improvements. Part of the plan was funded by a voter approved \$15 million General Obligation bond issue for neighborhood streets. The Capital Improvement plan will enhance to five years in FY17.

With the approval of the FY 2016 budget, the Board of Aldermen implemented the second year of a balanced General Fund budget and will maintain the strong General Fund balance of 63% of annual expenditures. The budget was balanced over a three-year period with the goal of reducing the annual operating deficit of approximately \$2.5 million. This plan resulted in a balanced budget by: 1) reducing staff through a voluntary retirement incentive program, which eliminated eight (8) positions; 2) a voter approved one-quarter cent sales tax for Fire and EMS services generating approximately \$750,000 annually; and 3) reducing various operational expenditures.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the FY ended September 30, 2014. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the last 28 consecutive years. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting this document to GFOA for award consideration.

Additionally, the GFOA awarded the Distinguished Budget Award to the City for FY 2015. This was the City's eighth consecutive Distinguished Budget Award. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only and the City has already submitted the FY 2016 budget for award consideration.

ACKNOWLEDGEMENTS

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

Respectfully submitted,



Craig S. Owens
City Manager



Janet K. Watson
Director of Finance and Administration

CITY OF CLAYTON, MISSOURI

PRINCIPAL OFFICIALS

Mayor Harold Sanger

Aldermen:

Ward I Joanne Boulton

Ward I Richard Lintz

Ward II.....Cynthia Garnholz

Ward II..... Ira Berkowitz

Ward IIIMark Winings

Ward III Alex Berger III

City ManagerCraig S. Owens

Department Directors:

..... Janet Watson, Finance and Administration

..... Gary Carter, Economic Development

.....Susan Istenes, Planning and Development

..... Kevin Murphy, Police

.....G. Mark Thorp, Fire

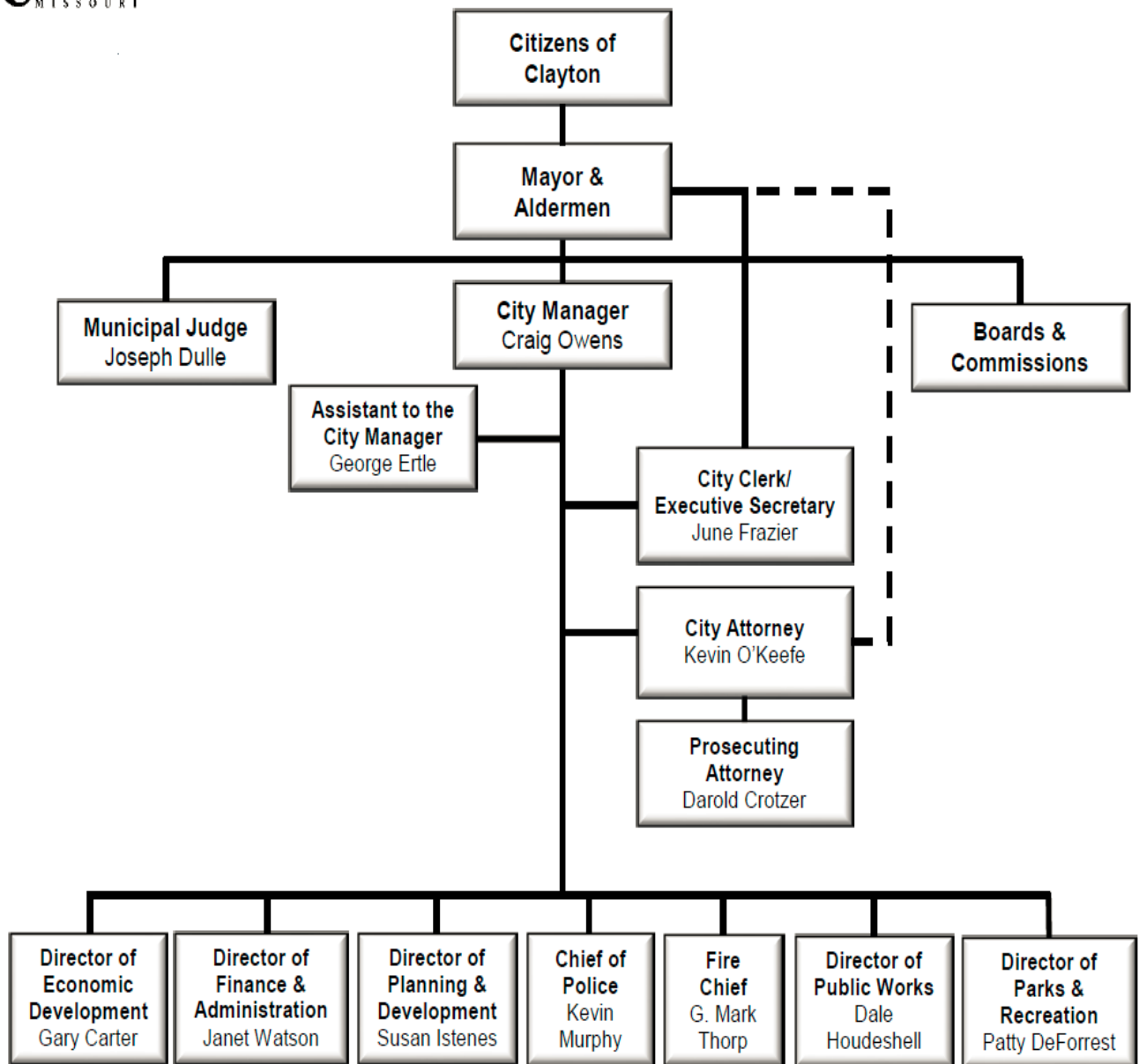
.....Dale Houdeshell, Public Works

..... Patty DeForrest, Parks and Recreation

.....June Frazier, City Clerk



City of Clayton Organization Chart





Government Finance Officers Association

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

Presented to

**City of Clayton
Missouri**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2014

Executive Director/CEO

FINANCIAL SECTION

Independent Auditors' Report

The Honorable Mayor and Members
of the Board of Aldermen
City of Clayton, Missouri

Report On The Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City of Clayton, Missouri (the City), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility For The Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2015, and the respective changes in financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Changes In Accounting Principle

As discussed in Note 7 to the financial statements, in 2015, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis; the Budgetary Comparison Information; the Schedules of Changes in Net Pension Liability and Related Ratios, Contributions, and Investment Returns related to the City's retirement plans; and the Schedule of Funding Progress related to the City's other post-employment benefit plan, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required By *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2016 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

RubinBrown LLP

March 31, 2016

CITY OF CLAYTON, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the City of Clayton, Missouri presents this narrative overview and analysis to assist our readers in reviewing and understanding the accompanying annual financial statements for the fiscal year ended September 30, 2015. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the letter of transmittal which can be found on pages i-viii of this report.

Financial Highlights

- On a government-wide basis the assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources for the most recent fiscal year by \$75,806,177. Of this amount, \$14,542,546 may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position decreased by \$525,225, due to revenues exceeding expenses by \$3,181,008 and a restatement of beginning of year net position of \$3,706,233 due to the adoption of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions (GASB 68)*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.
- At the close of fiscal year 2015, the City's governmental funds reported an ending fund balance of \$35,361,328, an increase of \$14,709,582 in comparison to the prior year balance of \$20,651,746 due to the issuance of \$15,000,000 in General Obligation bonds. Approximately 45% of the amount, or \$15,736,439, is unassigned and available for spending at the City's discretion.
- At the end of fiscal year 2015, unassigned fund balance for the general fund was \$16,004,710 or 70% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City of Clayton, Missouri's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with an overview of the City's finances, presenting all funds in a more simplified format. This section is similar to financial reporting used by commercial entities. Note that the government-wide financial statements exclude fiduciary fund (Pension Trust Funds) activities.

The *statement of net position* presents information on all the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including long-term debt and capital assets in the governmental funds. The difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources is reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

CITY OF CLAYTON, MISSOURI

Management's Discussion And Analysis (*Continued*)

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as transactions occur, regardless of when the related cash flows are reported. Therefore, some revenues and expenses included in this statement may reflect cash flows that actually occur in future periods.

Government-wide statements are principally supported by taxes and intergovernmental revenues and include general government, public safety, public works, parks and recreation, economic development, community development, and interest and fiscal charges.

Fund Financial Statements

Funds are used in government accounting to separate resources that are designated for specific programs or activities. The City, like other state and local governments, uses fund accounting to demonstrate compliance with the laws, regulations and contractual agreements that establish the authority for the City's programs and services. The funds for the City of Clayton can be divided into two categories: governmental and fiduciary funds.

Governmental Funds

Governmental funds are used to account for the City's basic services, the same services that are included in the governmental activities on the government-wide statements. However, the information in the fund statements is measured differently. Governmental funds focus on current financial resources rather than economic resources. Therefore, the statements include the short-term resources, such as cash, investments and receivables, that will be collected in the next few months, and liabilities that will be retired with these monies. This information is important for assessing the City's current financial resources.

The reconciliation in the fund statements explains the difference between the governmental funds in the fund statements and the governmental activities found in the government-wide financial statements. This reconciliation will explain the adjustments necessary to compile the long-term resources and liabilities for the government-wide statements with the current picture presented in the fund statements.

The City utilizes the following major governmental funds:

- General
- Capital Improvement
- Equipment Replacement
- 2014 General Obligation Bond Issue

The larger funds are presented as major funds while the other funds are presented in the combining statements for non-major funds. A description of the major funds can be found in the notes to the financial statements. Both major and non-major fund statements include a balance sheet and statement of revenues, expenditures and changes in fund balances.

CITY OF CLAYTON, MISSOURI

Management's Discussion And Analysis (*Continued*)

The City adopts an annual budget for all funds except the Drug Forfeiture Fund. Budgetary comparison statements have been provided for all budgeted funds to demonstrate legal compliance with the respective adopted budget. Budgetary comparisons for the general fund can be found in the required supplementary information. All other major and non-major funds budgetary comparisons can be found in the other supplementary information section.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. The City is the trustee, or fiduciary, for the City of Clayton Uniformed Employees' Pension Fund and Non-Uniformed Employees' Retirement Fund. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. These activities are excluded from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

Notes to the Basic Financial Statements

Notes provide additional information that is essential to a full understanding of the information included in the government-wide and fund financial statements. Notes provide additional details about the balances and transactions in the City's financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, certain required supplementary information can be found in this section of the report.

Other Supplementary Information

The combining and individual fund statements, referred to earlier in connection with non-major governmental funds, are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City of Clayton, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$75,806,177 at the close of the most recent fiscal year, a decrease of \$525,225.

A major portion of the City's net position is net investment in capital assets (e.g. land, buildings, machinery and equipment, and infrastructure less any related debt used to acquire those assets) and total \$45,456,078 or 60.0% of net position. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF CLAYTON, MISSOURI

Management's Discussion And Analysis (Continued)

Unrestricted net position of \$14,542,546 are another major portion of the City's net position (19.2%) that may be used to meet on-going obligations to citizens and creditors.

The following table summarizes the statement of net position as of September 30, 2015 and 2014:

	September 30		2015 Change	
	2015	2014	Amount	Percent
Assets				
Current and other assets	\$ 42,785,621	\$ 30,169,285	\$ 12,616,336	41.8%
Capital assets, net	88,844,410	89,173,370	(328,960)	-0.4%
Total assets	131,630,031	119,342,655	12,287,376	10.3%
Deferred Outflows of Resources				
Deferred charges on refunding	280,592	113,979	166,613	146.2%
Deferred amounts related to pensions	1,528,869	—	1,528,869	100.0%
Total deferred outflows of resources	1,809,461	113,979	1,695,482	1487.5%
Liabilities				
Current liabilities	7,088,833	8,648,866	(1,560,033)	-18.0%
Long-term liabilities	50,432,882	34,476,366	15,956,516	46.3%
Total liabilities	57,521,715	43,125,232	14,396,483	33.4%
Deferred Inflows of Resources				
Deferred amounts related to pensions	111,600	—	111,600	100.0%
Total deferred inflows of resources	111,600	—	111,600	100.0%
Net Position				
Net investment in capital assets	45,456,078	57,476,317	(12,020,239)	-20.9%
Restricted	15,807,553	2,615,467	13,192,086	504.4%
Unrestricted	14,542,546	16,239,618	(1,697,072)	-10.5%
Total net position	\$ 75,806,177	\$ 76,331,402	\$ (525,225)	-0.7%

CITY OF CLAYTON, MISSOURI

Management's Discussion And Analysis (*Continued*)

The statement of activities is the second statement in the government-wide statements. The following table outlines the major components of this statement.

	September 30		2015 Change	
	2015	2014	Amount	Percent
Revenues				
Program revenues:				
Charges for services	\$ 6,660,485	\$ 6,378,007	\$ 282,478	4.4%
Operating grants and contributions	1,966,370	1,895,184	71,186	3.8%
Capital grants and contributions	1,230,820	2,441,406	(1,210,586)	-49.6%
General revenues:				
Property tax	8,055,653	7,051,113	1,004,540	14.2%
Sales tax	7,085,858	6,186,273	899,585	14.5%
Utility tax	5,434,842	5,452,949	(18,107)	-0.3%
Other taxes	100,488	100,488	—	0.0%
Gain on sale of capital assets	—	6,323	(6,323)	-100.0%
Grants and contributions not restricted to specific programs	246,181	202,533	43,648	21.6%
Investment income	198,215	138,456	59,759	43.2%
Miscellaneous	245,587	62,629	182,958	292.1%
Total revenues	31,224,499	29,915,361	1,309,138	4.4%
Program Expenses				
General government	4,462,401	3,625,566	836,835	23.1%
Public safety	11,243,156	11,133,094	110,062	1.0%
Public works	6,747,391	6,913,969	(166,578)	-2.4%
Parks and recreation	2,834,322	2,778,702	55,620	2.0%
Economic development	486,341	311,973	174,368	100.0%
Community development	832,718	773,409	59,309	7.7%
Interest on long-term debt	1,437,162	1,525,218	(88,056)	-5.8%
Program expenses	28,043,491	27,061,931	981,560	3.6%
Change in net position	3,181,008	2,853,430	327,578	11.5%
Beginning of year net position:				
As previously stated	76,331,402	73,477,972	2,853,430	3.9%
Restatement of net position - net pension liability	(3,706,233)	—	(3,706,233)	100.0%
Beginning of year net position	72,625,169	73,477,972	(852,803)	-1.2%
End of year net position	\$ 75,806,177	\$ 76,331,402	\$ (525,225)	-0.7%

The City's overall net position of \$75,806,177 decreased \$525,225 during the current fiscal year. Fiscal year 2015 revenues totaling \$31,224,499 are \$1,309,138 more than fiscal year 2014. Program revenue totaling \$9,857,675 are \$856,922 less than fiscal year 2014 due to a decrease in grants and contributions. These grants were for ongoing improvements to streets, pedestrian safety, and park improvements.

CITY OF CLAYTON, MISSOURI

Management's Discussion And Analysis (*Continued*)

General revenue from property, sales, and utility taxes total \$20,576,353 or 96.3% of total general revenues of \$21,366,824, an increase of \$1,886,018 from fiscal year 2014. Property tax revenue increased \$1,004,540 to \$8,055,653 due to a new voter approved property tax levy to support the 2014 General Obligation Bonds. Sales tax increased by \$899,585 to \$7,085,858 mainly due to the new voter approved Fire and EMS sales tax.

Program expenses totaling \$28,043,491 were \$981,560 greater than fiscal year 2014. The increase is primarily due to the operation of the emergency command center to provide for safe demonstrations and other normal operating increases.

Financial Analysis of the City's Funds

The fund statements present the City's financial information in a more detailed format. Fund statements provide important information about the City's compliance with laws and regulations that define the local government environment in Missouri. The measurement principles in the governmental fund statements are also different than the government-wide statements. Fund statements focus on current and short-term resources, while government-wide statements present the long-term view.

The City's total governmental funds at the end of the current fiscal year, reported an ending fund balance of \$35,361,328, an increase of \$14,709,582 in comparison with the prior year. Approximately 44.5% of this total amount (\$15,736,439) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balances consists of nonspendable funds of \$196,165 for inventory and interfund advances; restricted funds of \$15,807,553 for capital projects, community development, debt service, public safety, and sewer lateral; committed funds of \$3,458,922 for capital projects; and assigned funds of \$162,249 for purchases on order.

The General Fund is the main operating fund of the City. At the end of the current fiscal year, unassigned fund balance is \$16,004,710 while total fund balance is \$16,363,124. Unassigned fund balance represents 70% of total General Fund expenditures. The City's General Fund minimum reserve policy level is 25% of expenditures, with a target level of 33%. The City's fiscal year 2015 General Fund balance increased \$23,976. Fiscal year 2015 revenue totaled \$23,225,459 and is \$1,099,491 more than fiscal year 2014. Most of this change is due to an increase of \$688,256 in intergovernmental revenue due to the new sales tax.

The Capital Improvement Fund deficit totaling \$268,271 is unassigned. The net increase in fund balance (deficit) of \$242,034 was due to a decrease in planned capital outlay and transfers compared to revenue. Transfers in of \$926,268 are from the 2011 special obligation bond issue, 2014 general obligation bond issue and special taxing district, and transfers out of \$3,327,055 are to pay a portion of the refunding costs of the 2005A and 2007 bonds, to pay a portion of the debt service on the 2011 bonds, and to cover equipment replacement costs in the General Fund.

The Equipment Replacement Fund has a total fund balance of \$3,458,922, which is committed for the replacement of all the vehicles and large dollar equipment in the City based on a long range replacement plan. The funding source is from a charge-back to the General Fund.

CITY OF CLAYTON, MISSOURI

Management's Discussion And Analysis (*Continued*)

The 2014 General Obligation Bond Issue Fund has a total fund balance of \$14,385,158. This represents the proceeds of the 2014 General Obligation bonds, which are restricted for expenditure on various capital improvements and for debt service.

General Fund Significant Variances - Budget and Actual

The General Fund budget to actual is summarized in the required supplementary information section. The General Fund final budget for revenues totaled \$23,005,510 and was \$633,907 lower than the original budget due to various increases and decreases, mostly related to the economy. The final budget for expenditures totaled \$23,344,234 and was \$32,875 higher than the original budget. As stated earlier, the City's policy on General Fund balance is a minimum of 25% of operating expenditures, with a target level of 33%. The current unassigned General Fund balance is at 70%.

Overall, the net change in fund balance on the budget basis was an increase of \$23,976. Actual General Fund revenue totaling \$23,225,459 was \$219,950 more than the final budget. Actual General Fund expenditures totaling \$22,887,976 were \$456,258 less than the final budget.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets as of September 30, 2015 totaled \$88,844,410 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvement other than buildings, machinery and equipment, infrastructure, and construction in progress. The total change in the City's investment in capital assets was a decrease of \$328,960 with capital assets increasing \$4,762,294, construction in progress decreasing \$2,272,772 and offset by an increase in accumulated depreciation of \$2,818,482.

The following table details the net capital assets:

	<u>September 30</u>		<u>2015 Change</u>	
	<u>2015</u>	<u>2014</u>	<u>Amount</u>	<u>Percent</u>
Land	\$ 9,255,672	\$ 9,255,672	\$ —	0.0%
Buildings	44,713,150	46,033,968	(1,320,818)	-2.9%
Improvements other than building	4,551,158	4,575,839	(24,681)	-0.5%
Machinery and equipment	4,173,280	4,128,190	45,090	1.1%
Infrastructure	24,952,637	21,708,416	3,244,221	14.9%
Construction in progress	1,198,513	3,471,285	(2,272,772)	-65.5%
Total capital assets, net	\$ 88,844,410	\$ 89,173,370	\$ (328,960)	-0.4%

Additional information on the City's capital assets can be found in Note 3 to the Financial Statements.

Long-term Debt

The City had government-wide debt outstanding of \$42,423,587 at the end of the current fiscal year. Of this amount, \$15,000,000 is general obligation debt backed by the full faith and credit of

CITY OF CLAYTON, MISSOURI

Management's Discussion And Analysis (*Continued*)

the City, \$26,270,000 is special obligation debt, \$595,375 represents a capital lease and \$558,212 is a note payable paid for from annual appropriations and special assessment fees.

A summary of the City's total debt is as follows:

	September 30		2015 Change	
	2015	2014	Amount	Percent
General obligation Series 2014	\$ 15,000,000	\$ —	\$ 15,000,000	100.0%
Special obligation Series 2005 A&B	315,000	5,805,000	(5,490,000)	-94.6%
Special obligation Series 2007	—	3,430,000	(3,430,000)	-100.0%
Special obligation Series 2009 A&B	11,975,000	12,605,000	(630,000)	-5.0%
Special obligation Series 2011	8,650,000	9,060,000	(410,000)	-4.5%
Special obligation Series 2014	5,330,000	—	5,330,000	100.0%
Capital lease payable	595,375	676,678	(81,303)	-12.0%
Note payable	558,212	755,674	(197,462)	-26.1%
Total long-term debt	\$ 42,423,587	\$ 32,332,352	\$ 10,091,235	31.2%

During fiscal year 2015, the City issued \$15,000,000 in Series 2014 General Obligation bonds, and \$6,735,000 in Series 2014 Special Obligation Refunding Bonds in order to refund the Series 2005A and Series 2007 Special Obligation Bonds. Additional information on the City's long-term debt can be found in Note 6 to the financial statements.

The Outlook for Next Year's Budget

FY 2015 was the final year of the General Fund deficit elimination plan which included reduction in employees through a voluntary retirement incentive plan, the addition of a voter approved sales tax, and other operating reductions resulting in a balanced budget.

The FY 2016 budget continues to maintain the high level of General Fund services and fee increases that come closer to full cost recovery for certain services. The staff reductions from previous years are maintained. Economic development activity is clearly on the rise, which will result in long-term revenue gains.

Highlights of the FY 2016 budget are as follows:

- For all funds, revenue and transfers in are \$40,522,709 and expenditures are \$44,512,363.
- For the General Fund, revenue and transfers in total \$25,780,333, and expenditures and transfers are \$25,774,004.
- Capital Improvements are \$10,339,813 and includes various infrastructure, facilities and parks improvements. The total capital improvement plan for FY 2015 - FY 2017 totals \$19,438,083.

Overall, the economic outlook for the City is quite optimistic. This optimism comes from stabilized expenditures, having addressed the need for additional revenue and substantial increases in economic development activity.

CITY OF CLAYTON, MISSOURI

Management's Discussion And Analysis (*Continued*)

Requests for Information

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

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

CITY OF CLAYTON, MISSOURI

STATEMENT OF NET POSITION

September 30, 2015

	<u>Governmental Activities</u>
Assets	
Cash and cash equivalents	\$ 4,683,093
Investments	33,929,828
Receivables:	
Intergovernmental	1,195,795
Property taxes	130,287
Public utility licenses	572,987
Special assessments	74,420
Ambulance	220,880
Court	37,788
Interest	103,221
Other	734,863
Prepaid expense	824,375
Inventory	15,584
Cash and cash equivalents - restricted	262,500
Capital assets:	
Land and construction in progress	10,454,185
Other capital assets, net	78,390,225
Total Assets	<u>131,630,031</u>
Deferred Outflows Of Resources	
Deferred charges on refunding	280,592
Deferred amounts related to pensions	1,528,869
Total Deferred Outflows Of Resources	<u>1,809,461</u>

CITY OF CLAYTON, MISSOURI

STATEMENT OF NET POSITION *(Continued)* September 30, 2015

	<u>Governmental Activities</u>
Liabilities	
Accounts payable	\$ 1,491,903
Accrued interest payable	284,978
Accrued liabilities	997,757
Unearned revenues	3,829,778
Deposits	484,417
Noncurrent liabilities:	
Due within one year	4,035,171
Due in more than one year	39,733,374
Net pension liability	6,273,801
Other post-employment benefit obligations	390,536
Total Liabilities	<u>57,521,715</u>
 Deferred Inflows Of Resources	
Deferred amounts related to pensions	<u>111,600</u>
 Net Position	
Net investment in capital assets	45,456,078
Restricted for:	
Economic development	171,340
Debt service	1,138,677
Public safety	101,379
Sewer lateral projects	130,824
Capital projects	14,265,333
Unrestricted	<u>14,542,546</u>
Total Net Position	<u>\$ 75,806,177</u>

CITY OF CLAYTON, MISSOURI

STATEMENT OF ACTIVITIES For The Year Ended September 30, 2015

<u>Functions</u>	<u>Expenses</u>	Program Revenues			<u>Net Revenues (Expenses) And Changes In Net Assets</u>
		<u>Charges For Services</u>	<u>Operating Grants And Contributions</u>	<u>Capital Grants And Contributions</u>	
Governmental Activities					
General government	\$ 4,462,401	\$ 1,819,017	\$ —	\$ —	\$ (2,643,384)
Public safety	11,243,156	2,493,473	659,698	34,478	(8,055,507)
Public works	6,747,391	1,323,109	1,298,454	894,083	(3,231,745)
Parks and recreation	2,834,322	1,024,886	8,218	302,259	(1,498,959)
Economic development	486,341	—	—	—	(486,341)
Community development	832,718	—	—	—	(832,718)
Interest and fiscal charges	1,437,162	—	—	—	(1,437,162)
Total Governmental Activities	28,043,491	6,660,485	1,966,370	1,230,820	(18,185,816)
General Revenues					
Taxes:					
Property					8,055,653
Sales					7,085,858
Utility					5,434,842
Other					100,488
Investment income					246,181
Grants and contributions not restricted to specific programs					198,215
Miscellaneous					245,587
Total General Revenues And Transfers					21,366,824
Change In Net Position					3,181,008
Net Position - Beginning Of Year, As Previously Stated					76,331,402
Restatement Of Net Position, Net Pension Liability					(3,706,233)
Net Position - Beginning Of Year, As Restated					72,625,169
Net Position - End Of Year					\$ 75,806,177

CITY OF CLAYTON, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2015

	General Fund	Capital Improvement Fund	Equipment Replacement Fund	2014 General Obligation Bond Issue Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 2,081,908	\$ 1,200,222	\$ 402,143	\$ —	\$ 998,820	\$ 4,683,093
Investments	14,062,858	2,145,430	3,085,496	14,387,672	248,372	33,929,828
Receivables:						
Property taxes	67,900	9,612	389	6,094	46,292	130,287
Intergovernmental	575,584	547,742	—	—	—	1,123,326
Public utility licenses	572,987	—	—	—	—	572,987
Special assessments	—	74,420	—	—	—	74,420
Ambulance	220,880	—	—	—	—	220,880
Court	37,788	—	—	—	—	37,788
Interest	35,403	630	4,376	62,660	152	103,221
Other	734,863	—	—	—	—	734,863
Prepaid expenses	—	650,000	—	—	—	650,000
Inventory	15,584	—	—	—	—	15,584
Cash and cash equivalents - restricted	—	—	—	—	262,500	262,500
Due from other funds	203,583	—	—	—	—	203,583
Advances to other funds	180,581	—	—	—	—	180,581
Total Assets	\$ 18,789,919	\$ 4,628,056	\$ 3,492,404	\$ 14,456,426	\$ 1,556,136	\$ 42,922,941
Liabilities And Fund Balances						
Liabilities						
Accounts payable	\$ 703,131	\$ 651,755	\$ 30,012	\$ 19,280	\$ 87,725	\$ 1,491,903
Accrued liabilities	997,497	—	—	—	260	997,757
Due to other funds	—	157,590	—	45,993	—	203,583
Unearned revenue	23,642	3,802,666	3,470	—	—	3,829,778
Deposits	464,417	20,000	—	—	—	484,417
Advances from other funds	—	180,581	—	—	—	180,581
Total Liabilities	2,188,687	4,812,592	33,482	65,273	87,985	7,188,019
Deferred Inflows of Resources						
Unavailable revenues:						
Property taxes	67,900	—	—	5,995	10,814	84,709
Special assessments	—	83,735	—	—	34,942	118,677
Ambulance	132,420	—	—	—	—	132,420
Court	37,788	—	—	—	—	37,788
Total Deferred Inflows of Resources	238,108	83,735	—	5,995	45,756	373,594
Fund Balances (Deficit)						
Nonspendable:						
Inventory	15,584	—	—	—	—	15,584
Advances	180,581	—	—	—	—	180,581
Restricted for:						
Capital projects	—	—	—	13,757,757	507,576	14,265,333
Economic development	—	—	—	—	171,340	171,340
Debt service	—	—	—	627,401	511,276	1,138,677
Public safety	—	—	—	—	101,379	101,379
Sewer lateral	—	—	—	—	130,824	130,824
Committed for:						
Capital projects	—	—	3,458,922	—	—	3,458,922
Assigned to:						
Purchases on order	162,249	—	—	—	—	162,249
Unassigned	16,004,710	(268,271)	—	—	—	15,736,439
Total Fund Balances	16,363,124	(268,271)	3,458,922	14,385,158	1,422,395	35,361,328
Total Liabilities, Deferred Inflows of Resources, And Fund Balances	\$ 18,789,919	\$ 4,628,056	\$ 3,492,404	\$ 14,456,426	\$ 1,556,136	\$ 42,922,941

CITY OF CLAYTON, MISSOURI

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

September 30, 2015

Total Fund Balance - Governmental Funds \$ 35,361,328

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$120,000,509 and the accumulated depreciation is \$31,156,099. 88,844,410

Certain changes in the net pension liability are amortized over time and are not reported in the funds. 1,417,269

Property taxes assessed by the City, but not collected within 60 days after fiscal year end, are deferred within the fund financial statements. However, revenue for this amount is recognized in the government-wide statements. Likewise, assessments on certain properties are deferred within the fund financial statements until collected, but are recognized as revenue in the year of assessment in the government-wide statements. 373,594

Prepaid assets used in governmental activities are not financial resources if they expire after 30 days and, therefore, are not reported in the governmental funds. 174,375

Interest subsidies receivable do not represent a use of financial resources and, therefore, are not reported in the governmental funds. 72,469

Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year end consist of:

Accrued interest payable	(284,978)
Net pension liability	(6,273,801)
Other post-employment benefit obligations	(390,536)
Compensated absences	(380,213)
Bonds payable	(42,423,587)
Unamortized bond premium	(964,745)
Unamortized deferred charges	280,592

Total Net Position - Governmental Activities \$ 75,806,177

CITY OF CLAYTON, MISSOURI

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For The Year Ended September 30, 2015

	<u>General</u>	<u>Capital Improvement Fund</u>	<u>Equipment Replacement Fund</u>	<u>2014 General Obligation Bond Issue Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues						
General property taxes	\$ 5,568,826	\$ —	\$ —	\$ 1,030,854	\$ 1,458,731	\$ 8,058,411
Special assessments	—	47,530	—	—	104,176	151,706
Licenses and permits	1,793,424	—	—	—	—	1,793,424
Public utility licenses	5,434,842	—	—	—	—	5,434,842
Intergovernmental	5,278,917	4,222,966	—	—	—	9,501,883
Community programs	1,853,324	—	—	—	—	1,853,324
Parking facilities and meters	1,928,908	—	—	—	—	1,928,908
Fines and forfeitures	899,478	—	—	—	301,243	1,200,721
Donations and reimbursements	8,218	549,127	1,685	—	—	559,030
Investment income	103,893	28,011	15,044	94,001	5,232	246,181
Miscellaneous	355,629	157,536	—	—	—	513,165
Total Revenues	23,225,459	5,005,170	16,729	1,124,855	1,869,382	31,241,595
Expenditures						
Current:						
General government	3,112,501	—	—	—	—	3,112,501
Parks and recreation	2,140,523	—	—	—	—	2,140,523
Public safety	10,438,042	—	—	—	21,929	10,459,971
Public works	5,652,642	—	—	—	—	5,652,642
Economic development	484,908	—	—	—	—	484,908
Community development	828,552	—	—	—	—	828,552
Capital outlay	—	2,362,349	589,225	—	98,319	3,049,893
Debt service:						
Principal	197,462	—	81,303	—	2,735,000	3,013,765
Interest and fiscal charges	33,346	—	30,131	423,040	1,100,940	1,587,457
Bond issuance costs	—	—	—	1,000	15,647	16,647
Total Expenditures	22,887,976	2,362,349	700,659	424,040	3,971,835	30,346,859
Revenues Over (Under) Expenditures	337,483	2,642,821	(683,930)	700,815	(2,102,453)	894,736
Other Financing Sources (Uses)						
Proceeds from debt issuance	—	—	—	15,000,000	6,735,000	21,735,000
Premium on issuance of debt	—	—	—	457,173	463,346	920,519
Payments to refunding escrow agent	—	—	—	—	(8,904,781)	(8,904,781)
Transfers in	1,500,984	926,268	1,457,699	—	4,367,553	8,252,504
Transfers out	(1,814,491)	(3,327,055)	—	(704,309)	(2,406,649)	(8,252,504)
Sale of capital assets	—	—	64,108	—	—	64,108
Total Other Financing Sources (Uses)	(313,507)	(2,400,787)	1,521,807	14,752,864	254,469	13,814,846
Net Change In Fund Balances	23,976	242,034	837,877	15,453,679	(1,847,984)	14,709,582
Fund Balances - Beginning Of Year	16,339,148	(510,305)	2,621,045	(1,068,521)	3,270,379	20,651,746
Fund Balances - End Of Year	\$ 16,363,124	\$ (268,271)	\$ 3,458,922	\$ 14,385,158	\$ 1,422,395	\$ 35,361,328

CITY OF CLAYTON, MISSOURI

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES For The Year Ended September 30, 2015

Net Change In Fund Balances - Total Governmental Funds \$ 14,709,582

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the costs of those assets are allocated over estimated useful lives and reported as depreciation expense. Capital outlays of \$2,959,366 over the capitalization threshold were less than depreciation of \$3,253,667 in the current period. (294,301)

In the statement of activities, a loss on disposal of capital assets is reported. However, governmental funds do not report any gain or loss on disposal of capital assets; only the proceeds from sales of capital assets are reported. (34,659)

Property tax revenues received prior to the year for which they were levied are reported as deferred revenue in the governmental funds. They are, however, recorded as revenues in the statement of activities. Deferred inflows related to property taxes decreased this fiscal year by \$53,131. Assessment income is deferred in the fund financial statements until the assessments are collected. However, assessment income is recorded in the year of the assessment in the statement of activities. Deferred inflows related to assessments decreased this fiscal year by \$27,787. (80,918)

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

Repayment of bond principal	3,013,765
Proceeds from bond refunding	(21,735,000)
Payments to refunding escrow agent	8,904,781
Proceeds from premium on bonds	(920,519)
Amortization of premiums and deferred amounts on refunding	39,498

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

Accrued interest on debt	127,158
Prepaid expense	15,460
Compensated absences	(33,716)
Pension expense	(414,877)
Other post-employment benefits	(115,246)

Change In Net Assets Of Governmental Activities \$ 3,181,008

CITY OF CLAYTON, MISSOURI

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS September 30, 2015

	Pension Trust Funds
Assets	
Cash and cash equivalents	\$ 1,026,517
Investments:	
U.S. government and agency securities	1,269,450
Common stocks	5,324,499
Corporate bonds	3,669,520
Taxable municipal obligations	683,769
Mutual funds	31,972,025
Property funds	5,605,733
Interest receivable	72,563
Total Assets	<u>49,624,076</u>
Liabilities	
Accrued investment expenses	<u>41,784</u>
Net Position	
Held in trust for pension benefits	<u><u>\$ 49,582,292</u></u>

CITY OF CLAYTON, MISSOURI

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS For The Year Ended September 30, 2015

	Pension Trust Funds
Additions	
Contributions:	
Participant contributions	\$ 401,285
Employer contributions	1,401,228
Total Contributions	<u>1,802,513</u>
Investment Income:	
Net appreciation in fair value of investments and interest and dividends	876,394
Less: Investment expenses	<u>(233,108)</u>
Total Investment Income	<u>643,286</u>
Total Additions	2,445,799
Deductions	
Benefits paid	<u>2,587,099</u>
Change In Net Position	(141,300)
Net Position Held In Trust For Pension Benefits - Beginning Of Year	<u>49,723,592</u>
Net Position Held In Trust For Pension Benefits - End Of Year	<u>\$ 49,582,292</u>

CITY OF CLAYTON, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2015

1. Summary Of Significant Accounting Policies

The financial statements of the City of Clayton, Missouri (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governments. The more significant of the City's accounting and reporting policies and practices are described below.

Reporting Entity

The financial statements of the City include the financial activities of the City and its component units. The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Statement No. 14, *The Financial Reporting Entity* (GASB 14), as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units – an amendment of GASB 14*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and 34*. The requirements for inclusion as a component unit are based primarily upon whether the City is considered financially accountable for the potential component unit. The City is financially accountable if it appoints a voting majority of a potential component unit's governing body and is able to impose its will on that potential component unit, or because the potential component unit will provide a financial benefit or impose a financial burden on the City. The City does not have any component units.

Basis Of Presentation

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. As a general rule, the effect of interfund activity has been removed from these statements to minimize the duplication of internal activities, with the exception of interfund services provided and used. Governmental activities, which normally are supported by taxes and intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties.

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

Fund Financial Statements

Following the government-wide financial statements are separate financial statements for governmental funds and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are reported in one column labeled "Other Governmental Funds." The total fund balances for all governmental funds is reconciled to total net position for governmental activities as shown on the statement of net position. The net change in fund balance for all governmental funds is reconciled to the total change in net position as shown on the statement of activities in the government-wide financial statements.

Fund Accounting

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

Governmental Funds

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

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

Capital Improvement Fund - The Capital Improvement Fund is a capital projects fund used to monitor the funding of special infrastructure improvements throughout the City. Revenues derived by this fund include a half-cent capital improvement sales tax, a half-cent parks and storm water sales tax, road and bridge taxes, and certain special assessment taxes.

Equipment Replacement Fund - The Equipment Replacement Fund is a capital projects fund used to account for funds set aside for capital asset replacement.

2014 G.O. Bond Issue Fund - The 2014 G.O. Bond Issue Fund is a debt service fund used to account for the proceeds of the project and debt service payments for the 2014 bonds.

The other governmental funds of the City are considered nonmajor. They include special revenue funds, which account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, and debt service funds that account for the accumulation of resources for the payment of long-term debt.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Fiduciary Fund Type - Pension Trust Funds - Pension Trust 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/or other funds. The Pension Trust Funds are accounted for on the accrual basis of accounting.

Measurement Focus And Basis Of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting; fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue and deferred inflows and outflows and in the presentation of expenses versus expenditures.

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

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

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

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

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Cash, Cash Equivalents And Investments

The City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. State statutes and City policy authorize the City to invest in obligations of the United States or any agency thereof, time deposit certificates, and repurchase agreements. The Pension Trust Funds are also authorized to invest in corporate common or preferred stocks, bonds and mortgages, real or personal property, and other evidence of indebtedness or ownership (excluding any debt of the City itself), and individual insurance policies.

Investments that have a maturity date of less than one year at the time of purchase are carried at cost or amortized cost because of their short-term maturities. Investments that have a maturity date of greater than one year at the time of purchase are carried at fair value. Fair value is based on quoted market prices.

Restricted Assets

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

Allowance for Uncollectibles

Accounts receivable for ambulance and court are shown net of an allowance for uncollectibles of \$106,923 and \$28,798, respectively.

Inventories

Inventories are recorded at cost on the first-in, first-out basis. Governmental fund types use the consumption method for inventory which means it is recorded as an expenditure when it is used rather than when purchased.

Prepaid Items

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

Special Assessments Receivable

Special assessments receivable represents the residents' portion of curb and sidewalk improvements which have been completed and billed. The City's portion of such improvements is expended as incurred. At the time of the levy, special assessments receivable in the amount of the levy and deferred inflows of resources equal to the amount that is not currently available are recognized in the fund that provides the resources.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Capital Assets

Capital assets, which include property, equipment and infrastructure (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of more than \$5,000 for general capital assets and \$25,000 for infrastructure and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that does not add to the value of the asset or materially extend the asset's life is not capitalized.

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

<u>Asset</u>	<u>Years</u>
Building	15 - 50
Improvements other than buildings	5 - 20
Machinery and equipment	3 - 15
Infrastructure	30 - 50

Compensated Absences

Under terms of the City's personnel policy, employees are granted vacation time based on length of service. Vacation is granted at the beginning of the calendar year, but it is earned on a proportionate basis over the course of the calendar year. A maximum of 80 hours may be carried over to a subsequent calendar year. Upon termination, the employee is paid for unused vacation. Sick leave, like vacation, is earned proportionally throughout the calendar year but is allotted at the beginning of the calendar year. Sick leave is available only to provide compensation during periods of illness. Upon termination, and only if the employee is vested, the employee is paid \$1 for each hour of sick leave balance. A liability for these amounts is reported in governmental funds only if the amounts due at year end have matured.

Long-Term Obligations

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

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two types of items that qualify for reporting in this category. The first is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its acquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is pension-related deferred outflows reported in the government-wide statement of net position. These represent changes in assumptions, differences between expected and actual experience, and differences between expected and actual investment income related to the City's two defined benefit pension plans. These amounts are deferred and amortized over the remaining estimated service life for plan participants (for changes in assumptions and differences between expected and actual experience) or over a closed five year period (for differences between expected and actual investment income).

In addition to liabilities, the statement of financial position and balance sheet-governmental funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The City has two types of items that qualify for reporting in this category. The first is pension-related deferred inflows reported in the government-wide statement of net position. These represent differences between expected and actual experience and differences between expected and actual investment income related to the City's two defined benefit pension plans. These amounts are deferred and amortized over the remaining estimated service life for plan participants (for differences between expected and actual experience) or over a closed five year period (for differences between expected and actual investment income). The second, which arises only under the modified accrual basis of accounting, is unavailable revenues, and is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from various sources. These amounts are deferred and recognized as an inflow of resources in the period when the amounts become available.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's two defined benefit pension plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis they are reported by the plans.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Net Position

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

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

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

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

Fund Balance

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

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

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

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

Assigned - The portion of fund balance that the City intends to use for a specific purpose as determined by the City Manager through the City’s purchasing policy or when authorized by the Board of Aldermen by motion. Assigned fund balance for purchases on order represents outstanding encumbrances.

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

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

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed by the governmental funds. Since appropriations lapse at year-end, outstanding encumbrances are reappropriated in the subsequent year's budget to provide for the liquidation of prior commitments. Encumbrances do not constitute current year expenditures or liabilities. Encumbrances outstanding at year-end were \$162,249 for the General Fund, \$2,544,962 for the Capital Improvement Fund, and \$32,250 for the Equipment Replacement Fund. No other City funds had encumbrances outstanding at year-end.

Interfund Transactions

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

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

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

Advances To/From Other Funds - Future portions of long-term interfund loans receivable/payable are not considered to be available resources in the current fiscal year. The advancing fund shows the noncurrent portion of the interfund receivable as nonspendable fund balance.

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

Property Taxes

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

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

All property tax assessment, billing, and collection functions are handled by St. Louis County government. Taxes collected are remitted to the City by the St. Louis County Collector (the County Collector) in the month subsequent to the actual collection date. Taxes held by the County Collector, if any, are included in property taxes receivable in the accompanying fund financial statements.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

Use Of Estimates

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

2. Deposits And Investments

Deposits

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

As of September 30, 2015, the City had bank balances in excess of FDIC insurance and collateralization of \$98,076.

Investments

A summary of investments as of September 30, 2015 is as follows:

Investments	Fair Value	No Maturity	Less Than One Year	1 - 5 Years	6 - 10 Years	More Than 10 Years	Credit Risk
Governmental Activities							
Certificates of deposit	\$ 30,085,760	\$ —	\$ 20,849,160	\$ 9,236,600	\$ —	\$ —	Not rated
Repurchase agreements	500,000	—	500,000	—	—	—	Not rated
U.S. Agencies	3,344,068	—	—	3,344,068	—	—	AA +
Total Governmental Activities	33,929,828	—	21,349,160	12,580,668	—	—	
Fiduciary Funds							
U.S. government and agency securities:							
U.S. Treasuries	102,136	—	—	102,136	—	—	AA +
U.S. Agencies	1,167,314	—	—	204,586	87,148	875,580	AA +
Common stock	5,324,499	5,324,499	—	—	—	—	Not rated
Corporate bonds	1,774,306	—	50,486	467,578	616,250	639,992	A
Corporate bonds	509,035	—	—	361,477	147,558	—	AA
Corporate bonds	312,215	—	—	239,343	72,872	—	AAA
Corporate bonds	35,079	—	—	—	—	35,079	B
Corporate bonds	569,648	—	—	250,960	141,613	177,075	BBB
Corporate bonds	26,544	—	—	—	—	26,544	CC
Corporate bonds	48,528	—	—	—	—	48,528	CCC
Corporate bonds	85,669	—	—	10,429	21,592	53,648	D
Corporate bonds	308,495	—	—	—	—	308,495	Not rated
Taxable municipal obligations	271,122	75,325	—	—	195,797	—	A
Taxable municipal obligations	129,375	—	129,375	—	—	—	AA
Taxable municipal obligations	195,848	—	—	—	—	195,848	AAA
Taxable municipal obligations	87,424	—	87,424	—	—	—	Not rated
Mutual funds	31,972,026	31,972,026	—	—	—	—	Not rated
Property funds	5,605,733	5,605,733	—	—	—	—	Not rated
Total Fiduciary Funds	48,524,996	42,977,583	267,285	1,636,509	1,282,830	2,360,789	
Total Investments	\$ 82,454,824	\$ 42,977,583	\$ 21,616,445	\$ 14,217,177	\$ 1,282,830	\$ 2,360,789	

Investment Policy

Governmental Activities

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

Legality: Every investment shall be made in accordance with applicable federal, state, and local statutory provisions.

Safety: Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital.

Liquidity: The City's investment portfolio must remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

Return on Investment: The City's investment portfolio shall be managed with the objective of obtaining a market rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and the cash flow characteristics of the portfolio.

These objectives support the City's conservative and prudent approach to investment management. The policy also addresses qualified institutions, appropriate investments, collateralization, safekeeping, institutional diversification of the portfolio, maximum maturities, performance standards and reporting requirements.

Pension Trust Funds

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

- 1) Ensure that the assets of the plans are responsibly and prudently managed in accordance with the actuarial needs of the plans while adhering to the sound and accepted financial investment procedures.
- 2) Diversify the portfolio to help ensure that adverse or unexpected activity will not have an excessively detrimental impact on the entire portfolio. Investment management will be delegated to external professional organizations for the sole benefit of the membership and their beneficiaries for the purpose of providing a retirement benefit.

Performance objectives, asset allocation guidelines and permissible investments are outlined in each policy. The Plans' total returns are expected to provide results, using a three-year moving average, of an absolute return equal or superior to each Plan's actuarial assumed rate of return.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

The plans invest in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that material changes in the values of investment securities could occur.

Investment Types And Maturities

Governmental Activities

The City's investment policy governs all investment activity, except investments in the pension trust funds. The City's policy limits investments to bonds, bills or notes of the United States or an agency thereof; negotiable or non-negotiable certificates of deposit, savings accounts and other interest-earning deposit accounts of authorized financial institutions; or, repurchase agreements (with acceptable collateral in an amount greater than the amount of the repurchase agreement including accrued interest) through approved financial institutions with a previously signed Master Repurchase Agreement. In accordance with its policy, the City tries to maintain a high level of liquidity to allow the City to meet its operating requirements. The City will not invest in securities maturing more than five years from the date of purchase unless matched to a specific cash flow.

Credit Risk

Governmental Activities

The City's investment policy does not address credit quality standards. The City has an unrated money market account that is covered by excess deposit insurance for amounts above the FDIC.

Pension Trust Funds

The investment policies of the pension funds do not address credit quality standards. The above table reflects the credit ratings for the two retirement plans associated with the securities invested in the pension trust funds as of September 30, 2015, excluding obligations of the United States government or obligations explicitly guaranteed by the United States government.

Concentration Of Risk

Governmental Activities

The City will diversify its investments by institution. With the exception of bonds, bills or notes of the United States government or any agency thereof, including authorized pools, it shall be the goal of the City that no more than 80% of the City's government-wide investment portfolio will be invested in a single institution.

Pension Trust Funds

The pension investment policies specify that the investment mix shall be in a range of 55-65% equity securities, 25-35% fixed income securities, and 5-15% real estate. Target allocation for the equity securities is 30% large cap, 15% small cap and 15% international; fixed income 30%; and real estate 10%. The trustees follow these guidelines for all investments while adhering to the list of permissible investments outlined in the policies. The funds in the plans are invested over the long term in keeping with the objective of providing retirement benefits for its members.

At September 30, 2015, the pension plans did not have concentrations with any one issuer greater than 5%.

Custodial Credit Risk

Governmental Activities

Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. In accordance with its policy, the City addresses custodial risk by pre-qualifying institutions with which the City places investments, diversifying the investment portfolio, and maintaining a standard of quality for investments.

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation; by specific eligible securities pledged by the financial institution; by a single collateral pool established by the financial institution; or by separate insurance.

Pension Trusts

Custodial credit risk in the pension trust funds is the risk that in the event of the failure of the counterparty to a transaction, the pension funds will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The investment policies of the pension funds do not address custodial credit risk. At September 30, 2015, the City of Clayton Uniformed Employees' Pension Fund has \$5,622,738 in treasuries, agencies, municipal obligations, and corporate and foreign bonds that are held by the counterparty's trust department, but, not in the name of the Uniformed Employee's Pension Fund.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

3. Capital Assets

Capital asset activity was as follows:

	Balance - October 1, 2014	Increases	Decreases	Balance - September 30, 2015
Government Activities:				
Capital assets, not being depreciated:				
Land	\$ 9,255,672	\$ —	\$ —	\$ 9,255,672
Construction in process	3,471,285	1,806,551	4,079,323	1,198,513
Total capital assets not being depreciated	12,726,957	1,806,551	4,079,323	10,454,185
Capital assets, being depreciated:				
Buildings	56,524,667	—	—	56,524,667
Improvements other than buildings	5,524,521	212,160	—	5,736,681
Machinery and equipment	9,648,813	874,244	469,844	10,053,213
Infrastructure	33,086,029	4,145,734	—	37,231,763
Total capital assets being depreciated	104,784,030	5,232,138	469,844	109,546,324
Less accumulated depreciation for:				
Buildings	10,490,699	1,320,818	—	11,811,517
Improvements other than buildings	948,682	236,841	—	1,185,523
Machinery and equipment	5,520,623	794,495	435,185	5,879,933
Infrastructure	11,377,613	901,513	—	12,279,126
Total accumulated depreciation	28,337,617	3,253,667	435,185	31,156,099
Total capital assets being depreciated, net	76,446,413	1,978,471	34,659	78,390,225
Governmental activities capital assets, net	\$ 89,173,370	\$ 3,785,022	\$ 4,113,982	\$ 88,844,410

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

	For The Year Ended September 30, 2015
Governmental activities:	
General government	\$ 655,042
Public safety	885,712
Public works	1,221,484
Parks and recreation	491,429
	<u>\$ 3,253,667</u>

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

4. Restricted Assets

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

	September 30, 2015	
	Actual	Required
Series 2005B Bond Reserve Account	\$ 262,500	\$ 262,500

5. Interfund Transactions

Individual interfund transactions are as follows:

Transfer In	Transfer Out	For The Year Ended September 30, 2015
General Fund	Special Business District	\$ 362,476
General Fund	Capital Improvement Project Fund	1,138,508
2014 Special Obligation Bond Fund	Capital Improvement Project Fund	1,535,484
2014 Special Obligation Bond Fund	2005 Bond Debt Service Fund	1,216,500
2014 Special Obligation Bond Fund	2007 Capital Project Bond Fund	570,714
Equipment Replacement Fund	General Fund	1,422,699
Equipment Replacement Fund	Special Business District	35,000
Capital Improvement Fund	Special Business District	15,000
Capital Improvement Fund	2014 General Obligation Bond Fund	704,309
Capital Improvement Fund	2011 Bond Issue Fund	206,959
2011 Bond Fund	Capital Improvement Fund	653,063
2014 Special Obligation Bond Fund	General Fund	79,482
2005 Bond Debt Service Fund	General Fund	312,310
		<u>\$ 8,252,504</u>

Interfund transfers were used to 1) move revenues from the fund that ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them, 2) provide unrestricted revenues collected in the General Fund to finance capital improvements and other activities in accordance with budgetary authorization, or 3) move revenues in excess of current year expenditures to other funds.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

6. Long-Term Liabilities

A summary of changes in long-term liabilities was as follows:

	<u>Balance - October 1, 2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance - September 30, 2015</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
General obligation bonds	\$ —	\$ 15,000,000	\$ —	\$ 15,000,000	\$ 550,000
Special obligation capital improvement bonds	30,900,000	6,735,000	11,365,000	26,270,000	2,825,000
Unamortized premiums	191,893	920,519	147,667	964,745	—
Note payable	755,674	—	197,462	558,212	207,579
Capital lease payable	676,678	—	81,303	595,375	91,391
Compensated absences	346,496	736,320	702,603	380,213	361,201
Total Governmental Activities	<u>\$ 32,870,741</u>	<u>\$ 23,391,839</u>	<u>\$ 12,494,035</u>	<u>\$ 43,768,545</u>	<u>\$ 4,035,171</u>

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

General Obligation Bonds, Series 2014 totaling \$15,000,000 were issued on October 7, 2014 with interest rates ranging from 2% to 3.25%, maturing March 15, 2034. The 2014 bonds were issued to finance the resurfacing and improving neighborhood streets, sidewalks, alleys, street lighting and related infrastructure improvements. The balance at September 30, 2015 was \$15,000,000.

Special Obligation Refunding Bonds, Series 2014 totaling \$6,735,000 were issued on October 7, 2014 with interest rates ranging from 3% to 4%, maturing March 15, 2019. The 2014 bonds were issued to refund the Series 2005A and Series 2007 special obligation bonds. The proceeds of the Series 2014 bonds were deposited in an irrevocable trust with an escrow agent to provide for the call and redemption of the Series 2005A bonds on December 1, 2014 and the Series 2007 bonds on December 1, 2015. As a result, the 2005A bonds and 2007 bonds are considered to be defeased and the liability for these bonds has been removed from the accompanying financial statements. The refunding decreased the City's total debt service payments by \$426,427 and results in an economic gain (difference between the present value of the old and new debt service payments) of \$368,058. The balance of the Series 2014 bonds at September 30, 2015 was \$5,330,000.

During 2015, the refunding of the 2005A bonds and 2007 bonds resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$274,781. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to operations through 2018 using the straight-line method.

Special Obligation Bonds, Series 2011 totaling \$9,845,000 were issued on November 8, 2011 with interest rates ranging from 2% to 3.25%, maturing December 1, 2031. The 2011 bonds were issued to finance various park projects, street improvements, and police building improvements. The balance at September 30, 2015 was \$8,650,000.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

Taxable Build America (Direct-Pay) Special Obligation Bonds, Series 2009A and 2009B totaling \$6,420,000 and \$8,580,000, respectively, were issued on October 27, 2009 with interest rates ranging from 1% to 4.5% and 5% to 5.75%, respectively. Build America Bonds provide a federal subsidy of 35% of the interest paid by the issuer. Due to sequestration, subsidy payments have been reduced since 2013. The bonds were issued to acquire and renovate a facility for the police department. The bonds mature December 1, 2019 and December 1, 2029, respectively. The balance at September 30, 2015 was \$3,395,000 and \$8,580,000, respectively.

Special Obligation Bonds, Series 2005B totaling \$2,655,000 were issued on April 26, 2005 with interest rates ranging from 4.85%, maturing December 1, 2015. The 2005B bonds were issued to refund the 1998B bonds. The balance at September 30, 2015 was \$315,000.

The City has an agreement with St. Louis County, Missouri (the County) to pay for a portion of the Shaw Park Parking Garage. The garage was completed in fiscal year 2005 and the City's portion of the garage to be repaid to the County is \$2,764,176. The note bears interest at rates similar to those found in the bonds the County issued, which range from 4.0% to 4.75%. Monthly payments of \$19,234 will continue through April 2018. The balance at September 30, 2015 was \$558,212.

Maturities

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

For The Year Ending September 30,	General Obligation Bonds		
	Principal	Interest	Total
2016	\$ 550,000	\$ 444,738	\$ 994,738
2017	560,000	433,638	993,638
2018	580,000	422,238	1,002,238
2019	595,000	410,488	1,005,488
2020	620,000	392,138	1,012,138
2021-2025	3,475,000	1,611,315	5,086,315
2026-2030	4,345,000	1,032,865	5,377,865
2031-2034	4,275,000	285,919	4,560,919
	<u>\$ 15,000,000</u>	<u>\$ 5,033,339</u>	<u>\$ 20,033,339</u>

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

For The Year Ending September 30,	Special Obligation Capital Improvement Bonds		
	Principal	Interest	Total
2016	\$ 2,825,000	\$ 1,009,030	\$ 3,834,030
2017	2,870,000	903,480	3,773,480
2018	2,535,000	803,506	3,338,506
2019	1,805,000	727,113	2,532,113
2020	1,165,000	676,398	1,841,398
2021-2025	6,365,000	2,626,433	8,991,433
2026-2030	7,455,000	1,092,604	8,547,604
2031-2032	1,250,000	40,796	1,290,796
	\$ 26,270,000	\$ 7,879,360	\$ 34,149,360

For The Year Ending September 30,	Note Payable		
	Principal	Interest	Total
2016	\$ 207,579	\$ 23,229	\$ 230,808
2017	218,214	12,594	230,808
2018	132,419	2,219	134,638
	\$ 558,212	\$ 38,042	\$ 596,254

Capital Lease

On November 25, 2009, the City entered into a capital lease agreement to purchase a ladder truck for \$1,020,000. The lease matures November 2021. The original interest rate of 4.71% was lowered to 2.1% effective September 25, 2015, due to the lease amendment. The capitalized cost of the truck is \$1,028,386, and accumulated depreciation is \$394,215 at September 30, 2015.

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

For The Year Ending September 30,	
2016	\$ 103,018
2017	103,018
2018	103,018
2019	103,018
2020	103,018
2021-2022	<u>120,188</u>
Total minimum lease payments	635,278
Less: Amount representing interest	<u>(39,903)</u>
Present value of future minimum lease payments	<u><u>\$ 595,375</u></u>

Conduit Debt

The City of Clayton issued debt to provide financial assistance to private sector entities for the purpose of acquiring, constructing, and equipping industrial development projects deemed to be in the public interest. These bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The City of Clayton is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements.

As of September 30, 2015, there were three series of industrial revenue bonds outstanding.

On May 12, 2009, the City approved the issuance of up to \$202,000,000 in Taxable Industrial Revenue Bonds to finance the acquisition of real property located at 7700-7736 Forsyth Boulevard related to the Centene Center project. At September 30, 2015, \$153,701,679 was issued and remains outstanding.

On May 12, 2009, the City approved the issuance of up to \$17,000,000 in Taxable Industrial Revenue Bonds to finance the purchase and installation of equipment related to the Centene Center project. At September 30, 2015, \$11,136 was issued and remains outstanding.

On May 12, 2009, the City approved the issuance of up to \$10,000,000 in Taxable Industrial Revenue Bonds to finance the acquisition of real property located at 21 South Hanley Road related to the Centene Center project. At September 30, 2015, \$2,860,717 was issued and remains outstanding.

7. Employee Retirement Benefit Plans

The City maintains two single-employer, defined benefit pension plans. During 2015, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, as amended by GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date*. This Statement requires employers to report the net pension liability associated with defined benefit pension plans on their government-wide financial statements, and requires various additional disclosures about the plans and the liabilities. Pension liabilities have historically been and are generally liquidated by the General Fund.

City of Clayton Non-Uniformed Employees' Retirement Fund (NUERF)

Plan Description And Provisions

Pension plan description

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

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

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

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

Current membership in the Plan is as follows:

Inactive employees or beneficiaries currently receiving benefits	46
Inactive employees entitled to but not yet receiving benefits	45
Active employees	<u>82</u>
	<u><u>173</u></u>

Benefits provided

All employees of the City, except police officers and firefighters, who have completed 6 months of employment are eligible to participate as long as they continue to be employed by the City on a full-time, permanent basis. Employees attaining the age of 60 are entitled to annual benefits of 1.5% for each year of credited service times the average monthly compensation which is equal to the highest five consecutive years out of the last ten. All benefits are vested after 5 years of credited service. The NUERF permits early retirement at the completion of 10 years of credited service and attainment of age 55. The employee receives a retirement benefit, based on credited service and average monthly compensation at early retirement, reduced by 0.25% for each month that early retirement precedes normal retirement.

If an employee terminates his/her employment and is not eligible for any other benefits under the NUERF, the employee is entitled to the following:

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

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

Contributions

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

Contributions of \$544,097 were made by the City to the NUERF in fiscal year 2015. These contributions were calculated in accordance with actuarially determined contribution requirements based on an actuarial valuation performed at July 1, 2015. The Entry Age Normal actuarial funding method is used to determine contributions.

Net Pension Liability and Related Disclosures

The components of the net pension liability (NPL) are shown as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at September 30, 2014	\$ 15,714,004	\$ 13,933,357	\$ 1,780,647
Changes for the year:			
Service cost	478,857	—	478,857
Interest	1,104,645	—	1,104,645
Differences between expected and actual experience	(61,854)	—	(61,854)
Changes of assumptions	413,213	—	413,213
Contributions - employer	—	544,097	(544,097)
Contributions - employee	—	139,616	(139,616)
Net investment income	—	1,053,742	(1,053,742)
Benefit payments	(560,970)	(560,970)	—
Administrative expense	—	(47,672)	47,672
Net changes	1,373,891	1,128,813	245,078
Balance at September 30, 2015	\$ 17,087,895	\$ 15,062,170	\$ 2,025,725

Plan fiduciary net position as a
percentage of the total pension liability

88.15%

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Actuarial assumptions used in the calculations of the NPL are as follows:

Actuarial valuation date	July 1, 2015
Inflation	2%
Salary increases	4%
Investment rate of return	7%

Mortality rates were based on the RP-2000 Combined Healthy Table Generational projection using Scale BB.

Actuarial valuations attempt to estimate costs associated with the pension system based on a number of demographic, economic, and retirement experience assumptions. To the extent assumptions are at a variance with experience, this can result in actuarial gains and losses ultimately impacting contribution rates and the development of the actuarially required contribution.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected real future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target allocation are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Arithmetic Average Nominal Return (1)</u>	<u>Long-Term Arithmetic Average Real Return (2)</u>
Core bonds	20%	6.40%	2.80%
Multi-sector bonds	10%	7.38%	3.78%
U.S. large cap equity	30%	11.39%	7.80%
U.S. small cap equity	15%	12.68%	9.09%
Non-U.S. equity	15%	12.62%	9.02%
Core real estate	10%	9.11%	5.51%
	<u>100%</u>		

1) Long-term arithmetic average nominal return is the average return assumption for any given year derived from long-term risk premiums and a long-term average risk-free rate.

2) Long-term arithmetic average real return is the long-term average nominal return minus an average annual inflation rate of 3.60%.

The above long-term expected real rates of return represent best estimates of geometric rates of return for each major asset class included.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

Discount Rate

The discount rate used to measure the potential pension liability was 6.94%. The projection of cash flows used to determine the discount rate assumed the City's contributions will continue to follow the current funding policy of contributing employer normal cost plus a 20-year amortization of unfunded liabilities. Based on this assumption, the Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current plan members. A municipal bond rate of 3.73% was used in the development of the blended GASB discount rate after that point. The 3.73% rate is based on the S&P Municipal Bond 20-Year High Grade Rate Index as of June 30, 2015. Based on the long-term rate of return of 7% and the municipal bond rate of 3.73%, the blended GASB discount rate would be 6.94%.

Sensitivity of the NPL to Changes in the Discount Rate

The following presents the NPL of the retirement system, calculated using the discount rate determined above, as well as what the system's NPL would be if it were calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Discount rate	5.94%	6.94%	7.94%
Net pension liability	\$ 4,376,909	\$ 2,025,725	\$ 72,625

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2015, the City recognized pension expense of \$560,465 related to the NUERF. At September 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to the NUERF from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ —	\$ 50,941
Changes of assumptions	340,310	—
Differences between expected and actual investment income	—	60,659
Balance at September 30, 2015	\$ 340,310	\$ 111,600

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the NUFERF will be recognized in pension expense as follows:

<u>Year Ended September 30,</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2016	\$ 72,903	\$ 26,078
2017	72,903	26,078
2018	72,903	26,078
2019	72,903	26,078
2020	48,698	7,288
	<u>\$ 340,310</u>	<u>\$ 111,600</u>

City of Clayton Uniformed Employees' Pension Fund (UFERF)

Plan Description And Provisions

Pension plan description

Under Ordinance No. 5028 as amended by Ordinance No. 5043, the City established a single-employer defined benefit plan, City of Clayton Uniformed Employees' Pension Fund (the UFERF) that provides retirement, disability and death benefits. The UFERF does not issue a stand-alone financial report.

Current membership in the Plan is as follows:

Inactive employees or beneficiaries currently receiving benefits	68
Inactive employees entitled to but not yet receiving benefits	8
Active employees	<u>83</u>
	<u>159</u>

Benefits provided

Each full-time employee who is employed by the City as a police officer or firefighter shall be eligible to participate in the UFERF on the date the employee becomes a police officer or firefighter. Employees are vested after ten years. If an employee terminates before ten years of service, they are entitled to a refund of the employee contribution plus interest earned at 5%.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

Employees are eligible for normal retirement benefits at age 55 and completion of ten years of credited service or age 50 and completion of 25 years of credited service or age 65 with completion of five years of credited service. The monthly retirement benefit is based on the final average salary, which is calculated as the greater of the top pay range of a police officer/firefighter or of the actual highest five year average annual salary out of the last ten years. The actual benefit is based on two percent for each year of credited service to a maximum of 60% of the final average monthly salary. Disabled employees or their surviving spouse will receive benefits based upon the years of service and basic pay of the employee as of such date. Early retirement is available to vested employees, but benefits are not paid until age 55.

Contributions

City ordinance requires each member to contribute 5% of basic pay during the first 30 years of credited service. The City appropriates annually such funds as are necessary which, together with employee contributions and investment income, will cover the costs and accrued liabilities of the Plan.

Contributions of \$544,097 were made by the City to the UERF in fiscal year 2015. These contributions were calculated in accordance with actuarially determined contribution requirements based on an actuarial valuation performed at July 1, 2015. The Entry Age Normal actuarial funding method is used to determine contributions.

Net Pension Liability and Related Disclosures

The components of the NPL are shown as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at September 30, 2014	\$ 39,537,495	\$ 36,876,487	\$ 2,661,008
Changes for the year:			
Service cost	839,544	—	839,544
Interest	2,753,542	—	2,753,542
Differences between expected and actual experience	977,634	—	977,634
Contributions - employer	—	857,131	(857,131)
Contributions - employee	—	249,647	(249,647)
Net investment income	—	1,876,874	(1,876,874)
Benefit payments	(3,094,899)	(3,094,899)	—
Net changes	1,475,821	(111,247)	1,587,068
Balance at September 30, 2015	\$ 41,013,316	\$ 36,765,240	\$ 4,248,076
Plan fiduciary net position as a percentage of the total pension liability			89.64%

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Actuarial assumptions used in the calculations of the NPL are as follows:

Actuarial valuation date	January 1, 2015
Inflation	2.5%
Salary increases	3.5%
Investment rate of return	7%

Mortality rates were based on the RP-2000 Blue Collar Mortality Tables with generational improvements for mortality.

Actuarial valuations attempt to estimate costs associated with the pension system based on a number of demographic, economic, and retirement experience assumptions. To the extent assumptions are at a variance with experience, this can result in actuarial gains and losses ultimately impacting contribution rates and the development of the actuarially required contribution.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected real future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target allocation are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Arithmetic Average Nominal Return (1)</u>	<u>Long-Term Arithmetic Average Real Return (2)</u>
Core bonds	20%	6.40%	2.80%
Multi-sector bonds	10%	7.38%	3.78%
U.S. large cap equity	30%	11.39%	7.80%
U.S. small cap equity	15%	12.68%	9.09%
Non-U.S. equity	15%	12.62%	9.02%
Core real estate	10%	9.11%	5.51%
	<u>100%</u>		

1) Long-term arithmetic average nominal return is the average return assumption for any given year derived from long-term risk premiums and a long-term average risk-free rate.

2) Long-term arithmetic average real return is the long-term average nominal return minus an average annual inflation rate of 3.60%.

The above long-term expected real rates of return represent best estimates of geometric rates of return for each major asset class included.

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (Continued)

Discount Rate

The discount rate used to measure the potential pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed the City's contributions will continue to follow the current funding policy of contributing employer normal cost plus a 20-year amortization of unfunded liabilities. Based on this assumption, the Plan's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members.

Sensitivity of the NPL to Changes in the Discount Rate

The following presents the NPL (asset) of the retirement system, calculated using the discount rate determined above, as well as what the system's NPL (asset) would be if it were calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Discount rate	6.00%	7.00%	8.00%
Net pension liability (asset)	\$ 9,513,019	\$ 4,248,076	\$ (113,559)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2015, the City recognized pension expense of \$1,255,639 related to the UERF. At September 30, 2015, the City reported deferred outflows of resources related to the UERF from the following sources:

	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ 811,905
Differences between expected and actual investment income	376,654
Balance at September 30, 2015	\$ 1,188,559

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the UERF will be recognized in pension expense as follows:

Year Ended September 30,

2016	\$ 259,893
2017	259,893
2018	259,893
2019	259,893
2020	148,987
	<u>\$ 1,188,559</u>

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

8. Other Post Employment Benefits

The City sponsors and administers a single-employer other post employment benefit (OPEB) plan that does not issue a separate stand-alone financial report. The City provides medical and prescription drug benefits to eligible retirees. All employees who retire from the City and meet eligibility criteria may participate. Nonuniformed employees are eligible to retire once they have attained age 55 and have 10 years of service or age 60 and 5 years of service. Uniformed employees are eligible to retire once they have attained the age of 50 and have 25 years of service; age 55 and 10 years of service; or age 60 and 5 years of service. Retirees who elect to participate must pay the entire monthly premium. The City’s annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities. The City annual OPEB cost for the most recent actuarial valuation and the related information are as follows:

	For the Year Ended September 30, 2015
Annual required contribution	\$ 116,298
Interest on OPEB obligation	12,819
Adjustment to annual required contribution	<u>(23,581)</u>
Annual OPEB cost	105,536
Contributions made	<u>35,475</u>
Increase in OPEB obligation	70,061
Net OPEB obligation - beginning of year	<u>320,475</u>
 Net OPEB obligation - end of year	 <u><u>\$ 390,536</u></u>

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

Contributions to the plan for the current year and two preceding years have been as follows:

For the Years Ended September 30	Annual OPEB Cost	Contribution Made	Percentage Of Annual OPEB Cost Contributed	Net OPEB Obligation
2015	\$ 105,536	\$ 35,475	33.61%	\$ 390,536
2014	86,827	41,642	47.96%	320,475
2013	88,770	30,885	34.79%	275,290

Actuarial Methods And Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern to that point.

In the October 1, 2014 actuarial valuation, the liabilities were computed using the Projected Unit Credit Method. The initial unfunded actuarial accrued liability is being amortized over 20 years. The actuarial assumptions utilized a 4% discount rate. The valuation assumes a 9% premium cost rate for fiscal year 2015, reduced by decrements to an ultimate 5% increase for 2030 and later years.

9. Deferred Compensation Plan

The City participates in a deferred compensation plan under Internal Revenue Code Section 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

10. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters.

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

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

CITY OF CLAYTON, MISSOURI

Notes To Basic Financial Statements (*Continued*)

11. Joint Venture

Pursuant to an agreement authorized by City ordinance, the City joined with the Clayton School District to construct and operate a recreational facility. The construction was funded by the City and the Clayton School District. Administration, accounting, repair, and maintenance of the facility will be shared in accordance with the agreement. The City has contributed approximately two-thirds of the construction in the amount of \$11,789,000. The joint venture's financial statements are available at the Clayton City Hall. The City is liable for one-half of any operational cash shortages incurred by the joint venture. The City paid \$100,000 for its share of the operational cash shortage incurred by the joint venture for the year ended September 30, 2015.

A condensed summary of financial information for the joint venture as of and for its fiscal year ended September 30, 2015 is as follows:

Assets	<u>\$ 12,371,659</u>
Liabilities	<u>568,913</u>
Net Position	
Net investment in capital assets	12,003,534
Unrestricted	<u>(200,788)</u>
Total Net Position	<u><u>\$ 11,802,746</u></u>
Operating revenue	\$ 2,915,457
Operating expenses	(3,540,445)
Nonoperating revenues (expenses)	39,703
Capital contributions	<u>200,000</u>
Change in net position	<u><u>\$ (385,285)</u></u>

12. Commitments And Contingencies

Litigation

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

Federal Grants

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

13. Net Position/Fund Balance

The government-wide statement of net position reports \$15,299,977 of restricted net position, of which \$403,543 is restricted by enabling legislation.

At September 30, 2015, the Capital Improvement Fund's accumulated deficit of \$268,271 is the result of expenditures which exceeded revenues in 2015 plus prior years. The accumulated deficits will be offset by future revenues received by the fund.

14. Lease Agreement

The City entered into a lease agreement to rent part of the police building. The lease term is May 2013 through May 2033. The amount paid in advance of \$4,325,269 will be recognized over 20 years. At September 30, 2015, the unearned rent was \$3,802,666.

15. Traffic Violations

House Bill 103 amending RSMo section 302.341 became effective August 28, 2013. The amendments to the statute now require the City to annually calculate the percentage of its general revenue that comes from traffic violations and to report an accounting of that calculation. Any such revenues that exceed 30% of total general revenues are required to be transferred to the Director of the Missouri Department of Revenue. In the current year, the City has reported fines, forfeitures, and court costs for minor traffic violations of \$899,478, of which \$883,425 represent traffic violations and other traffic related items. This amount is approximately 4.1% of total general revenues of \$21,414,861 and, accordingly, the City believes it is in compliance with the requirements of the Statute.

16. Restatement

As discussed in Note 7, during 2015, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, as amended* by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. As a result of the implementation, net position as of October 1, 2014 was restated as follows:

Net position as previously reported	\$ 76,331,402
Prior period adjustment:	
Net pension liability - beginning of year	(4,441,655)
Removal of net pension asset previously recognized	(594,913)
Removal of net pension obligation previously recognized	<u>1,330,335</u>
Total prior period adjustment	<u>(3,706,233)</u>
Net position, as restated	<u>\$ 72,625,169</u>

Required Supplementary Information

CITY OF CLAYTON, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS - GENERAL FUND

For The Year Ended September 30, 2015

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues				
General property taxes	\$ 5,955,446	\$ 5,570,446	\$ 5,568,826	\$ (1,620)
Licenses and permits	1,877,985	1,777,985	1,793,424	15,439
Public utility licenses	5,617,044	5,437,044	5,434,842	(2,202)
Intergovernmental	5,025,171	5,071,264	5,108,289	37,025
Community programs	1,961,326	1,897,326	1,853,324	(44,002)
Parking facilities and meters	1,778,570	1,918,570	1,928,908	10,338
Fines and forfeitures	1,092,300	905,300	899,478	(5,822)
Donations and reimbursements	—	—	8,218	8,218
Investment income	90,000	90,000	103,893	13,893
Miscellaneous	241,575	337,575	355,629	18,054
Total Revenues	23,639,417	23,005,510	23,054,831	49,322
Expenditures				
Current:				
General government				
Nondepartmental	503,541	503,849	459,293	(44,556)
Information systems	885,836	772,206	739,248	(32,958)
Finance	688,326	720,591	663,587	(57,004)
City manager's office	506,828	635,960	633,310	(2,650)
Municipal court	302,919	304,136	295,870	(8,266)
Board of aldermen and city clerk	105,505	105,507	85,709	(19,798)
Personnel administration	289,332	290,688	248,680	(42,008)
Public safety	10,087,475	10,366,676	10,267,414	(99,262)
Public works	6,017,701	5,836,066	5,652,642	(183,424)
Parks and recreation	2,239,957	2,153,698	2,140,523	(13,175)
Economic development	599,025	563,246	484,908	(78,338)
Community development	854,105	860,802	828,552	(32,250)
Debt Service				
Principal	197,462	197,462	197,462	—
Interest and fiscal charges	33,347	33,347	33,346	(1)
Total Expenditures	23,311,359	23,344,234	22,730,544	(613,690)
Revenues Over (Under) Expenditures	328,058	(338,724)	324,287	663,012
Other Financing Sources (Uses)				
Transfers in	1,500,984	1,500,984	1,500,984	—
Transfers out	1,825,268	1,822,181	(1,814,491)	3,636,672
Total Other Financing Sources (Uses)	3,326,252	3,323,165	(313,507)	(3,636,672)
Net Change In Fund Balances	\$ 3,654,310	\$ 2,984,441	10,780	\$ (2,973,660)
Nonbudgeted Activity			13,196	
Net Change In Fund Balances - GAAP Basis			23,976	
Fund Balance - Beginning Of Year			16,339,148	
Fund Balance - End Of Year			\$ 16,363,124	

CITY OF CLAYTON, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION NOTES TO BUDGETARY COMPARISON INFORMATION September 30, 2015

Explanation Of Budgetary Process

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. Prior to August 1, the City Manager submits to the Board of Aldermen a proposed operating budget for all funds, except the Drug Forfeiture Fund for the fiscal year. The operating budget includes proposed expenditures and the means of financing them, except for police grant revenues and expenditures. Expenditures may not exceed appropriations at the department level for the General Fund and at the fund level for all other funds.
- b. Public hearings and open council meetings are held to obtain taxpayer comments.
- c. Prior to October 1, the budget is adopted by the Board of Aldermen.
- d. Budgets are adopted on a basis generally consistent with accounting principles generally accepted in the United States of America except that budgetary basis expenditures include encumbrances and loan payments in connection with short-term financing. Budgetary comparisons in the required supplementary information and other supplemental information are presented on this budgetary basis. Unencumbered appropriations lapse at fiscal year end.
- e. The current year budget includes amendments. Budget amendments between funds or departments, in the General Fund, must be approved by the Board of Aldermen.

Expenditures exceeded appropriations in the following funds and departments at September 30, 2015:

<u>Fund</u>	<u>Amount</u>
Nonuniformed Employees' Retirement Fund	\$ 18,116
Uniformed Employees' Pension Fund	8,983

CITY OF CLAYTON, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS NONUNIFORMED EMPLOYEES' RETIREMENT FUND

	Measurement Date	
	June 30,	
	2015	2014
Total pension liability		
Service cost	\$ 478,857	\$ 378,669
Interest	1,104,645	1,041,305
Differences between expected and actual experience	(61,854)	51,094
Changes of assumptions	413,213	—
Benefit payments	(560,970)	(752,949)
Net change in total pension liability	1,373,891	718,119
Total pension liability - beginning	15,714,004	14,995,885
Total pension liability - ending	<u>\$ 17,087,895</u>	<u>\$ 15,714,004</u>
 Plan fiduciary net position		
Contributions - employer	\$ 544,097	\$ 473,909
Contributions - employee	139,616	137,488
Net investment income	1,053,742	1,859,720
Benefit payments	(560,970)	(752,949)
Administrative expense	(47,672)	(49,687)
Net change in fiduciary net position	1,128,813	1,668,481
Plan fiduciary net position - beginning	13,933,357	12,264,876
Plan fiduciary net position - ending	<u>\$ 15,062,170</u>	<u>\$ 13,933,357</u>
Net pension liability - ending	<u>\$ 2,025,725</u>	<u>\$ 1,780,647</u>
 Plan fiduciary net position as a percentage of the total net pension liability	88.15%	88.67%
 Covered employee payroll	\$ 4,793,040	\$ 4,864,905
 Net pension liability as a percentage of covered employee payroll	42.26%	36.60%

Note to Schedule:

The City implemented GASB Statement No. 67 in 2014. This schedule will ultimately include ten years of data once it becomes available.

Changes of assumptions. In 2015, amounts reported as changes in assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the RP-2000 Combined Healthy Table Generational projection using scale BB.

CITY OF CLAYTON, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CONTRIBUTIONS NONUNIFORMED EMPLOYEES' RETIREMENT FUND

	Measurement Date	
	June 30,	
	2015	2014
Actuarially determined contribution	\$ 531,691	\$ 453,411
Contributions in relation to the actuarially determined contribution	544,097	473,909
Contribution deficiency (excess)	\$ (12,406)	\$ (20,498)
Covered employee payroll	\$ 4,793,040	\$ 4,864,905
Contributions as a percentage of covered employee payroll	11.35%	9.74%

Valuation date: July 1, 2015

Actuarially determined contribution rates are calculated as of June 30, in the fiscal year prior to the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, open period
Remaining amortization period	20 years
Asset valuation method	Assumed-yield method, with a 20% adjustment to market value
Inflation	2%
Salary increases	4%
Investment rate of return	7%, net of expenses
Retirement age	Probabilities of retirement are assigned to ages between 55 and 69, with all employees assumed to retire by age 69
Mortality	2015: RP-2000 Combined Healthy Table Generational projection using Scale BB 2014: RP-2000 Combined Healthy Table Generational projection using Scale AA

Note to Schedule:

The City implemented GASB Statement No. 67 in 2014. This schedule will ultimately include ten years of data once it becomes available.

CITY OF CLAYTON, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
NONUNIFORMED EMPLOYEES' RETIREMENT FUND**

	Measurement Date	
	June 30,	
	2015	2014
Annual money-weighter rate of return, net of investment expense	7.54%	15.28%

Note to Schedule:

The City implemented GASB Statement No. 67 in 2014. This schedule will ultimately include ten years of data once it becomes available.

CITY OF CLAYTON, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS UNIFORMED EMPLOYEES' PENSION FUND

	Measurement Date December 31, 2014
Total pension liability	
Service cost	\$ 839,544
Interest	2,753,542
Differences between expected and actual experience	977,634
Benefit payments	(3,094,899)
Net change in total pension liability	1,475,821
Total pension liability - beginning	39,537,495
Total pension liability - ending	\$ 41,013,316
Plan fiduciary net position	
Contributions - employer	\$ 857,131
Contributions - employee	249,647
Net investment income	1,876,874
Benefit payments	(3,094,899)
Net change in fiduciary net position	(111,247)
Plan fiduciary net position - beginning	36,876,487
Plan fiduciary net position - ending	\$ 36,765,240
Net pension liability - ending	\$ 4,248,076
Plan fiduciary net position as a percentage of the total net pension liability	89.64%
Covered employee payroll	\$ 5,493,694
Net pension liability as a percentage of covered employee payroll	77.33%

Note to Schedule:

The City implemented GASB Statement No. 67 in 2014. This schedule will ultimately include ten years of data once it becomes available. An actuarial valuation pursuant to GASB Statement No. 67 is not available for the year ended December 31, 2013.

CITY OF CLAYTON, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CONTRIBUTIONS UNIFORMED EMPLOYEES' PENSION FUND

	Measurement Date	
	December 31,	
	2014	2013
Actuarially determined contribution	\$ 777,547	\$ 1,004,082
Contributions in relation to the actuarially determined contribution	857,131	1,004,082
Contribution deficiency (excess)	\$ (79,584)	\$ —
Covered employee payroll	\$ 5,493,694	\$ 4,909,329
Contributions as a percentage of covered employee payroll	15.60%	20.45%

Valuation date:

Actuarially determined contribution rates are calculated as of January 1, 2015 in the fiscal year prior to the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed period
Remaining amortization period	19 years
Asset valuation method	Smoothed method, market value reduced by 2/3 and 1/3 of loss in each of the prior years, respectively
Inflation	2.5%
Salary increases	3.5%
Investment rate of return	7%, net of expenses
Retirement age	Probabilities of retirement are assigned to ages between 45 and 60, with all employees assumed to retire by age 60
Mortality	2015: RP-2000 Blue Collar Table with Generational improvement using Scale BB 2014: RP-2000 Blue Collar Table with Generational improvement using Scale AA

Note to Schedule:

The City implemented GASB Statement No. 67 in 2014. This schedule will ultimately include ten years of data once it becomes available.

CITY OF CLAYTON, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
UNIFORMED EMPLOYEES' PENSION FUND**

	Measurement Date	
	December 31,	
	2015	2014
Annual money-weighter rate of return, net of investment expense	5.69%	16.85%

Note to Schedule:

The City implemented GASB Statement No. 67 in 2014. This schedule will ultimately include ten years of data once it becomes available.

CITY OF CLAYTON, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS FOR
OTHER POST-EMPLOYMENT BENEFIT PLAN
September 30, 2015**

Actuarial Valuation Dated October 1	Actuarial Value Of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL As A Percentage Of Covered Payroll ((b - a) / c)
2014	\$ —	\$ 816,449	\$ (816,449)	0%	\$ 9,427,076	8.66%
2012	—	713,009	(713,009)	0%	10,185,513	7.00%
2010	—	838,489	(838,489)	0%	10,322,076	8.12%

Other Supplementary Information

CITY OF CLAYTON, MISSOURI

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Special Taxing District Fund - This fund is used to account for the ad valorem real estate tax assessed on the Special Business District, which funds are to be utilized for promotion, maintenance, and improvements of the district.

Sewer Lateral Fund - This fund is used to account for sewer lateral fees assessed on all residential property, which funds are to be utilized for the repair of sewer lateral service lines up to a maximum of \$3,000 per residence.

Drug Forfeiture Fund - This fund is used to account for the fines and forfeitures received, which funds are to be utilized for police assistance, police training and police equipment purchases.

DEBT SERVICE FUNDS

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

2007 Capital Project Fund - This fund is used to account for the accumulation of resources for, and the payment of, special obligation refunding bond principal and interest.

2005 Bond Debt Service Fund - This fund is used to account for the accumulation of resources for, and the payment of, special obligation refunding bond principal and interest.

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

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

2014 S.O. Bond Issue Fund - This fund is used to account for the accumulation of resources for, and the payment of, special obligation refunding bond principal and interest.

CITY OF CLAYTON, MISSOURI

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2015**

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 201,522	\$ 797,298	\$ 998,820
Investments	248,372	—	248,372
Property taxes receivable	2,574	43,718	46,292
Interest receivable	152	—	152
Cash - restricted	—	262,500	262,500
	<hr/>	<hr/>	<hr/>
Total Assets	\$ 452,620	\$ 1,103,516	\$ 1,556,136
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Liabilities And Fund Balances			
Liabilities			
Accounts payable	\$ 46,779	\$ 40,946	\$ 87,725
Accrued liabilities	260	—	260
	<hr/>	<hr/>	<hr/>
Total Liabilities	47,039	40,946	87,985
	<hr/>	<hr/>	<hr/>
Deferred Inflows Of Resources			
Unavailable revenues			
Property taxes	2,038	8,776	10,814
Special assessments	—	34,942	34,942
	<hr/>	<hr/>	<hr/>
	2,038	43,718	45,756
	<hr/>	<hr/>	<hr/>
Fund Balances			
Restricted for:			
Capital projects	—	507,576	507,576
Economic development	171,340	—	171,340
Debt service	—	511,276	511,276
Public safety	101,379	—	101,379
Sewer lateral	130,824	—	130,824
	<hr/>	<hr/>	<hr/>
Total Fund Balances	403,543	1,018,852	1,422,395
	<hr/>	<hr/>	<hr/>
Total Liabilities, Deferred Inflows, And Fund Balances	\$ 452,620	\$ 1,103,516	\$ 1,556,136
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CITY OF CLAYTON, MISSOURI

COMBINING BALANCE SHEET NONMAJOR SPECIAL REVENUE FUNDS September 30, 2015

	Special Taxing District	Sewer Lateral	Drug Forfeiture	Total
Assets				
Cash and cash equivalents	\$ 54,769	\$ 38,578	\$ 108,175	\$ 201,522
Investments	148,223	100,149	—	248,372
Property tax receivable	2,038	536	—	2,574
Interest receivable	91	61	—	152
Total Assets	205,121	139,324	108,175	452,620
Liabilities And Fund Balances				
Liabilities				
Accounts payable	31,483	8,500	6,796	46,779
Accrued liabilities	260	—	—	260
Total Liabilities	31,743	8,500	6,796	47,039
Deferred Inflows Of Resources				
Unavailable revenues				
Property taxes	2,038	—	—	2,038
Total Deferred Inflows Of Resources	2,038	—	—	2,038
Fund Balances				
Restricted for:				
Economic development	171,340	—	—	171,340
Public safety	—	—	101,379	101,379
Sewer lateral	—	130,824	—	130,824
Total Fund Balances	171,340	130,824	101,379	403,543
Total Liabilities And Fund Balances	\$ 205,121	\$ 139,324	\$ 108,175	\$ 452,620

CITY OF CLAYTON, MISSOURI

**COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS**

September 30, 2015

	2007 Capital Project Bond Fund	2005 Bond Debt Service Fund	2009 Build America Bond Fund	2011 Bond Issue Fund	2014 Special Obligation Bond Fund	Total
Assets						
Cash and cash equivalents	\$ —	\$ 207,165	\$ 74,784	\$ 507,576	\$ 7,773	\$ 797,298
Property taxes receivable	—	—	8,776	—	34,942	43,718
Cash - restricted	—	262,500	—	—	—	262,500
Total Assets	\$ —	\$ 469,665	\$ 83,560	\$ 507,576	\$ 42,715	\$ 1,103,516
Liabilities, Deferred Inflows Of Resources And Fund Balances						
Liabilities						
Accounts payable	\$ —	\$ 265	\$ 40,681	\$ —	\$ —	\$ 40,946
Total Liabilities	—	265	40,681	—	—	40,946
Deferred Inflows Of Resources						
Unavailable revenues:						
Property taxes	—	—	8,776	—	—	8,776
Special assessments	—	—	—	—	34,942	34,942
	—	—	8,776	—	34,942	43,718
Fund Balances						
Restricted for:						
Capital projects	—	—	—	507,576	—	507,576
Debt service	—	469,400	34,103	—	7,773	511,276
Total Fund Balances	—	469,400	34,103	507,576	7,773	1,018,852
Total Liabilities And Fund Balances	\$ —	\$ 469,665	\$ 83,560	\$ 507,576	\$ 42,715	\$ 1,103,516

CITY OF CLAYTON, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended September 30, 2015**

	Special Revenue	Debt Service Fund	Total
Revenues			
General property taxes	\$ 417,427	\$ 1,041,304	\$ 1,458,731
Assessment income	91,617	12,559	104,176
Fines and forfeitures	103,028	198,215	301,243
Investment income	1,457	3,775	5,232
Total Revenues	613,529	1,255,853	1,869,382
Expenditures			
Current:			
Public safety	21,929	—	21,929
Capital outlay	98,319	—	98,319
Debt service:			
Principal	—	2,735,000	2,735,000
Interest and fiscal charges	—	1,100,940	1,100,940
Bond issuance costs	—	15,647	15,647
Total Expenditures	120,248	3,851,587	3,971,835
Revenues Over (Under) Expenditures	493,281	(2,595,734)	(2,102,453)
Other Financing Sources (Uses)			
Proceeds from issuance of debt	—	6,735,000	6,735,000
Premium on issuance of debt	—	463,346	463,346
Payments to refunding escrow agent	—	(8,904,781)	(8,904,781)
Transfers in	—	4,367,553	4,367,553
Transfers out	(412,476)	(1,994,173)	(2,406,649)
Total Other Financing Sources (Uses)	(412,476)	666,945	254,469
Net Change In Fund Balances	80,805	(1,928,789)	(1,847,984)
Fund Balances			
Beginning of year	322,738	2,947,641	3,270,379
End of year	\$ 403,543	\$ 1,018,852	\$ 1,422,395

CITY OF CLAYTON, MISSOURI

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS For The Year Ended September 30, 2015

	Special Taxing District	Sewer Lateral	Drug Forfeiture	Total
Revenues				
General property taxes	\$ 417,427	\$ —	\$ —	\$ 417,427
Assessment income	—	91,617	—	91,617
Fines and forfeitures	—	—	103,028	103,028
Investment income	668	736	53	1,457
Total Revenues	418,095	92,353	103,081	613,529
Expenditures				
Current:				
Public safety	—	—	21,929	21,929
Capital outlay	—	98,319	—	98,319
Total Expenditures	—	98,319	21,929	120,248
Revenues Over (Under)				
Expenditures	418,095	(5,966)	81,152	493,281
Other Financing Uses				
Transfers out	(412,476)	—	—	(412,476)
Total Other Financing				
Uses	(412,476)	—	—	(412,476)
Net Change In Fund Balances	5,619	(5,966)	81,152	80,805
Fund Balances				
Beginning of year	165,721	136,790	20,227	322,738
End of year	\$ 171,340	\$ 130,824	\$ 101,379	\$ 403,543

CITY OF CLAYTON, MISSOURI

COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR DEBT SERVICE FUNDS For The Year Ended September 30, 2015

	2007 Capital Project Bond Fund	2005 Bond Debt Service Fund	2009 Build America Bond Fund	2011 Bond Issue Fund	2014 Special Obligation Bond Fund	Total
Revenues						
General property taxes	\$ —	\$ —	\$ 1,041,304	\$ —	\$ —	\$ 1,041,304
Assessment income	—	—	—	—	12,559	12,559
Intergovernmental	—	—	198,215	—	—	198,215
Investment income	—	2,117	44	1,614	—	3,775
Total Revenues	—	2,117	1,239,563	1,614	12,559	1,255,853
Expenditures						
Debt service:						
Principal	—	290,000	630,000	410,000	1,405,000	2,735,000
Interest and fiscal charges	—	22,575	613,427	243,063	221,875	1,100,940
Bond issuance costs	—	—	—	—	15,647	15,647
Total Expenditures	—	312,575	1,243,427	653,063	1,642,522	3,851,587
Revenues Under Expenditures	—	(310,458)	(3,864)	(651,449)	(1,629,963)	(2,595,734)
Other Financing Sources						
Proceeds from issuance of debt	—	—	—	—	6,735,000	6,735,000
Premium on issuance of debt	—	—	—	—	463,346	463,346
Payments to refunding escrow agent	—	—	—	—	(8,904,781)	(8,904,781)
Transfers in	—	312,310	—	653,063	3,402,180	4,367,553
Transfers out	(570,714)	(1,216,500)	—	(206,959)	—	(1,994,173)
Total Other Financing Sources (Uses)	(570,714)	(904,190)	—	446,104	1,695,745	666,945
Net Change In Fund Balances	(570,714)	(1,214,648)	(3,864)	(205,345)	65,782	(1,928,789)
Fund Balances						
Beginning of year	570,714	1,684,048	37,967	712,921	(58,009)	2,947,641
End of year	\$ —	\$ 469,400	\$ 34,103	\$ 507,576	\$ 7,773	\$ 1,018,852

CITY OF CLAYTON, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – SPECIAL TAXING DISTRICT SPECIAL REVENUE FUND – BUDGET BASIS For The Year Ended September 30, 2015

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues				
General property taxes	\$ 433,985	\$ 418,985	\$ 417,427	\$ (1,558)
Investment income	400	400	668	268
Total Revenues	434,385	419,385	418,095	(1,290)
Expenditures				
Economic development	—	—	—	—
Revenues Over (Under) Expenditures	434,385	419,385	418,095	(1,290)
Other Financing Uses				
Transfers out	(412,476)	(412,476)	(412,476)	—
Net Change In Fund Balances	\$ 434,385	\$ 419,385	5,619	\$ (1,290)
Fund Balances				
Beginning of year			165,721	
End of year			\$ 171,340	

CITY OF CLAYTON, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - SEWER LATERAL SPECIAL REVENUE FUND - BUDGET BASIS For The Year Ended September 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Revenues				
Assessment income	\$ 92,436	\$ 92,436	\$ 91,617	\$ (819)
Investment income	1,000	1,000	736	(264)
Total Revenues	<u>93,436</u>	<u>93,436</u>	<u>92,353</u>	<u>(1,083)</u>
Expenditures				
Capital outlay	<u>125,899</u>	<u>125,899</u>	<u>98,319</u>	<u>(27,580)</u>
Net Change In Fund Balance	<u>\$ (32,463)</u>	<u>\$ (32,463)</u>	<u>(5,966)</u>	<u>\$ 26,497</u>
Fund Balances				
Beginning of year			<u>136,790</u>	
End of year			<u>\$ 130,824</u>	

CITY OF CLAYTON, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL –
2007 CAPITAL PROJECT BOND DEBT SERVICE FUND –
BUDGET BASIS**

For The Year Ended September 30, 2015

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues				
Investment income	\$ 3,430	\$ —	\$ —	\$ —
Expenditures				
Debt service:				
Principal	500,000	—	—	—
Interest and fiscal charges	119,751	—	—	—
Total Expenditures	619,751	—	—	—
Revenues Over Expenditures	(616,321)	—	—	—
Other Financing Sources				
Transfers in	616,321	—	—	—
Transfers out	—	—	(570,714)	(570,714)
Total Other Financing Sources	616,321	—	(570,714)	(570,714)
Net Change In Fund Balances	\$ —	\$ —	(570,714)	\$ (570,714)
Fund Balances				
Beginning of year			570,714	
End of year			\$ —	

CITY OF CLAYTON, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL –
2005 BOND DEBT SERVICE FUND –
BUDGET BASIS**

For The Year Ended September 30, 2015

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues				
Assessment income	\$ 13,938	\$ —	\$ —	\$ —
Investment income	8,300	1,000	2,117	1,117
Total Revenues	22,238	1,000	2,117	1,117
Expenditures				
Debt service:				
Principal	1,190,000	290,000	290,000	—
Interest and fiscal charges	218,925	23,810	22,575	(1,235)
Bond issuance costs	—	—	—	—
Total Expenditures	1,408,925	313,810	312,575	(1,235)
Revenues Over (Under) Expenditures	(1,386,687)	(312,810)	(310,458)	2,352
Other Financing Sources				
Transfers in	1,322,569	320,000	312,310	(7,690)
Transfers out	—	—	(1,216,500)	(1,216,500)
Total Other Financing Sources (Uses)	1,322,569	320,000	(904,190)	(1,224,190)
Net Change In Fund Balances	\$ (1,386,687)	\$ (312,810)	(1,214,648)	\$ 2,352
Fund Balances				
Beginning of year			1,684,048	
End of year			\$ 469,400	

CITY OF CLAYTON, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – 2009 BUILD AMERICA BOND DEBT SERVICE FUND – BUDGET BASIS For The Year Ended September 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Revenues				
General property taxes	\$ 1,138,550	\$ 1,038,550	\$ 1,041,304	\$ 2,754
Intergovernmental	198,428	198,428	198,215	
Investment income	255	255	44	(211)
Total Revenues	<u>1,337,233</u>	<u>1,237,233</u>	<u>1,239,563</u>	<u>2,543</u>
Expenditures				
Debt service:				
Principal	630,000	630,000	630,000	—
Interest and fiscal charges	612,425	613,425	613,427	2
Total Expenditures	<u>1,242,425</u>	<u>1,243,425</u>	<u>1,243,427</u>	<u>2</u>
Net Change In Fund Balances	<u>\$ 94,808</u>	<u>\$ (6,192)</u>	<u>(3,864)</u>	<u>\$ (2,328)</u>
Fund Balances				
Beginning of year			<u>37,967</u>	
End of year			<u>\$ 34,103</u>	

CITY OF CLAYTON, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL –
2011 BOND ISSUE DEBT SERVICE FUND – BUDGET BASIS
For The Year Ended September 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Revenues				
Investment income	\$ 172	\$ 172	\$ 1,614	\$ 1,442
Expenditures				
Debt service:				
Principal	410,000	410,000	410,000	—
Interest and fiscal charges	246,313	245,213	243,063	(2,150)
Total Expenditures	<u>656,313</u>	<u>655,213</u>	<u>653,063</u>	<u>(2,150)</u>
Revenues Under Expenditures	<u>(656,141)</u>	<u>(655,041)</u>	<u>(651,449)</u>	<u>(3,592)</u>
Other Financing Sources				
Transfers in	656,141	656,141	653,063	(3,078)
Transfers out	(453,000)	(208,036)	(206,959)	1,077
Total Other Financing Sources	<u>203,141</u>	<u>448,105</u>	<u>446,104</u>	<u>(2,001)</u>
Net Change In Fund Balances	<u>\$ (453,000)</u>	<u>\$ (206,936)</u>	<u>(205,345)</u>	<u>\$ (1,591)</u>
Fund Balances				
Beginning of year			<u>712,921</u>	
End of year			<u>\$ 507,576</u>	

CITY OF CLAYTON, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL –
2014 S.O. BOND ISSUE DEBT SERVICE FUND – BUDGET BASIS
For The Year Ended September 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Revenues				
Assessment income	\$ —	\$ 13,938	\$ 12,559	\$ (1,379)
Total Revenues	—	13,938	12,559	(1,379)
Expenditures				
Debt service:				
Principal	—	1,405,000	1,405,000	—
Bond issuance costs	—	3,000	221,875	218,875
Interest and fiscal charges	—	221,646	15,647	(205,999)
Total Expenditures	—	1,629,646	1,642,522	12,876
Revenues Over (Under) Expenditures	—	(1,615,708)	(1,629,963)	14,255
Other Financing Sources				
Proceeds from issuance of debt	—	—	6,735,000	6,735,000
Premium on issuance of debt	—	—	463,346	463,346
Payments to refunding escrow agent	—	—	(8,904,781)	(8,904,781)
Transfers in	—	1,616,500	3,402,180	1,785,680
Total Other Financing Sources	—	1,616,500	1,695,745	79,245
Net Change In Fund Balances	\$ —	\$ 792	65,782	\$ (64,990)
Fund Balances				
Beginning of year			(58,009)	
End of year			\$ 7,773	

CITY OF CLAYTON, MISSOURI

MAJOR GOVERNMENTAL FUNDS – BUDGETARY INFORMATION

CAPITAL PROJECTS FUNDS

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

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

Equipment Replacements Fund - This fund is used to account for the accumulation of funds, which are to be utilized for equipment replacement needs.

DEBT SERVICE FUNDS

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

2014 G.O. Bond Issue Fund - This fund is used to account for the accumulation of resources for, and the payment of, general obligation bond principal and interest.

CITY OF CLAYTON, MISSOURI

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND - BUDGET BASIS For The Year Ended September 30, 2015

	Original Budget	Final Budget	Actual	Over (Under) Budget
Revenues				
Assessment income	\$ 11,000	\$ 11,000	\$ 47,530	\$ 36,530
Intergovernmental	4,878,254	4,225,924	4,222,966	(2,958)
Donations and reimbursements	44,000	384,037	549,127	165,090
Investment income	11,100	11,100	28,011	16,911
Miscellaneous	—	155,000	157,536	2,536
Total Revenues	4,944,354	4,787,061	5,005,170	218,109
Expenditures				
Capital outlay	9,683,880	3,061,083	2,362,349	(698,734)
Revenues Over Expenditures	(4,739,526)	1,725,978	2,642,821	916,843
Other Financing Sources (Uses)				
Transfers in	7,453,000	930,688	926,268	(4,420)
Transfers out	(3,330,970)	(3,331,667)	(3,327,055)	(4,612)
Total Other Financing Sources (Uses)	4,122,030	(2,400,979)	(2,400,787)	(9,032)
Net Change In Fund Balances	\$ (617,496)	\$ (675,001)	242,034	\$ 907,811
Fund Balances				
Beginning of year			(510,305)	
End of year			\$ (268,271)	

CITY OF CLAYTON, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL -
EQUIPMENT REPLACEMENT CAPITAL PROJECTS FUND -
BUDGET BASIS**

For The Year Ended September 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Revenues				
Donations and reimbursements	\$ —	\$ —	\$ 1,685	\$ 1,685
Investment income	7,000	7,000	15,044	8,044
Total Revenues	<u>7,000</u>	<u>7,000</u>	<u>16,729</u>	<u>9,729</u>
Expenditures				
Capital outlay	1,307,920	728,955	589,225	(139,730)
Debt service:				
Principal	—	—	81,303	81,303
Interest and fiscal charges	111,435	111,435	30,131	(81,304)
Total Expenditures	<u>1,419,355</u>	<u>840,390</u>	<u>700,659</u>	<u>(139,731)</u>
Revenues Over (Under) Expenditures	<u>(1,412,355)</u>	<u>(833,390)</u>	<u>(683,930)</u>	<u>149,460</u>
Other Financing Sources (Uses)				
Transfers in	1,422,699	1,457,699	1,457,699	—
Sale of capital assets	64,566	64,566	64,108	(458)
Total Other Financing Sources (Uses)	<u>1,487,265</u>	<u>1,522,265</u>	<u>1,521,807</u>	<u>(458)</u>
Net Change In Fund Balances	<u>\$ 74,910</u>	<u>\$ 688,875</u>	837,877	<u>\$ (149,002)</u>
Fund Balances				
Beginning of year			<u>2,621,045</u>	
End of year			<u>\$ 3,458,922</u>	

CITY OF CLAYTON, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL -
2014 G.O. BOND ISSUE FUND -
BUDGET BASIS**

For The Year Ended September 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Revenues				
General property taxes	\$ 1,060,000	\$ 1,060,000	\$ 1,030,854	\$ (29,146)
Investment income	49,000	49,000	94,001	45,001
Total Revenues	1,109,000	1,109,000	1,124,855	15,855
Expenditures				
Debt service:				
Interest and fiscal charges	501,000	424,225	423,040	(1,185)
Bond issuance costs	—	—	1,000	1,000
Total Expenditures	501,000	424,225	424,040	(185)
Revenues Over Expenditures	608,000	684,775	700,815	16,040
Other Financing Sources				
Issuance of refunding debt	—	—	15,000,000	15,000,000
Premium on issuance of debt	—	—	457,173	457,173
Transfers out	(6,950,000)	(707,652)	(704,309)	3,343
Total Other Financing Sources	(6,950,000)	(707,652)	14,752,864	15,460,516
Net Change In Fund Balances	\$ (6,342,000)	\$ (22,877)	15,453,679	\$ (15,476,556)
Fund Balances				
Beginning of year			<u>(1,068,521)</u>	
End of year			<u>\$ 14,385,158</u>	

CITY OF CLAYTON, MISSOURI

FIDUCIARY FUND TYPES

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

PENSION TRUST FUNDS

Non-Uniformed Employees' Retirement Fund - This fund is used to account for assets held in a trustee capacity for the City's non-uniformed employees.

Uniformed Employees' Pension Fund - This fund is used to account for assets held in a trustee capacity for the City's police officers and firefighters.

CITY OF CLAYTON, MISSOURI

COMBINING STATEMENT OF FIDUCIARY NET POSITION – PENSION TRUST FUNDS September 30, 2015

	Clayton Non- Uniformed Employees' Retirement Fund	Clayton Uniformed Employees' Pension Fund	Total
Assets			
Cash and cash equivalents	\$ 1,957	\$ 1,024,560	\$ 1,026,517
Investments:			
U.S. government and agency securities	—	1,269,450	1,269,450
Common stocks	—	5,324,499	5,324,499
Corporate bonds	—	3,669,520	3,669,520
Taxable municipal obligations	—	683,769	683,769
Mutual funds	12,771,222	19,200,803	31,972,025
Property funds	1,596,530	4,009,203	5,605,733
Interest receivable	13,349	59,214	72,563
Total Assets	14,383,058	35,241,018	49,624,076
Liabilities			
Accrued investment expenses	12,697	29,087	41,784
Net Assets			
Held in trust for pension benefits	\$ 14,370,361	\$ 35,211,931	\$ 49,582,292

CITY OF CLAYTON, MISSOURI

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – PENSION TRUST FUNDS

For The Year Ended September 30, 2015

	City Of Clayton Non- Uniformed Employees' Retirement Fund	City Of Clayton Uniformed Employees' Pension Fund	Total
Additions			
Contributions:			
Participant contributions	\$ 139,688	\$ 261,597	\$ 401,285
Employer contributions	544,097	857,131	1,401,228
Total Contributions	683,785	1,118,728	1,802,513
Investment Income (Loss):			
Net appreciation (depreciation) in fair value of investments and interest and dividends	432,553	443,841	876,394
Investment expense	(54,431)	(178,677)	(233,108)
Total Investment Income (Loss)	378,122	265,164	643,286
Total Additions	1,061,907	1,383,892	2,445,799
Deductions			
Benefits	578,116	2,008,983	2,587,099
Change In Net Assets	483,791	(625,091)	(141,300)
Net Assets Held In Trust For Pension Benefits, Beginning Of Year	13,886,570	35,837,022	49,723,592
Net Assets Held In Trust For Pension Benefits, End Of Year	\$ 14,370,361	\$ 35,211,931	\$ 49,582,292

CITY OF CLAYTON, MISSOURI

SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION - BUDGET AND ACTUAL – CITY OF CLAYTON NON-UNIFORMED EMPLOYEES’ RETIREMENT PENSION TRUST FUND For The Year Ended September 30, 2015

	Original Budget	Final Budget	Actual	Over (Under) Budget
Additions				
Contributions:				
Participant contributions	\$ 142,700	\$ 142,700	\$ 139,688	\$ (3,012)
Employer contributions	487,079	544,096	544,097	1
	629,779	686,796	683,785	(3,011)
Investment Income (Loss):				
Net appreciation (depreciation) in fair value of investments and interest and dividends	980,250	980,250	432,553	(547,697)
Investment expense	(54,400)	(54,400)	(54,431)	31
Total Investment Income	925,850	925,850	378,122	(547,728)
Total Additions	1,555,629	1,612,646	1,061,907	(550,739)
Deductions				
Benefits	560,000	560,000	578,116	18,116
Change In Net Position	\$ 995,629	\$ 1,052,646	483,791	\$ (568,855)
Net Position Held In Trust For Pension Benefits - Beginning Of Year			13,886,570	
Net Position Held In Trust For Pension Benefits - End Of Year			\$ 14,370,361	

CITY OF CLAYTON, MISSOURI

**SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION - BUDGET AND
ACTUAL - CITY OF CLAYTON UNIFORMED EMPLOYEES'
PENSION TRUST FUND
For The Year Ended September 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
Additions				
Contributions:				
Participant contributions	\$ 249,300	\$ 249,300	\$ 261,597	\$ 12,297
Employer contributions	857,131	857,131	857,131	—
<u>Total Contributions</u>	<u>1,106,431</u>	<u>1,106,431</u>	<u>1,118,728</u>	<u>12,297</u>
Investment Income (Loss):				
Net appreciation (depreciation) in fair value of investments and interest and dividends	2,615,000	2,615,000	443,841	(2,171,159)
Investment expense	(193,800)	(193,800)	(178,677)	15,123
<u>Net Investment Income (Loss)</u>	<u>2,421,200</u>	<u>2,421,200</u>	<u>265,164</u>	<u>(2,156,036)</u>
 Total Additions	 3,527,631	 3,527,631	 1,383,892	 (2,143,739)
 Deductions				
Benefits	2,000,000	2,000,000	2,008,983	8,983
 Change In Net Position	 <u>\$ 1,527,631</u>	 <u>\$ 1,527,631</u>	 (625,091)	 <u>\$ (2,152,722)</u>
 Net Position Held In Trust For Pension Benefits - Beginning Of Year			 <u>35,837,022</u>	
 Net Position Held In Trust For Pension Benefits - End Of Year			 <u>\$ 35,211,931</u>	

STATISTICAL SECTION

CITY OF CLAYTON, MISSOURI

STATISTICAL SECTION (Unaudited)

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

Financial Trends - These four (4) schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity - These four (4) schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

Debt Capacity - These four (4) schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic And Economic Information - These two (2) schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information - These three (3) schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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

CITY OF CLAYTON, MISSOURI

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

<u>Functions/Programs</u>	<u>September 30,</u>									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010 (1)</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Governmental activities:										
Invested in capital assets, net of related debt	\$ 45,456,078	\$ 57,476,317	\$ 54,149,471	\$ 47,823,828	\$ 37,682,326	\$ 26,675,814	\$ 15,329,996	\$ 12,335,368	\$11,295,023	\$ 8,732,202
Restricted	15,807,553	2,615,467	2,769,794	3,133,907	4,723,377	3,717,214	3,782,799	3,636,576	2,729,192	2,613,411
<u>Unrestricted</u>	<u>14,542,546</u>	<u>16,239,618</u>	<u>16,558,707</u>	<u>18,799,802</u>	<u>20,789,148</u>	<u>26,909,957</u>	<u>18,326,512</u>	<u>19,131,152</u>	<u>15,591,402</u>	<u>14,090,912</u>
<u>Total governmental activities net assets</u>	<u>\$ 75,806,177</u>	<u>\$ 76,331,402</u>	<u>\$ 73,477,972</u>	<u>\$ 69,757,537</u>	<u>\$ 63,194,851</u>	<u>\$ 57,302,985</u>	<u>\$ 37,439,307</u>	<u>\$ 35,103,096</u>	<u>\$29,615,617</u>	<u>\$ 25,436,525</u>
Business-type activities:										
Invested in capital assets, net of related debt	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 9,397,875	\$ 9,404,409	\$ 9,415,507	\$ 9,544,577
Restricted	—	—	—	—	—	—	265,500	265,500	285,195	280,174
<u>Unrestricted</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>10,203,839</u>	<u>10,221,756</u>	<u>10,306,400</u>	<u>10,128,036</u>
<u>Total business-type activities net assets</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 19,867,214</u>	<u>\$ 19,891,665</u>	<u>\$20,007,102</u>	<u>\$ 19,952,787</u>
Primary government:										
Invested in capital assets, net of related debt	\$ 45,456,078	\$ 57,476,317	\$ 54,149,471	\$ 47,823,828	\$ 37,682,326	\$ 26,675,814	\$ 24,727,871	\$ 21,739,777	\$20,710,530	\$ 18,276,779
Restricted	15,807,553	2,615,467	2,769,794	3,133,907	4,723,377	3,717,214	4,048,299	3,902,076	3,014,387	2,893,585
<u>Unrestricted</u>	<u>14,542,546</u>	<u>16,239,618</u>	<u>16,558,707</u>	<u>18,799,802</u>	<u>20,789,148</u>	<u>26,909,957</u>	<u>28,530,351</u>	<u>29,352,908</u>	<u>25,897,802</u>	<u>24,218,948</u>
<u>Total primary government net assets</u>	<u>\$ 75,806,177</u>	<u>\$ 76,331,402</u>	<u>\$ 73,477,972</u>	<u>\$ 69,757,537</u>	<u>\$ 63,194,851</u>	<u>\$ 57,302,985</u>	<u>\$ 57,306,521</u>	<u>\$ 54,994,761</u>	<u>\$49,622,719</u>	<u>\$ 45,389,312</u>

Notes:

(1) Business-type Activities were combined with Governmental Activities

Source: Basic financial statements

CITY OF CLAYTON, MISSOURI

CHANGES IN NET POSITION LAST TEN FISCAL YEARS Page 1 Of 2

	For The Years Ended September 30,									
	2015	2014	2013	2012	2011	2010 (1)	2009	2008	2007	2006
EXPENSES										
Governmental Activities										
General Government	\$ 4,462,401	\$ 5,015,781	\$ 5,009,171	\$ 5,050,212	\$ 5,006,261	\$ 6,066,181	\$ 5,184,518	\$ 5,286,324	\$ 4,585,667	\$ 4,253,478
Public Safety	11,243,156	11,133,094	11,980,104	10,148,499	10,240,914	9,784,707	9,153,714	8,495,262	8,246,154	8,660,970
Public works	6,747,391	6,297,163	6,472,311	5,968,351	6,060,451	6,847,543	7,133,404	5,411,338	5,919,304	4,530,039
Parks and recreation	2,834,322	2,778,702	3,038,435	2,990,170	2,808,620	2,938,071	2,135,837	2,079,965	1,975,986	2,865,602
Economic development	486,341	—	—	—	—	—	—	—	—	—
Community development	832,718	311,973	274,020	298,989	318,787	432,432	199,035	173,316	220,788	975,774
Interest and fiscal charges	1,437,162	1,525,218	1,485,657	1,799,671	1,525,947	1,571,301	779,891	963,747	910,350	989,693
Total Governmental Activities Expenses	<u>28,043,491</u>	<u>27,061,931</u>	<u>28,259,698</u>	<u>26,255,892</u>	<u>25,960,980</u>	<u>27,640,235</u>	<u>24,586,399</u>	<u>22,409,952</u>	<u>21,858,249</u>	<u>22,275,556</u>
Business-type Activities										
Parking facility	—	—	—	—	—	—	1,081,979	1,210,118	1,155,318	1,274,489
Total Primary Government Expenses	<u>28,043,491</u>	<u>27,061,931</u>	<u>28,259,698</u>	<u>26,255,892</u>	<u>25,960,980</u>	<u>27,640,235</u>	<u>25,668,378</u>	<u>23,620,070</u>	<u>23,013,567</u>	<u>23,550,045</u>
PROGRAM REVENUES										
Governmental Activities										
Charges for services:										
General government	1,819,017	1,667,576	1,618,158	1,462,385	1,549,918	1,773,196	662,163	867,722	735,781	666,138
Public Safety	2,493,473	2,449,170	3,334,775	2,367,393	2,481,302	2,125,691	1,295,680	1,286,279	1,141,418	931,486
Public works	1,323,109	1,223,177	1,238,118	1,161,444	1,174,765	1,068,315	233,699	187,215	277,604	246,210
Parks and recreation	1,024,886	1,038,084	982,734	881,990	917,628	885,857	850,860	824,989	739,568	672,161
Economic development	—	—	—	—	—	—	1,354,083	1,398,448	1,331,109	1,309,048
Operating grants and contributions	1,966,370	1,895,184	1,828,807	1,859,222	2,010,033	1,865,220	1,098,553	1,270,321	1,232,687	924,132
Capital grants and contributions	<u>1,230,820</u>	<u>2,441,406</u>	<u>3,923,903</u>	<u>5,285,025</u>	<u>5,997,466</u>	<u>372,500</u>	<u>1,024,386</u>	<u>569,600</u>	<u>287,100</u>	<u>—</u>
Total Governmental Activities Program Revenues	<u>9,857,675</u>	<u>10,714,597</u>	<u>12,926,495</u>	<u>13,017,459</u>	<u>14,131,112</u>	<u>8,090,779</u>	<u>6,519,424</u>	<u>6,404,574</u>	<u>5,745,267</u>	<u>4,749,175</u>
Business-type Activities										
Charges for services:										
Parking facility	—	—	—	—	—	—	1,521,683	1,420,803	1,416,686	1,486,560
Total Primary Government Program Revenues	<u>9,857,675</u>	<u>10,714,597</u>	<u>12,926,495</u>	<u>13,017,459</u>	<u>14,131,112</u>	<u>8,090,779</u>	<u>8,041,107</u>	<u>7,825,377</u>	<u>7,161,953</u>	<u>6,235,735</u>
Net Revenues (Expenses)										
Governmental activities	(18,185,816)	(16,347,334)	(15,333,203)	(13,238,433)	(11,829,868)	(19,549,456)	(18,066,975)	(16,005,378)	(16,112,982)	(17,526,381)
Business-type activities	—	—	—	—	—	—	439,704	210,685	261,368	212,071
Total Primary Government Net Revenues (Expenses)	<u>\$ (18,185,816)</u>	<u>\$ (16,347,334)</u>	<u>\$ (15,333,203)</u>	<u>\$ (13,238,433)</u>	<u>\$ (11,829,868)</u>	<u>\$ (19,549,456)</u>	<u>\$ (17,627,271)</u>	<u>\$ (15,794,693)</u>	<u>\$ (15,851,614)</u>	<u>\$ (17,314,310)</u>

CITY OF CLAYTON, MISSOURI

CHANGES IN NET POSITION LAST TEN FISCAL YEARS Page 2 Of 2

	For The Years Ended September 30.									
	2015	2014	2013	2012	2011	2010 (1)	2009	2008	2007	2006
GENERAL REVENUES AND OTHER										
CHANGES IN NET POSITION										
Governmental Activities										
Taxes:										
Property	\$ 8,055,653	\$ 7,051,113	\$ 7,340,797	\$ 6,707,168	\$ 6,665,628	\$ 6,388,623	\$ 6,886,241	\$ 6,643,277	\$ 6,332,125	\$ 6,135,030
Sales	7,085,858	6,186,273	5,723,220	5,650,981	5,486,472	5,260,745	5,541,603	6,043,834	6,226,794	5,934,900
Utility	5,434,842	5,452,949	5,364,645	5,206,297	5,450,458	6,172,511	4,894,278	5,701,276	4,758,606	4,890,845
Other	100,488	100,488	100,489	100,489	100,488	100,488	538,881	556,272	565,780	554,595
Grants and contributions not restricted to specific programs	198,215	202,533	214,458	1,797,555	309,426	—	—	—	—	—
Investment income	246,181	138,456	122,293	167,766	320,728	667,936	659,833	771,380	884,333	665,054
Gain (loss) on sale of capital assets	—	6,323	—	12,554	—	264,774	4,887	—	—	70,222
Miscellaneous	245,587	62,629	187,736	158,309	349,838	652,450	1,092,730	1,022,818	400,027	220,455
Transfers	—	—	—	—	—	—	784,733	754,000	1,124,409	904,477
Total Governmental Activities General Revenues And Other Changes in Net Position	<u>21,366,824</u>	<u>19,200,764</u>	<u>19,053,638</u>	<u>19,801,119</u>	<u>18,683,038</u>	<u>19,507,527</u>	<u>20,403,186</u>	<u>21,492,857</u>	<u>20,292,074</u>	<u>19,375,578</u>
Business-type Activities										
Investment income	—	—	—	—	—	—	320,578	427,878	586,580	367,140
Gain (loss) on sale of capital assets	—	—	—	—	—	—	—	—	330,776	2,243,132
Transfers	—	—	—	—	—	—	(784,733)	(754,000)	(1,124,409)	(904,477)
Total Business-type Activities General Revenues And Other Changes in Net Position	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(464,155)</u>	<u>(326,122)</u>	<u>(207,053)</u>	<u>1,705,795</u>
Total Primary Government General Revenues And Other Changes in Net Position	<u>21,366,824</u>	<u>19,200,764</u>	<u>19,053,638</u>	<u>19,801,119</u>	<u>18,683,038</u>	<u>19,507,527</u>	<u>19,939,031</u>	<u>21,166,735</u>	<u>20,085,021</u>	<u>21,081,373</u>
CHANGES IN NET POSITION BEFORE RESTATEMENT										
Governmental activities	3,181,008	2,853,430	3,720,435	6,562,686	6,853,170	(41,929)	2,336,211	5,487,479	4,179,092	1,849,197
Business-type activities	—	—	—	—	—	—	(24,451)	(115,437)	54,315	1,917,866
Total Primary Government Changes in Net Position Before Restatement	<u>3,181,008</u>	<u>2,853,430</u>	<u>3,720,435</u>	<u>6,562,686</u>	<u>6,853,170</u>	<u>(41,929)</u>	<u>2,311,760</u>	<u>5,372,042</u>	<u>4,233,407</u>	<u>3,767,063</u>
RESTATEMENT										
Governmental activities	(3,706,233)	—	—	—	(961,304)	—	—	—	—	—
CHANGES IN NET POSITION										
Governmental activities	(525,225)	2,853,430	3,720,435	6,562,686	5,891,866	(41,929)	2,336,211	5,487,479	4,179,092	1,849,197
Business-type activities	—	—	—	—	—	—	(24,451)	(115,437)	54,315	1,917,866
Total Primary Government Change In Net Position	<u>\$ (525,225)</u>	<u>\$ 2,853,430</u>	<u>\$ 3,720,435</u>	<u>\$ 6,562,686</u>	<u>\$ 5,891,866</u>	<u>\$ (41,929)</u>	<u>\$ 2,311,760</u>	<u>\$ 5,372,042</u>	<u>\$ 4,233,407</u>	<u>\$ 3,767,063</u>

Notes:

(1) Business-type Activities were combined with Governmental Activities.

Source: Basic financial statements

CITY OF CLAYTON, MISSOURI

FUND BALANCES – GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	September 30,									
	2015	2014	2013	2012	2011	2010 (1)	2009	2008	2007	2006
General Fund:										
Nonspendable	\$ 196,165	\$ 24,339	\$ 17,715	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Assigned	162,249	107,705	1,030,039	3,663,374	2,838,638	—	—	—	—	—
Unassigned	16,004,710	16,207,104	15,389,726	14,673,064	17,927,718	—	—	—	—	—
Reserved	—	—	—	—	—	434,493	46,246	50,748	124,339	4,095
Unreserved	—	—	—	—	—	22,623,263	12,590,092	11,816,465	9,552,077	8,324,588
Total General Fund	<u>\$ 16,363,124</u>	<u>\$ 16,339,148</u>	<u>\$ 16,437,480</u>	<u>\$ 18,336,438</u>	<u>\$ 20,766,356</u>	<u>\$ 23,057,756</u>	<u>\$ 12,636,338</u>	<u>\$ 11,867,213</u>	<u>\$ 9,676,416</u>	<u>\$ 8,328,683</u>
All Other Governmental Funds										
Restricted	\$ 15,807,553	\$ 3,328,388	\$ 5,017,628	\$ 7,914,614	\$ 9,733,471	\$ —	\$ —	\$ —	\$ —	\$ —
Committed	3,458,922	2,621,045	2,167,454	2,349,061	1,974,198	—	—	—	—	—
Unassigned	(268,271)	(1,636,835)	(913,659)	(555,647)	—	—	—	—	—	—
Reserved:										
Capital Improvement Fund	—	—	—	—	—	2,266,413	601,000	1,074,715	—	—
Equipment Replacement Fund	—	—	—	—	—	2,887	1,433	76,455	250	243,051
1997-98 Bond Debt Service Fund	—	—	—	—	—	—	—	—	—	—
2009 Build America Bond Fund	—	—	—	—	—	7,149,194	—	—	—	—
Other Governmental Funds	—	—	—	—	—	2,953,109	3,626,688	2,333,652	2,317,646	2,282,433
Unreserved, reported in:										
Capital Improvement Fund	—	—	—	—	—	398,512	1,689,633	2,358,173	2,249,824	1,801,767
Equipment Replacement Fund:	—	—	—	—	—	2,355,125	2,272,303	2,551,415	2,662,744	2,406,124
Other governmental funds:										
Special Revenue Funds	—	—	—	—	—	386,822	570,813	559,631	357,866	318,166
Capital Projects Funds	—	—	—	—	—	—	581,651	1,755,975	440,311	329,158
Total All Other Governmental Funds	<u>\$ 18,998,204</u>	<u>\$ 4,312,598</u>	<u>\$ 6,271,423</u>	<u>\$ 9,708,028</u>	<u>\$ 11,707,669</u>	<u>\$ 15,512,062</u>	<u>\$ 9,343,521</u>	<u>\$ 10,710,016</u>	<u>\$ 8,028,641</u>	<u>\$ 7,380,699</u>

Note:

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

Source: Basic financial statements

GASB 54 was implemented in 2011.

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

	For The Years Ended September 30									
	2015	2014	2013	2012	2011	2010 (1)	2009	2008	2007	2006
Revenues										
General property taxes	\$ 8,058,411	\$ 7,095,591	\$ 7,403,480	\$ 6,717,939	\$ 6,619,357	\$ 6,374,580	\$ 6,846,052	\$ 6,693,072	\$ 6,310,263	\$ 6,086,868
Assessment income	151,706	131,814	180,111	222,394	172,250	162,842	201,676	177,136	185,843	186,253
Licenses and permits	1,793,424	1,617,546	1,577,390	1,387,155	1,523,861	1,780,141	1,671,897	1,644,961	1,415,552	1,362,041
Public utility licenses	5,434,842	5,452,949	5,364,645	5,206,297	5,450,458	6,172,511	4,894,278	5,701,276	4,758,606	4,890,845
Intergovernmental	9,501,883	10,307,818	9,650,914	10,660,964	13,086,730	7,602,191	8,280,839	8,490,868	8,387,313	7,520,816
Community programs	1,853,324	1,806,270	1,713,754	1,549,301	1,460,533	1,413,736	1,193,102	1,281,421	1,249,216	1,112,109
Parking facilities and meters	1,928,908	1,790,473	1,707,401	1,587,248	1,653,514	1,474,297	—	—	—	—
Fines and forfeitures	1,200,721	1,067,415	2,012,156	1,111,217	1,302,852	1,078,799	1,097,872	1,189,598	929,316	777,766
Donations and reimbursements	559,030	470,190	2,008,212	3,879,251	—	—	—	—	—	—
Investment income	246,181	138,456	122,293	167,766	320,728	667,936	659,833	771,380	884,333	665,054
Miscellaneous	513,165	151,949	305,347	305,778	346,602	653,957	1,278,934	1,349,506	825,518	596,398
Total Revenues	31,241,595	30,030,471	32,045,703	32,795,310	31,936,885	27,380,990	26,124,483	27,299,218	24,945,960	23,198,150
Expenditures										
General government	3,112,501	4,424,982	4,438,505	4,494,963	4,430,545	4,828,548	4,794,723	4,752,688	4,070,285	3,914,379
Parks and recreation	2,140,523	4,850,023	4,992,413	4,827,147	2,322,392	1,991,742	1,878,493	1,839,134	1,759,570	1,657,278
Public safety	10,459,971	2,255,175	2,451,301	2,330,063	9,678,202	9,458,242	8,658,593	8,362,366	8,119,616	7,921,971
Public works	5,652,642	10,231,631	11,331,936	9,760,295	4,801,188	4,636,808	3,888,910	3,822,033	3,754,718	3,405,316
Economic development	484,908	—	—	—	—	—	—	—	—	—
Community development	828,552	314,959	275,160	299,774	314,280	432,432	199,035	173,316	220,788	254,375
Capital outlay	3,049,893	5,625,574	8,089,679	20,061,767	11,477,048	12,094,749	5,004,207	2,585,407	2,918,374	3,930,973
Debt service:										
Principal	3,013,765	2,900,407	4,397,690	3,764,825	3,586,804	2,924,263	2,345,000	8,960,000	2,395,000	2,465,000
Interest and fiscal charges	1,587,457	1,505,084	1,487,881	1,490,748	1,492,390	1,289,215	786,175	894,912	882,260	962,248
Bond issuance costs	16,647	—	—	217,195	—	271,353	56,446	76,239	—	—
Total Expenditures	30,346,859	32,107,835	37,464,565	47,246,777	38,102,849	37,927,352	27,611,582	31,466,095	24,120,611	24,511,540
Excess Of Expenditures Over Revenues	894,736	(2,077,364)	(5,418,862)	(14,451,467)	(6,165,964)	(10,546,362)	(1,487,099)	(4,166,877)	825,349	(1,313,390)
Other Financing Sources (Uses)										
Bond proceeds	21,735,000	—	—	9,845,000	—	15,000,000	3,950,000	8,175,000	—	—
Premium on issuance of debt	920,519	—	—	150,600	—	40,020	134,548	73,266	—	—
Payments to refunding escrow agent	(8,904,781)	—	—	—	—	—	(4,025,342)	—	—	—
Proceeds from capital lease	—	—	—	—	—	1,020,000	—	—	—	—
Special item	—	—	—	—	—	—	—	—	—	—
Sale of capital assets	64,108	20,207	34,106	26,308	70,171	228,577	45,790	36,783	45,917	123,688
Transfers in	8,252,504	7,205,701	8,914,942	16,099,102	5,630,967	11,580,668	3,073,696	2,303,079	4,796,573	3,488,397
Transfers out	(8,252,504)	(7,205,701)	(8,914,942)	(16,099,102)	(5,630,967)	(11,580,688)	(2,288,963)	(1,549,079)	(3,672,164)	(2,583,920)
Total Other Financing Sources (Uses)	13,814,846	20,207	34,106	10,021,908	70,171	16,288,577	889,729	9,039,049	1,170,326	1,028,165
Net Change In Fund Balances	\$ 14,709,582	\$(2,057,157)	\$(5,384,756)	\$(4,429,559)	\$(6,095,793)	\$ 5,742,215	\$(597,370)	\$ 4,872,172	\$ 1,995,675	\$(285,225)

Debt service as a percentage of noncapital expenditures

	16.92%	17.80%	19.50%	19.00%	18.70%	15.10%	12.50%	33.40%	15.50%	16.70%
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Fines and forfeitures as a percentage of general revenues (2)

	4.10%	4.90%	4.90%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
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Note:
(1) Enterprise and Internal Service Funds combined with General Fund and Capital Improvement Project Fund combined with Revolving Public Improvement Fund.
(2) Beginning in 2013 Missouri House Bill (HB) 103 requires cities to report the percentage of fines and forfeitures for traffic violations to the annual general operating revenue.
For 2015 total fines and forfeitures of all types were \$883,425 and general operating revenues were \$21,414,861.

CITY OF CLAYTON, MISSOURI

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS (Dollars In Thousands)

Fiscal Year	Real Property		Personal Property	Railroads And Utilities	Total Taxable Assessed Value	Estimated Actual Value	Total Direct Tax Rate
	Residential Property	Commercial Property					
2015	\$ 450,190	\$ 335,444	\$ 79,252	\$ 2,841	\$ 867,727	\$ 3,664,286	0.898
2014	450,536	336,201	77,352	2,794	866,883	3,662,604	0.787
2013	457,137	325,844	74,813	2,727	860,522	3,657,151	0.789
2012	455,763	326,175	75,590	3,042	860,570	3,654,239	0.717
2011	472,317	335,399	75,385	2,959	886,060	3,769,305	0.692
2010	470,815	335,157	84,470	2,986	893,428	3,787,977	0.673
2009	480,595	347,077	83,620	2,795	914,087	3,873,569	0.689
2008	459,370	346,326	84,556	2,881	893,133	3,762,594	0.691
2007	367,607	307,107	86,612	2,820	764,147	3,163,050	0.779
2006	361,777	307,555	86,774	2,367	758,473	3,132,865	0.796

Source - St. Louis County Assessor determines assessments as of January 1.

CITY OF CLAYTON, MISSOURI

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
City of Clayton:										
General	\$ 0.646	\$ 0.659	\$ 0.659	\$ 0.626	\$ 0.601	\$ 0.582	\$ 0.568	\$ 0.566	\$ 0.634	\$ 0.646
General Obligation Debt	0.252	0.128	0.130	0.091	0.091	0.091	0.122	0.125	0.145	0.150
Total City of Clayton	<u>0.898</u>	<u>0.787</u>	<u>0.789</u>	<u>0.717</u>	<u>0.692</u>	<u>0.673</u>	<u>0.690</u>	<u>0.691</u>	<u>0.779</u>	<u>0.796</u>
Overlapping Governments:										
State of Missouri	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030	0.030
St. Louis County	0.523	0.523	0.523	0.523	0.523	0.523	0.558	0.558	0.558	0.558
St. Louis County Library	0.250	0.250	0.173	0.163	0.157	0.140	0.140	0.140	0.150	0.150
Special School District	1.261	1.240	1.012	1.013	0.995	0.938	0.918	0.908	0.824	0.840
St. Louis Community College	0.220	0.220	0.220	0.220	0.218	0.214	0.201	0.200	0.223	0.223
Metropolitan St. Louis Sewer District (Extension)	0.088	0.107	0.082	0.082	0.079	—	—	0.067	0.069	0.069
Metropolitan Zoological Park and Museum District	0.280	0.280	0.268	0.267	0.255	0.249	0.234	0.233	0.261	0.265
Sheltered Workshop	0.090	0.089	0.084	0.084	0.079	0.074	0.069	0.070	0.082	0.082
Clayton School District	4.103	4.017	3.743	3.899	3.743	3.628	3.230	3.254	3.716	3.925
Deer Creek Sewer District	0.086	0.086	0.840	0.840	0.081	—	—	0.060	0.060	0.060
U. City Storm Sewer District	0.093	—	—	—	0.092	—	—	0.060	0.060	0.060
Total Overlapping Governments	<u>7.024</u>	<u>6.842</u>	<u>6.976</u>	<u>7.121</u>	<u>6.251</u>	<u>5.796</u>	<u>5.380</u>	<u>5.580</u>	<u>6.033</u>	<u>6.262</u>
Total	<u>\$ 7.922</u>	<u>\$ 7.629</u>	<u>\$ 7.765</u>	<u>\$ 7.838</u>	<u>\$ 6.943</u>	<u>\$ 6.469</u>	<u>\$ 6.070</u>	<u>\$ 6.271</u>	<u>\$ 6.812</u>	<u>\$ 7.058</u>

Source - St. Louis County Assessor

CITY OF CLAYTON, MISSOURI

PRINCIPAL PROPERTY TAXPAYERS CURRENT FISCAL YEAR AND NINE FISCAL YEARS AGO

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage Of Total City Taxable Assessed Value (1)	Taxable Assessed Value	Rank	Percentage Of Total City Taxable Assessed Value (2)
Clayton Corporate Park Mgmt. Co.	\$ 27,794,330	1	3.20%	\$ 25,319,460	1	3.34%
KBSII Pierre Laclède Center LLC	22,119,100	2	2.55%	21,136,160	1	2.79%
KBS Clayton Plaza LLC	21,540,800	3	2.48%	—		0.00%
Chapter 100 City of Clayton	16,004,210	4	1.84%	—		0.00%
HEF 1-STL NO 1 LLC	15,202,620	5	1.75%	11,558,400	6	1.52%
Duke Realty Limited Partnership	12,761,760	6	1.47%	14,432,000	4	1.90%
MEPT Shaw Park Plaza LLC	12,233,860	6	1.41%	—		0.00%
Clayton Central Owner LLC	11,654,690	8	1.34%	—		0.00%
8182 Maryland Associates	9,258,820	9	1.07%	11,049,800	7	1.46%
Forsyth Centre Associates LLC	8,276,700	10	0.95%	8,160,000	10	1.08%
THF Plaza Office LLC	—	10	—	17,309,850	3	2.28%
Riggs & Company Trustee	—		—	9,920,000	8	1.31%
Realty Associates Funds IV and V	—		—	12,361,600	5	1.63%
Realty Associates Funds VI and VII	—		—	8,700,390	9	1.15%
Total	<u>\$ 156,846,890</u>		<u>18.06%</u>	<u>\$ 139,947,660</u>		<u>18.46%</u>

Notes:

(1) Total assessed value of the City was \$867,727,000 as of January 1, 2014

(2) Total assessed value of the City was \$758,473,000 as of January 1, 2005

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

CITY OF CLAYTON, MISSOURI

PROPERTY TAX LEVIES AND COLLECTIONS (1) LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Tax Levied For The Fiscal Year (2)	Collected Within The Fiscal Year Of The Levy		Collections In Subsequent Years	Total Collections To Date (3) (4)	
		Amount	Percentage Of Levy		Amount	Percentage Of Levy
2015	\$ 7,919,542	\$ 7,882,414	99.5	\$ (162,741)	\$ 7,719,673	97.5%
2014	6,960,444	6,866,868	98.7	(152,247)	6,714,622	96.5
2013	7,104,828	6,941,019	97.7	70,521	7,011,541	98.7
2012	6,406,061	6,285,537	98.1	(44,170)	6,241,367	97.4
2011	6,452,891	6,319,990	97.9	84,864	6,404,854	99.3
2010	6,255,287	6,162,067	98.5	62,071	6,224,138	99.5
2009	6,664,208	6,592,851	98.9	108,933	6,701,784	100.6
2008	6,566,784	6,458,568	98.4	70,990	6,529,558	99.4
2007	6,206,413	6,123,300	98.7	114,431	6,237,731	100.5
2006	6,251,869	6,119,773	97.9	(148,346)	5,971,427	95.5

Notes:

- (1) Source - St. Louis County Collectors Office
- (2) Originally adjusted for strike offs and additions by St. Louis Board of Equalization after 1978.
- (3) Data for delinquent tax collection, excluding penalties and interest, is not available by levy year. St. Louis County will need more time to make system updates to track this information
- (4) St. Louis County Collectors Office charges a collection fee of 1.5%.

CITY OF CLAYTON, MISSOURI

RATIOS OF OUTSTANDING DEBT BY TYPE (1) LAST TEN FISCAL YEARS (Dollars In Thousands, Except Per Capita)

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage Of Personal Income (2)	Per Capita (2)
	Capital Improvement Bonds	General Obligation Bonds	Note Payable	Capital Leases	Capital Improvement Bonds	Note Payable				
2015 (7)	\$ 27,235	\$ 15,000	\$ 558	\$ 595	\$ —	\$ —	\$ 43,388	2.85	\$ 2,722	
2014	31,092	—	756	677	—	—	32,525	2.28	2,041	
2013	33,743	—	944	754	—	—	35,441	2.51	2,224	
2012 (6)	36,966	945	1,122	829	—	—	39,862	2.85	2,501	
2011	29,525	1,960	1,292	893	—	—	33,670	2.52	2,112	
2010 (5)	31,958	2,955	1,431	961	—	—	37,305	3.65	2,341	
2009 (4)	16,680	3,950	—	—	1,835	1,576	24,041	2.35	1,509	
2008 (3)	18,110	4,885	—	—	2,040	1,716	26,751	2.62	1,679	
2007	18,020	5,760	—	4	2,240	1,846	27,870	2.72	1,749	
2006	19,575	6,600	—	8	2,430	1,971	30,584	2.99	1,919	

Notes:

- (1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.
- (2) See "Demographic and Economic Statistics" table for personal income and population data.
- (3) In fiscal year 2008, capital improvement bonds of \$8,175,000 were issued to refund \$7,375,000 of the Series 2002 capital improvement bonds.
- (4) In fiscal year 2009, general obligation refunding bonds, series 2009 in the amount of \$3,950,000 were issued to refund \$3,970,000 of the Series 1999 bond issuance.
- (5) In fiscal year 2010, capital improvement bonds of \$15,000,000 were issued to finance the purchase and renovation of the new Police Station. Also in fiscal year 2010, Business-type activities were combined with Governmental Activities.
- (6) In fiscal year 2012, capital improvement bonds of \$9,845,000 were issued. \$5,000,000 was issued to finance the construction of the new Police Station. The \$4,845,000 balance was issued to finance Public Works and Parks and Recreation projects in fiscal years 2012 and 2013.
- (7) In fiscal year 2015, general obligation bonds of \$15,000,000 were issued to resurface and repave neighborhood streets and update street lights. Also in fiscal year 2015, capital improvement bonds of \$6,735,000 were issued to refinance the 2007 and 2005A bond series. The debt service reserves of \$1,216,500 from the 2005A Bond Series and \$571,000 from the 2007 Bond Series were used as a source of funds in the refinancing.

CITY OF CLAYTON, MISSOURI

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS (Dollars In Thousands, Except Per Capita)

Fiscal Year	General Obligation Bonds (1)	Percentage Of Actual Taxable Value Of Property (2)	Per Capita (3)
2015	\$ 15,000	1.73	\$ 941
2014	—	—	—
2013	—	—	—
2012	945	0.11	59
2011	1,960	0.22	123
2010	2,955	0.33	185
2009	3,950	0.43	249
2008	4,885	0.55	307
2007	5,760	0.75	36
2006	6,600	0.87	414

Notes:

- (1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.
- (2) See "Assessed Value and Actual Value of Taxable Property" table for property value data.
- (3) See "Demographic and Economic Statistics" table for population data.

Source: Basic financial statements and Assessor of St. Louis County

CITY OF CLAYTON, MISSOURI

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (Dollars In Thousands)

<u>Name Of Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable To City Of Clayton</u>	<u>Amount Applicable To City Of Clayton</u>
St. Louis County	\$ 109,755,000	3.96 %	\$ 4,346,298
Clayton School District	89,122,000	86.60 %	77,179,652
Subtotal	<u>198,877,000</u>		<u>81,525,950</u>
City of Clayton	<u>43,388,332</u>	100.0 %	<u>43,388,332</u>
Total	<u>\$ 242,265,332</u>		<u>\$ 124,914,282</u>

Note: Percentage applicable to City of Clayton is the total assessed value of the City of Clayton as a percentage of the total assessed value of the taxable property of the governmental unit.

Sources:

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

CITY OF CLAYTON, MISSOURI

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS (Dollars In Thousands)

	City Purposes Basic Limit										
	\$	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Assessed Valuation	867,727										
Debt Limit - 10% of assessed valuation	86,773										
Amount of debt applicable to debt limit											
Total general obligation debt	15,000										
Less: Amount available in debt service fund	627										
Net bond indebtedness applicable to debt limit	14,373										
Legal Debt margin	72,400										
Debt Limit (1)		\$ 86,773	\$ 86,688	\$ 86,052	\$ 86,057	\$ 88,606	\$ 89,343	\$ 91,409	\$ 89,313	\$ 76,415	\$ 75,847
Total net debt applicable to Debt Limit		14,373	—	—	910	1,678	2,383	3,092	4,097	4,993	5,859
Legal debt margin		\$ 72,400	\$ 86,688	\$ 86,052	\$ 85,147	\$ 86,928	\$ 86,960	\$ 88,317	\$ 85,216	\$ 71,422	\$ 69,988
Total net debt applicable to the limit as a percentage of debt limit		16.56%	0.00%	0.00%	1.06%	1.89%	2.67%	3.38%	4.59%	6.53%	7.72%

Note:

(1) Debt limit is 10% of the assessed value, which can be found in the "Assessed Value and Actual Value of Taxable Property" table. Bonded indebtedness is limited by Sections 95.111 and 95.120 of the Missouri Revised Statutes (1986) to 10% of the assessed value of taxable tangible property.

Source: Basic financial statements

CITY OF CLAYTON, MISSOURI

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN CALENDAR YEARS

Year	Population (1)	Personal Income (Thousands Of Dollars)	Median Household Income (2)	Clayton School District Enrollment (3)	Unemployment Rate (4)
2015	15,939	\$ 1,522,175	\$ 95,500	2,485	2.0 %
2014	15,939	1,426,206	89,479	2,549	3.4 %
2013	15,939	1,409,518	88,432	2,588	3.8 %
2012	15,939	1,398,743	87,756	2,504	3.4 %
2011	15,939	1,337,920	83,940	2,455	4.6 %
2010	15,935	1,022,772	64,184	2,509	5.2 %
2009	15,935	1,022,772	64,184	2,478	5.4 %
2008	15,935	1,022,772	64,184	2,490	3.5 %
2007	15,935	1,022,772	64,184	2,479	2.8 %
2006	15,935	1,022,772	64,184	2,460	2.6 %

- (1) Source - Data for 2005-2010 from 2000 revised census from the U.S. Bureau of Census dated December 7, 2001. Source Data for 2011-2015 from 2010 U.S. Census Bureau
- (2) Sources of data from 2005 to 2010 from 2000 U.S. Bureau of Census. Sources of data for 2001 from "2005 - 2009 American Community Survey Estimates." Sources of data for 2012 from "2006 - 2010 American Community Survey Estimates." Sources of data for 2013 from "2008 - 2012 American Community Survey Estimates." Sources of data for 2014 from "2009 - 2013 American Community Survey Estimates." Sources of data for 2015 from "2010 - 2014 American Community Survey Estimates."
- (3) Source - Administrative Office - School District of Clayton.
- (4) Source: 2005 through 2015 - Missouri Department of Economic Development

CITY OF CLAYTON, MISSOURI

PRINCIPAL EMPLOYERS CURRENT FISCAL YEAR AND NINE FISCAL YEARS AGO

Employer	2015			2006		
	Employees	Rank	Percentage Of Total City Employment	Employees	Rank	Percentage Of Total City Employment
St. Louis County	2,005	1	4.36	2,000	1	6.04
Enterprise Holdings, Inc.	1,354	2	2.94	1,441	2	4.35
Centene Corporation	1,288	3	2.80	525	5	1.59
Washington University	754	4	1.64	—	—	—
Caleres, Inc. (Brown Shoe Co.)	715	5	1.55	583	4	1.76
Commerce Bank NA	523	6	1.14	519	6	1.57
Clayton School District	438	7	0.95	467	7	1.41
Husch Blackwell	433	8	0.94	—	—	—
Sheraton Clayton Plaza Hotel/Restaurant	414	9	0.90	—	—	—
Armstrong Teasdale	359	10	0.78	—	—	—
RubinBrown, LLP	316	11	0.69	260	10	0.79
Ritz Carlton	300	12	0.65	365	8	1.10
Ernst & Young U.S. LLP	286	13	0.62	261	9	0.79
Crowne Plaza St. Louis - Clayton Hotel	241	14	0.52	—	—	—
Moneta Group, LLC	225	15	0.49	—	—	—
The Crawford Group	—	—	—	803	3	2.43
	<u>9,651</u>		<u>20.97</u>	<u>7,224</u>		<u>21.82</u>

Notes:
 Percentage for 2015 based on 46,000 total daytime employees in the Central Business District. For 2006, daytime employees of 33,100 in the Central Business District was estimated based on square footage of commercial buildings that existed in Clayton nine years ago.

CITY OF CLAYTON, MISSOURI

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

Function/Program	Full-Time Equivalent Employees As Of September 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General government:										
City Clerk (1)	—	—	—	—	—	—	—	—	—	1
City Manager (12)	3	4	4	5	5	5	5	5	5	4
Human resources	2	2	2	2	2	2	2	2	2	2
Finance (14)	7	6	6	6	6	7	7	7	7	7
Municipal court	2	2	2	2	2	3	3	3	3	3
Information systems	4	4	4	4	4	3	3	3	3	3
Economic Development (12)	1	—	—	—	—	—	—	—	—	—
Events (13)	1	—	—	—	—	—	—	—	—	—
Community development (5)	9	9	10	10	10	10	10	10	10	10
Police:										
Officers (6)	49	49	52	52	52	52	52	52	52	52
Civilians	8	8	8	7	7	7	7	7	8	8
Fire:										
Firefighters and officers	35	35	35	35	35	35	35	35	35	35
Civilians	1	1	1	1	1	1	1	1	1	1
Public Works:										
Engineering (3)	6	6	6	6	6	6	6	5	5	5
Street maintenance (4)(7)	14	14	15	16	16	16	16	16	16	16
Vehicle maintenance (8)	3	3	4	4	4	4	4	4	5	5
Building maintenance (9)	3	3	2	2	2	2	2	2	3	3
Parking maintenance	1	1	1	1	1	1	1	1	1	1
Parks and recreation:										
Administration/recreation (2) (10) (13)	7	8	9	9	9	9	9	9	8	6
Parks maintenance (11)	7	7	9	9	9	9	9	9	9	9
Total	163	162	170	171	171	172	172	171	173	171

Notes:

- (1) Transfer of City Clerk position to City Managers' office from legislative in 2007.
- (2) Community Resource Coordinator position added in 2008.
- (3) Civil Engineer 1 position added in 2009.
- (4) Laborer position eliminated in 2013.
- (5) Deputy Building Official position eliminated in 2014.
- (6) Staffing positions reduced in 2014 due to retirements.
- (7) Asst. Forester position eliminated in 2014.
- (8) Fleet and Building Manager position eliminated in 2014.
- (9) Facilities Maintenance Supervisor position transferred in from Park Maintenance in 2014.
- (10) Recreation Assistant Supervisor position eliminated in 2014.
- (11) Staffing for Parks Supervisor transferred to Building Maintenance and one laborer position eliminated in 2014.
- (12) Transfer of Director of Economic Development position to Economic Development (new program) from City Manager's office in 2015.
- (13) Transfer of Event Specialist position to Events (new program) from Parks and Recreation Administration & Recreation in 2015.
- (14) Temporary staffing increase in 2015 due to a new financial system implementation.

Source: City of Clayton Annual Budgets (2006-2015)

CITY OF CLAYTON, MISSOURI

OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Police:										
Arrests	894	1,281	1,540	1,253	1,217	1,334	1,127	959	1,176	973
Parking violations	3,269	1,400	1,846	1,654	2,182	2,046	2,448	2,890	3,729	5,362
Traffic violations	3,576	5,892	6,171	6,583	7,061	6,831	7,248	7,053	6,011	7,626
Parking tickets *	49,684	37,905	28,944	29,888	37,198	41,366	41,624	44,200	43,427	44,221
Fire:										
Emergency response ambulance	1,655	1,619	1,577	1,639	1,524	1,474	1,511	1,648	1,497	1,430
Emergency response- fire	1,747	1,904	1,378	1,661	1,639	1,763	1,863	1,739	1,665	1,420
Inspections	656	683	709	640	787	660	691	717	656	520
Parks and recreation:										
Shaw Park Pool - Passes	809	915	1,006	1,281	1,189	1,145	913	1,025	871	651
Shaw Park Ice Rink - Passes	34	36	55	42	53	38	17	15	—	8
Platinum Passes	449	448	452	420	525	402	348	267	152	—
Tennis Court - Passes	89	120	157	—	43	40	13	17	9	8
Pool/Tennis - Passes	NA	NA	NA	NA	NA	NA	44	56	66	57
Tri Passes (pool/rink/tennis)	NA	NA	NA	NA	NA	NA	—	4	—	13
Shelter Rentals (including picnic pads)	313	322	177	302	305	282	245	269	306	266
Community development:										
Residential permits issued	310	325	324	278	308	273	219	299	282	304
Estimated cost of construction										
for residential permits	\$ 56,085,206	\$ 31,818,681	\$ 22,738,220	\$ 15,533,472	\$ 22,374,538	\$ 16,600,417	\$ 15,892,142	\$ 26,602,257	\$ 33,021,571	\$ 43,081,206
Commercial permits issued	138	122	134	142	153	150	147	183	135	113
Est. cost of construction										
for commercial permits	\$ 30,080,212	\$ 38,585,373	\$ 26,620,710	\$ 33,232,912	\$ 52,113,313	\$ 71,793,104	\$ 123,209,999	\$ 71,511,966	\$ 28,898,204	\$ 57,891,052
Finance and administration:										
Business licenses issued	873	936	942	935	805	816	807	787	791	889
Liquor licenses issued	71	70	65	59	60	62	56	63	62	63

Notes:

* Parking tickets not included in parking violations.

No operating indicators by function/program are available for the Administration or Public Works Departments

Sources: City of Clayton Annual Reports (2006-2015), various City departments

CITY OF CLAYTON, MISSOURI

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Function/Program	Fiscal Year									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	23	23	23	25	25	26	26	26	25	25
Fire:										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles:										
Ladder Trucks	1	1	1	1	1	1	1	1	1	1
Pumpers	1	1	1	1	1	1	1	1	1	1
Rescue Trucks (7)	2	1	1	1	1	1	1	1	1	1
Ambulances	2	2	2	2	2	2	2	2	2	2
Command Vehicles	3	3	3	3	3	3	3	3	3	3
Public Works:										
Miles of streets - paved (1)	98.7	98.7	98.7	98.7	98.7	98.7	99.1	38.0	46.7	46.7
Miles of alleys (2)	6.5	6.5	6.5	6.5	6.5	6.5	6.5	5.3	5.3	5.3
Miles of sidewalks (4)	54	54	54	54	54	54	39	39	39	39
Number of street lights (6)	2,024	2,024	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
Number of traffic signals (3)	22	22	22	22	24	24	24	28	28	28
Parks and recreation:										
Acres of Parks (5) (8)	74.2	89.0	89.0	89.0	84.4	84.4	84.4	84.4	84.4	84.4
Number of Parks (5)	11	11	11	11	10	10	10	10	10	10
Athletic Complex	1	1	1	1	1	1	1	1	1	1
Aquatic Center	1	1	1	1	1	1	1	1	1	1

- Notes:
- (1) In 2008, survey taken by public works resulted in new figures and included public streets and private streets.
In 2009, unit measure changed from center lane miles to lane miles (unit is more consistent with standards) where 1 mile of pavement 12ft. wide equals one lane mile. Figures include public streets only.
 - (2) In 2009, changed to lane mile unit of measure (unit is more consistent with standards) where 1 mile of pavement 15ft. wide equals one lane mile.
 - (3) In 2009, changed to number of signalized intersections owned and maintained by the City.
 - (4) Quantity represents paved linear miles of sidewalk.
 - (5) In 2012 added Anderson Park - size 4.6 acres.
 - (6) An inventory of the existing street light fixtures was completed in 2014.
 - (7) In 2015, transfer of truck from Saint Louis Area Regional Response Group.
 - (8) In 2015, The Center of Clayton transferred ownership of Stuber Gymnasium to Clayton School District; property boundaries were adjusted accordingly and reduced by 15.02 acres.
In 2015, added property to Hanley Park consisting of an additional 0.25 acres.

Note: No capital asset indicators are available for the Administration, Finance, or Planning functions.

Source: City of Clayton Annual Reports (2006-2015), various City departments