

**New Issue
Book-Entry Only**

**Standard & Poor's: "AA+"
Moody's: "Aa2"
(See "BOND RATING" herein)**

The interest on the Bonds (including any original discount properly allocable to an owner thereof) is included in gross income for Federal and State of Missouri income tax purposes. See "TAX MATTERS" herein.

ST. LOUIS COUNTY, MISSOURI

\$10,305,000
Taxable Special Obligation Bonds
(Qualified Energy Conservation Bonds – Direct Pay)
(Residential Energy Efficiency Loan Program)
Series 2011A

\$150,000
Taxable Special Obligation Bonds
(Residential Energy Efficiency Loan Program)
Series 2011B

Dated: May 18, 2011

Due: December 1, as shown on the inside cover

Principal of and semiannual interest on the Bonds will be payable at maturity at the principal payment office of The Bank of New York Mellon Trust Company, N.A., St. Louis, Missouri, as paying agent (the "**Paying Agent**"). Interest on the Bonds will accrue from their date, and will be payable on each June 1 and December 1, beginning on December 1, 2011, by check or draft mailed by the Paying Agent, or by electronic transfer upon written request made as described herein, to the registered owners thereof as of the close of business on the fifteenth day of the month preceding each interest payment date. Bonds will be issued in denominations of \$5,000 or any integral multiple thereof.

The Bonds and the interest thereon will constitute special obligations of St. Louis County, Missouri, payable solely from amounts appropriated in each Fiscal Year (herein defined) out of the income and revenues of the County provided for such Fiscal Year plus any unencumbered balances from previous years. The Bonds do not constitute general obligations or indebtedness of the County within the meaning of any constitutional, statutory or charter limitation or provision, and the County does not pledge its full faith and credit and is not obligated to levy taxes or resort to any other moneys of the County to pay the principal of and interest on the Bonds.

The payment of the principal of and interest on the Bonds is subject to annual appropriation by the County. The County is not required or obligated to make any such annual appropriation. No property of the County is pledged or encumbered as security for the payment of the Bonds. Certain risk factors are associated with the purchase of the Bonds. See "**RISK FACTORS**" herein.

The Series 2011A Bonds are subject to optional redemption prior to maturity as described herein. The Series 2011A Bonds and the Series 2011B Bonds are subject to extraordinary redemption prior to maturity as described herein.

The Bonds are offered when, as and if issued by the County, subject to the approval of legality by Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel. Certain legal matters related to the Official Statement will be passed upon by Gilmore & Bell, P.C., St. Louis, Missouri and by Patricia Redington, Esq., County Counselor. Columbia Capital Management, LLC has acted as financial advisor to the County. It is expected that the Bonds will be available for delivery at DTC, on or about May 18, 2011.

BMO Capital Markets GKST Inc.

The date of this Official Statement is April 19, 2011.

ST. LOUIS COUNTY, MISSOURI

\$10,305,000
Taxable Special Obligation Bonds
(Qualified Energy Conservation Bonds – Direct Pay)
(Residential Energy Efficiency Loan Program)
Series 2011A

\$150,000
Taxable Special Obligation Bonds
(Residential Energy Efficiency Loan Program)
Series 2011B

MATURITY SCHEDULE

BASE CUSIP: 791526

SERIES 2011A BONDS

<u>Due</u> <u>(December 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>CUSIP No.</u>
2013	\$645,000	1.25%	100.00%	HE9
2014	800,000	1.75	100.00	HF6
2015	800,000	2.25	100.00	HG4
2016	800,000	2.75	100.00	HH2
2017	800,000	3.15	100.00	HJ8
2018	800,000	3.40	100.00	HK5
2019	795,000	3.80	100.00	HL3
2020	800,000	4.00	100.00	HM1
2021	800,000	4.25	100.00	HN9
2022	805,000	4.50	100.00	HP4
2023	810,000	4.65	100.00	HQ2
2024	820,000	4.80	100.00	HR0
2025	830,000	5.00	100.00	HS8

SERIES 2011B BONDS

<u>(December 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>CUSIP No.</u>
2013	\$150,000	1.25%	100.00%	HV1

ST. LOUIS COUNTY, MISSOURI

41 S. Central Avenue
Clayton, Missouri 63105
(314) 615-5000

Elected Officials

Charlie A. Dooley, County Executive
Steven Stenger, County Council Chair and Member
Hazel Erby, Councilmember
Kathleen Burkett, Councilmember
Colleen Wasinger, Councilmember
Michael O'Mara, Councilmember
Patrick M. Dolan, Councilmember
Gregory Quinn, Councilmember

Administrative Officials

Garry W. Earls, Chief Operating Officer
Pamela J. Reitz, Director of Administration
Donald Rode, Chief Accounting Officer
Patricia Redington, County Counselor

BOND COUNSEL

Gilmore & Bell, P.C.
St. Louis, Missouri

FINANCIAL ADVISOR

Columbia Capital Management, LLC
St. Louis, Missouri

PAYING AGENT

The Bank of New York Mellon Trust Company, N.A.
St. Louis, Missouri

REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, broker, salesman or other person has been authorized by the County or the Underwriter to give any information or to make any representations with respect to the Bonds offered hereby other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Bonds offered hereby by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been furnished by the County and other sources which are believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriter. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County since the date hereof.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY STATE SECURITIES OR "BLUE SKY" LAWS. THE BONDS ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "anticipate," "projected," "budget" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THESE FUTURE RISKS AND UNCERTAINTIES INCLUDE THOSE DISCUSSED IN THE CAPTION "RISK FACTORS." NEITHER THE COUNTY NOR ANY OTHER PARTY PLANS TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN THEIR EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES UPON WHICH SUCH STATEMENTS ARE BASED OCCUR.

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OFFICIAL STATEMENT

ST. LOUIS COUNTY, MISSOURI

\$10,305,000 Taxable Special Obligation Bonds (Qualified Energy Conservation Bonds – Direct Pay) (Residential Energy Efficiency Loan Program) Series 2011A	\$150,000 Taxable Special Obligation Bonds (Residential Energy Efficiency Loan Program) Series 2011B
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INTRODUCTION

This introduction is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to the more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement.

Purpose of the Official Statement

The purpose of this Official Statement is to furnish information relating to (1) St. Louis County, Missouri (the “**County**”), (2) the County’s Taxable Special Obligation Bonds (Qualified Energy Conservation Bonds – Direct Pay) (Residential Energy Efficiency Loan Program), Series 2011A, to be issued in the principal amount of \$10,305,000 (the “**Series 2011A Bonds**”), and (3) the County’s Taxable Special Obligation Bonds (Residential Energy Efficiency Loan Program), Series 2011B, to be issued in the principal amount of \$150,000 (the “**Series 2011B Bonds**” and together with the Series 2011A Bonds, the “**Bonds**”).

The County

The County is a constitutional charter county and political subdivision of the State of Missouri (the “**State**”). The County is located approximately eight miles from the downtown of the City of St. Louis, Missouri. The County’s 2009 population was estimated at 992,408. See **APPENDIX A – INFORMATION REGARDING ST. LOUIS COUNTY, MISSOURI** for further information relating to the County.

The Bonds

The Bonds are being issued pursuant to an ordinance (the “**Bond Ordinance**”) adopted by the County Council of the County for the purposes of (1) establishing and funding a program for low interest rate loans to residential property owners to install energy efficiency improvements (the “**Program**”), (2) funding the Capitalized Interest Account established with respect to the Bonds and (3) paying the costs of issuing the Bonds. See the caption “**PLAN OF FINANCE**” herein.

Security and Sources of Payment

The payment of the principal of and interest on the Bonds is subject to annual appropriation by the County Council of the County. The County is not required or obligated to make any such appropriation. No property of the County is pledged or encumbered to secure payment of the Bonds.

The Bonds and the interest thereon will constitute special obligations of the County payable solely from amounts appropriated in each Fiscal Year (herein defined) out of the income and revenues of the County provided for such Fiscal Year plus any unencumbered balances from previous years. The County is not obligated to make any such annual appropriation. The Fiscal Year of the County begins on each January 1 and ends on the following December 31 (the “**Fiscal Year**”).

The Bonds do not constitute general obligations or indebtedness of the County within the meaning of any constitutional, statutory or charter limitation or provision, and the County does not pledge its full faith and credit and is not obligated to levy taxes or resort to any other moneys or property of the County to pay the principal of and interest on the Bonds.

The County intends to satisfy its obligation to pay principal of and interest on the Bonds from Program revenues (e.g., loan payments made by participating residential property owners) and the QECB Interest Subsidy Payments (as defined under the caption **“RISK FACTORS – QECB Interest Subsidy Payments with Respect to the Series 2011A Bonds”** herein) it anticipates receiving in connection with the Series 2011A Bonds. Such funds, however, are not pledged to the payment of the Bonds. See the caption **“SECURITY AND SOURCES OF PAYMENT FOR THE BONDS”** herein.

Financial Statements

The audited financial statements of the County as of and for the year ended December 31, 2009 are included in **Appendix B** to this Official Statement. These financial statements have been audited by KPMG LLP, an independent certified public accounting firm, to the extent and for the periods indicated in the report which is also included in **Appendix B** to this Official Statement.

Continuing Disclosure

The County will execute a Continuing Disclosure Agreement to provide certain financial information and notices of material events to the Municipal Securities Rulemaking Board, through the Electronic Municipal Market Access system for municipal securities disclosures (**“EMMA”**), in compliance with Rule 15c2-12 promulgated by the Securities and Exchange Commission (the **“Rule”**). See the section herein captioned **“CONTINUING DISCLOSURE.”**

PLAN OF FINANCING

Authorization and Purpose of the Bonds

The Bonds are being issued pursuant to and in full compliance with the Constitution and the statutes of the State of Missouri, the Charter of the County and the Bond Ordinance. The Bonds are being issued for the purposes of funding the Program and paying the costs of issuing the Bonds.

The Residential Energy Efficiency Loan Program

The Program consists of using proceeds of the Bonds to make low interest loans to residential property owners to make energy efficiency improvements to their residential real property. Loans made under this program will be made only to borrowers with good credit histories. The loan terms will extend up to 15 years in duration. Interest rates charged to borrowers are intended to be sufficient to cover debt service on the Bonds (net of the anticipated QECB Subsidy Payments and an estimated loan default rate) and the costs of administering the Program.

The County anticipates that, in compliance with Section 54D of the Internal Revenue Code of 1986, as amended (the **“Code”**), all loans will be funded within three years of the date of issuance of the Bonds. To efficiently implement and administer the Program, the County has selected Abundant Power Solutions, LLC as program administrator (the **“Program Administrator”**). The Program Administrator has experience partnering with other state and local governments nationwide to design and administer energy efficiency financing programs.

Sources and Uses of Funds

The following table summarizes the estimated sources of funds, including the proceeds from the sale of the Bonds, and the expected uses of such funds, in connection with the plan of financing:

<i>Sources of Funds:</i>	<u>Series 2011A Bonds</u>	<u>Series 2011B Bonds</u>	<u>Total</u>
Par Amount of the Bonds	\$10,305,000.00	\$ 150,000.00	\$10,455,000.00
Grant Funds	<u>246,413.20</u>	<u>3,586.80</u>	<u>250,000.00</u>
Total	<u>\$10,551,413.20</u>	<u>\$ 153,586.80</u>	<u>\$10,705,000.00</u>

<i>Uses of Funds:</i>			
Approximate Costs of Program	\$10,410,000.00	\$ 0.00	\$10,410,000.00
Capitalized Interest	0.00	45,217.35	45,217.39
Costs of Issuance (including underwriting discount)	<u>141,413.20</u>	<u>108,369.45</u>	<u>249,782.61</u>
Total	<u>\$10,551,413.20</u>	<u>\$153,586.80</u>	<u>\$10,705,000.00</u>

THE BONDS

The following is a summary of certain terms and provisions of the Bonds. Reference is hereby made to the Bonds and the provisions with respect thereto in the Bond Ordinance for the detailed terms and provisions thereof.

General Description

The Bonds are being issued in the principal amount stated on the cover page hereof. The Bonds are issuable as fully-registered bonds in denominations of \$5,000 or any integral multiple thereof.

The Bonds will be dated as of the date of original delivery, and will mature on December 1 in the years and in the principal amounts set forth on the inside cover page hereof. Bonds will bear interest from the date thereof or from the most recent Interest Payment Date to which interest has been paid at the rates per annum set forth on the inside cover page hereof, payable semiannually on each June 1 and December 1, beginning on December 1, 2011. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The principal of the Bonds will be payable at the principal payment office of The Bank of New York Mellon Trust Company, N.A., St. Louis, Missouri (the **"Paying Agent"**), or such other office as the Paying Agent shall designate, at the maturity date or upon earlier redemption thereof. The interest on the Bonds will be payable (a) by check or draft mailed by the Paying Agent to the persons who are the registered owners of the Bonds as of the close of business on the fifteenth day of the month preceding the respective Interest Payment Dates (the **"Record Date"**), as shown on the books for the registration, transfer and exchange of Bonds kept at the principal payment office of the Paying Agent (the **"Bond Register"**), or (b) in the case of an interest payment to (1) DTC as securities depository for the Bonds or (2) any Registered Owner of \$500,000 or more in aggregate principal amount of Bonds, by electronic transfer to such registered owner upon written notice given to the Paying Agent by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions to which such registered owner wishes to have such wire directed. In any case where a Bond Payment Date is not a Business Day, then payment of the principal or Redemption Price of and interest on the Bonds need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Redemption Provisions

Optional Redemption of Series 2011A Bonds. At the option of the County, the Series 2011A Bonds maturing on December 1, 2022 and thereafter will be subject to redemption and payment prior to maturity on December 1, 2021 and thereafter in whole or in part at any time in such order of maturity determined by the County (Series 2011A Bonds of less than a single maturity to be selected in multiples of \$5,000 principal amount), at the Redemption Price of 100% of the principal amount thereof, plus accrued interest thereon to the Redemption Date.

Optional Redemption of Series 2011B Bonds. The Series 2011B Bonds are not subject to redemption and payment prior to maturity.

Extraordinary Mandatory Redemption From Unexpended Proceeds of the Bonds. The Bonds shall be subject to extraordinary mandatory redemption, in whole or in part, on the later of the end of the Expenditure Period or any Extension Period, in Authorized Denominations (rounded up to the next highest Authorized Denomination), at a Redemption Price equal to the principal amount of the Bonds called for redemption plus accrued interest thereon to the Redemption Date, in an amount equal to the unexpended Bond proceeds held by the Fiscal Agent 35 days before the later of (1) the end of the Expenditure Period or (2) any Extension Period. The "Expenditure Period" closes on the date that is three years from the issuance of the Bonds. An "Extension Period" is any extension to the Expenditure Period granted to the County by the Secretary of the United States Treasury.

If the Bonds are subject to extraordinary mandatory redemption, the amount of Bonds of each maturity to be redeemed shall be determined by multiplying the total amount of funds available for redemption by the ratio that the principal amount of the outstanding Bonds of such maturity bears to the total amount of the outstanding Bonds.

Notice of Redemption. Unless waived by any Registered Owner of Bonds to be redeemed, official notice of any redemption shall be given by the Paying Agent on behalf of the County by mailing a copy of an official redemption notice by first class mail not less than 30 days nor more than 60 days prior to the Redemption Date to the Purchaser and each Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register.

Registration, Transfer and Exchange of Bonds

Each Bond when issued shall be registered by the Paying Agent in the name of the owner thereof on the Bond Register. Bonds may be transferred and exchanged only on the Bond Register. Upon surrender of any Bond at the principal payment office of the Paying Agent or such other office as the Paying Agent shall designate, the Paying Agent shall transfer or exchange such Bond for a new Bond or Bonds in any authorized denomination of the same series and Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange. Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Paying Agent, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent. In the event any Registered Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Registered Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Code (defined herein), such amount may be deducted by the Paying Agent from amounts otherwise payable to such Registered Owner hereunder or under the Bonds.

CUSIP Numbers

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds, nor any error in the printing of such numbers, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and payment for any Bonds.

Book-Entry Only System

General. The Bonds are available in book-entry only form. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds. Ownership interests in the Bonds will be available to purchasers only through a book-entry system (the “**Book-Entry System**”) maintained by The Depository Trust Company (“**DTC**”), New York, New York.

The following information concerning DTC and DTC’s book-entry system has been obtained from DTC. Neither the County nor the Underwriter (defined herein) takes any responsibility as to the accuracy or completeness thereof and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters, but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of that maturity, and will be deposited with DTC or the Paying Agent as DTC’s agent.

DTC and its Participants. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“**Direct Participants**”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“**DTCC**”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**” and, together with the Direct Participants, the “**Participants**”). DTC has Standard & Poor’s highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Ownership Interests. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“**Beneficial Owner**”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through

which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Bonds is discontinued.

Transfers. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Notices. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices will be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Voting. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of Principal, Redemption Price and Interest. Payments of principal, Redemption Price of and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments of principal, Redemption Price of and interest on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Discontinuation of Book-Entry System. DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the County or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered. The County may decide to discontinue use of the system of book-entry transfer

through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered.

The County may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed, registered in the name of DTC's partnership nominee, Cede & Co. (or such other name as may be requested by an authorized representative of DTC), and delivered to DTC (or a successor securities depository), to be held by it as securities depository for Direct Participants. If, however, the system of book-entry-only transfers has been discontinued and a Direct Participant has elected to withdraw its Bonds from DTC (or such successor securities depository), bond certificates may be delivered to Beneficial Owners in the manner described in the Bond Ordinance.

The information above concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but is not guaranteed as to accuracy or completeness by and is not to be construed as a representation by the County or the Underwriter. Neither the County nor the Underwriter makes any assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners will act in accordance with the procedures described above or in a timely manner.

Debt Service on the Bonds

The following table sets forth the annual debt service requirements for the Bonds:

Fiscal Year Ending Dec. 31	<u>Series 2011A</u>		<u>Series 2011B</u>		Expected Interest Subsidy⁽¹⁾	<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>		
2011	\$ 0.00	\$ 195,907.06	\$ 0.00	\$ 1,005.21	\$ (173,515.62)	\$ 23,396.65
2012	0.00	365,422.50	0.00	1,875.00	(323,656.10)	43,641.40
2013	645,000.00	365,422.50	150,000.00	1,875.00	(323,656.10)	838,641.40
2014	800,000.00	357,360.00	0.00	0.00	(315,593.60)	841,766.40
2015	800,000.00	343,360.00	0.00	0.00	(301,593.60)	841,766.40
2016	800,000.00	325,360.00	0.00	0.00	(283,593.60)	841,766.40
2017	800,000.00	303,360.00	0.00	0.00	(261,593.60)	841,766.40
2018	800,000.00	278,160.00	0.00	0.00	(236,393.60)	841,766.40
2019	795,000.00	250,960.00	0.00	0.00	(209,193.60)	836,766.40
2020	800,000.00	220,750.00	0.00	0.00	(179,810.40)	840,939.60
2021	800,000.00	188,750.00	0.00	0.00	(150,242.40)	838,507.60
2022	805,000.00	154,750.00	0.00	0.00	(120,674.40)	839,075.60
2023	810,000.00	118,525.00	0.00	0.00	(90,921.60)	837,603.40
2024	820,000.00	80,860.00	0.00	0.00	(60,984.00)	839,876.00
2025	<u>830,000.00</u>	<u>41,500.00</u>	<u>0.00</u>	<u>0.00</u>	<u>(30,676.80)</u>	<u>840,823.20</u>
Total	<u>\$10,305,000.00</u>	<u>\$3,590,447.06</u>	<u>\$150,000.00</u>	<u>\$4,755.21</u>	<u>\$(3,062,099.02)</u>	<u>\$10,988,103.25</u>

⁽¹⁾ Reflects QECB Interest Subsidy Payments that the County expects to receive from the U.S. Treasury due to the designation of the Series 2011A Bonds as "qualified energy conservation bonds." See "RISK FACTORS – QECB Interest Subsidy Payments with Respect to the Series 2011A Bonds."

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

The Bonds are special obligations of the County payable solely from amounts appropriated therefor in each Fiscal Year (1) out of the income and revenues provided for such Fiscal Year plus (2) any unencumbered balances for previous years. The Bonds do not constitute general obligations or indebtedness of the County within the meaning of any constitutional, statutory or charter limitation or provision, and the County does not pledge its full faith and credit and is not obligated to levy taxes or resort to any other moneys or property to the County to pay the principal of and interest on the Bonds.

In the Bond Ordinance, the County Council has directed the Accounting Officer or any other officer of the County at any time charged with the responsibility of formulating budget proposals, subject to the provisions of the Bond Ordinance, from and after delivery of the Bonds and so long as any of the Bonds are outstanding, (1) to include in each annual budget prepared and presented to the County Council an appropriation of the amount necessary to pay debt service on the Bonds in the next succeeding Fiscal Year without offset for any anticipated U.S. Treasury Interest Subsidy payments, and (2) to take such further action (or cause the same to be taken) as may be necessary or desirable to assure the availability of moneys appropriated to pay such debt service on the Bonds in the next succeeding Fiscal Year.

The payment of the principal of and interest on the Bonds is subject to annual appropriation by the County. The County is not required or obligated to make any such annual appropriation, and the decision whether or not to appropriate such funds will be solely within the discretion of the then current County Council. No property of the County is pledged or encumbered as security for payment of the Bonds.

THERE CAN BE NO ASSURANCE THAT THE COUNTY WILL APPROPRIATE FUNDS FOR PAYMENT OF THE BONDS.

The County intends to satisfy its obligation to pay principal of and interest on the Bonds from Program revenues (e.g., loan payments made by participating residential property owners) and the QECB Interest Subsidy Payments it expects to receive in connection with the Series 2011A Bonds. **Such funds, however, are not pledged to the payment of the Bonds.**

RISK FACTORS

This section describes certain risk factors affecting the payment of and security for the Bonds. The following discussion of risks is not meant to be an exhaustive list of the risks associated with the purchase of Bonds and does not necessarily reflect the relative importance of the various risks. Potential investors are advised to consider the following factors along with all other information in this Official Statement in evaluating the Bonds. There can be no assurance that other risk factors will not become material in the future.

Nature of Obligation

The Bonds do not give rise to a general obligation or other indebtedness of the County, the State, or any other political subdivision thereof within the meaning of any constitutional, statutory or charter debt limitation or provision.

The Bonds are special obligations of the County payable solely from the annual appropriation of funds by the County for that purpose. In each Fiscal Year, payments of principal of and interest on the Bonds shall be made solely from the amounts appropriated therefor (1) out of the income and revenues of the County provided for such year plus (2) any unencumbered balances for previous years, and the decision whether to make such appropriation each year shall be within the sole discretion of the then current County Council. Subject to the preceding sentence, the obligations of the County to make

payments hereunder and to perform and observe any other covenant and agreement contained in the Bond Ordinance shall be absolute and unconditional.

If the County fails to appropriate amounts sufficient to pay the principal of and interest on the Bonds in any Fiscal Year, no other funds or property will be available to pay such principal and interest. No property of the County is pledged or encumbered to secure payment of the Bonds.

The Bonds are not subject to acceleration upon the occurrence of a default under the Bond Ordinance.

No debt service reserve fund has been funded with respect to the Bonds.

Market for the Bonds

There is no established secondary market for the Bonds, and there is no assurance that a secondary market will develop for the purchase and sale of the Bonds. Prices of Bonds traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and changes in the operations and financial results of the County. From time to time it may be necessary to suspend indefinitely secondary market trading in the Bonds as a result of the financial condition or market position of broker-dealers, prevailing market conditions, lack of adequate current financial information regarding the Bonds, whether or not the Bonds are in default as to principal and interest payments, and other factors which may give rise to uncertainty concerning prudent secondary market practices.

The County has covenanted to comply with the provisions of Rule 15c2-12 of the Securities and Exchange Commission. The County's failure to provide the necessary information to comply with said rule could adversely impact an Owner's ability to sell the Bonds in the secondary market.

Investment Ratings

The lowering or withdrawal of the investment rating initially assigned to the Bonds could adversely affect the market price for and the marketability of the Bonds. See the caption "**BOND RATING**" herein.

QECB Interest Subsidy Payments with Respect to the Series 2011A Bonds

The Energy Improvement and Extension Act of 2008, Public Law 110-343 (the "**Energy Improvement Act**") added Section 54D to the Internal Revenue Code of 1986, as amended (the "**Code**"). Section 54D authorizes cities and counties to designate bonds issued to finance certain types of energy conservation projects as taxable bonds known as "qualified energy conservation bonds." The Hiring Incentives to Restore Employment Act of 2010, Public Law 111-147 (the "**HIRE Act**") amended Code Section 6431 by allowing issuers of certain bonds, including "qualified energy conservation bonds," to elect to receive subsidy payments from the United States Treasury on such "qualified energy conservation bonds." The County intends to designate the Series 2011A Bonds as "qualified energy conservation bonds" under Code Section 54D and to elect to receive cash subsidy payments from the United States Treasury (the "**QECB Interest Subsidy Payments**"). Under Code Sections 54A, 54D and 6431, the QECB Interest Subsidy Payment is equal to, with respect to each maturity of the Series 2011A Bonds, the lesser of 100% of the interest due on Series 2011A Bonds on the applicable Payment Date or 70% of the amount of interest that would have been due on the Series 2011A Bonds on the applicable Payment Date if the interest were determined at the tax credit rate determined by the United States Treasury.

For the Series 2011A Bonds to be treated as qualified energy conservation bonds, 100 percent of the available project proceeds of the Series 2011A Bonds must be used for one or more "qualified conservation purposes" as specified in Section 54D(f) of the Code. The County intends to use the Series 2011A Bond proceeds to fund the Program, which the County believes qualifies as a "Green Community Program." A "Green Community Program" is listed as a qualified conservation purpose under Section 54D(f) of the Code.

While there is not a specific statutory or regulatory definition of “Green Community Program,” H.R. Rep. 111-8, pt. 1 at 156 (2009) gives an example of a “Green Community Program” as “loans and/or grants to individual homeowners to retrofit existing housing.”

Based on its interpretation of the Code, including the Energy Improvement Act and the HIRE Act, the County expects the Series 2011A Bonds to qualify as “qualified energy conservation bonds” and to be eligible for the QECB Interest Subsidy Payments. Accordingly, the County will designate the Series 2011A Bonds as “qualified energy conservation bonds.” However, the Internal Revenue Service (the “IRS”) has not indicated whether or not it concurs with this conclusion. Moreover, the County cannot assure Bondowners that the IRS will, upon an audit or otherwise, determine that the Series 2011A Bonds qualify as “qualified energy conservation bonds.” Accordingly, there can be no assurance that the IRS will make the QECB Interest Subsidy Payments to the County.

The County intends, but has not pledged, to use the QECB Interest Subsidy Payments to pay a portion of the interest becoming due on the Bonds. The priority of the United States Treasury for making such cash subsidy payments is the same as the United States Treasury for refunding overpayments of tax. Because QECB Interest Subsidy Payments are technically considered tax refunds, they can be reduced to offset any outstanding amounts owed to the Federal government. If the County receives a reduced amount of one or more QECB Interest Subsidy Payments due to an offset or does not receive one or more QECB Interest Subsidy Payments from the U.S. Treasury in a timely fashion or at all, the County intends to pay interest on the Bonds from other sources (to the extent such alternative sources can be identified and are appropriated to the payment of the Bonds).

Legal Matters

Various State and Federal laws, regulations and constitutional provisions apply to the operations of the County. There is no assurance that there will not be any change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the County.

Limitations on Remedies Available to Owners of the Bonds

The enforceability of the rights and remedies of the Owners of Bonds, and the obligations incurred by the County in issuing the Bonds, are subject to the following: the Federal Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors’ rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the United States Constitution; and the reasonable and necessary exercise, in certain unusual situations, of the police power inherent in the State and its governmental subdivisions in the interest of serving a legitimate and significant public purpose. Bankruptcy proceedings, or the exercise of powers by the Federal or State government, if initiated, could subject the Owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy and otherwise, and consequently may involve risks of delay, limitation or modification of their rights.

Risk of Audit

The IRS has established an ongoing program to audit interest subsidy obligations to determine whether interest on such obligations should qualify for interest subsidy payments (including the QECB Interest Subsidy Payments). No assurance can be given that the IRS will not commence an audit of the Series 2011A Bonds. Owners of the Bonds are advised that, if an audit of the Series 2011A Bonds were commenced, in accordance with its current published procedures, the IRS would likely treat the County as the taxpayer, and the Owners of the Series 2011A Bonds likely would not have a right to participate in such audit. Public

awareness of any audit could adversely affect the market value and liquidity of the Series 2011A Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

BOND RATING

Standard & Poor's, a division of The McGraw-Hill Companies, has assigned the Bonds its rating of "AA+" and Moody's Investors Service has assigned the Bonds its rating of "Aa2". Any explanation as to the significance of such ratings may only be obtained from the rating agencies.

The Underwriter (defined herein) has not undertaken any responsibility to bring to the attention of the Owners of the Bonds any proposed revision or withdrawal of a rating of the Bonds or to oppose any such proposed revision or withdrawal. The County has undertaken to notify Bondholders of any rating changes pursuant to the Continuing Disclosure Agreement (a summary of the Continuing Disclosure Agreement is included in this Official Statement under the caption "**CONTINUING DISCLOSURE**") but has not undertaken to (i) disclose any rating revisions proposed by a rating agency or (ii) oppose any such proposed revision or withdrawal of a rating on the Bonds. Any downward revision or withdrawal of a rating may have an adverse effect on the market price and marketability of the Bonds.

LEGAL MATTERS

Generally

As of the date hereof, there is no controversy, suit or other proceeding of any kind pending or, to the County's knowledge, threatened wherein or whereby any question is raised or may be raised, questioning, disputing or affecting in any way the legal organization of the County, or the right or title of any of its officers to their respective offices, or the legality of any official act in connection with the authorization, issuance and sale of the Bonds, or the constitutionality or validity of the Bonds or any of the proceedings had in relation to the authorization, issuance or sale thereof, or seeking to restrain or enjoin the delivery of the Bonds or, except as described below, that would otherwise materially adversely affect the County's financial condition or its ability to repay the Bonds.

The County generally follows the practice of recording liabilities resulting from claims and legal actions only when they become fixed and determinable in amount. It is management's opinion that any liability resulting from claims in excess of insurance coverage will not have a material effect on the financial status of the County at this time, except as described below.

American Eagle Waste Industries et al. v. St. Louis County

On January 25, 2011, the Circuit Court of St. Louis County, Missouri (trial court) entered summary judgment for plaintiffs on liability for Count II in American Eagle Waste Industries, LLC, et al. v. St. Louis County, Missouri, et al., Cause No. 08SL-CC02198; all other counts in this matter were dismissed or declared moot. Plaintiffs have asserted damages in the amount of \$23,202,384. The County maintains that the plaintiffs are not entitled to damages because the Plaintiffs do not have a cause of action and the County has sovereign immunity. The County intends to appeal any final judgment of liability.

Approval of Legality

All legal matters incident to the authorization and issuance of the Bonds are subject to the approval of Gilmore & Bell, P.C., St. Louis, Missouri, Bond Counsel. Bond Counsel has participated in the preparation of this Official Statement, but the factual and financial information appearing herein has been supplied or reviewed by certain officials of the County and certified public accountants, as referred to herein.

TAX MATTERS

The following is a summary of the material Federal and State income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of Federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the Federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market at a premium or a discount. Prospective investors are advised to consult their own tax advisors regarding Federal, state, local and other tax considerations of holding and disposing of the Bonds.

Federal Income Tax Consequences to Owners of Bonds

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, OWNERS OF THE BONDS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES IN THIS OFFICIAL STATEMENT RELATING TO THE BONDS IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY OWNERS OF THE BONDS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THOSE OWNERS UNDER THE INTERNAL REVENUE CODE; (B) THE DISCUSSION OF FEDERAL TAX ISSUES IN THIS OFFICIAL STATEMENT RELATING TO THE BONDS WAS WRITTEN IN CONNECTION WITH THE MARKETING OF THE BONDS; AND (C) OWNERS OF THE BONDS SHOULD SEEK ADVICE FROM AN INDEPENDENT TAX ADVISOR BASED ON THEIR PARTICULAR CIRCUMSTANCES.

Interest on the Bonds Taxable

The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) will be *included* in gross income for Federal and State income tax purposes in accordance with the owner's normal method of accounting.

Tax Status of the Series 2011A Bonds as Qualified Energy Conservation Bonds

The County will designate the Series 2011A Bonds as "qualified energy conservation bonds" under Section 54D of the Code and will elect to receive a direct payment from the United States Treasury equal to, with respect to each maturity of the Series 2011A Bonds, the lesser of 100% of the interest due on the Series 2011A Bonds on the applicable Payment Date or 70% of the amount of interest that would have been due on the Series 2011A Bonds on the applicable Payment Date if the interest were determined at the tax credit rate determined by the United States Treasury.

No Opinion

Bond Counsel is not rendering any opinion to owners of the Bonds regarding the treatment of interest on the Bonds for Federal or State income taxation or the qualification of the Series 2011A Bonds as “qualified energy conservation bonds” under Section 54D of the Code. Purchasers of the Bonds should consult their tax advisors as to the applicability of these tax consequences and other Federal, state, local and foreign tax consequences of the purchase, ownership and disposition of the Bonds.

Other Federal Income Tax Consequences Applicable to Owners of the Bonds

Sale or Exchange. Upon the sale, exchange or retirement (including redemption) of a Bond, an owner thereof generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and the owner’s adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, the gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Information Reporting and Backup Withholding. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to these payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner’s Federal income tax liability.

CONTINUING DISCLOSURE

The County will covenant in the Continuing Disclosure Agreement to provide certain financial information and operating data relating to the County (updated not later than 180 days following the end of its fiscal year, which currently ends on December 31) (the “**Annual Report**”) commencing with the Annual Report for the fiscal year ending December 31, 2010, and to provide notices of the occurrence of certain enumerated events, if material. The Annual Report shall be filed by or on behalf of the County with the Municipal Securities Rulemaking Board (the “**MSRB**”) via the Electronic Municipal Market Access system (“**EMMA**”), each Participating Underwriter (as defined in the Continuing Disclosure Agreement), and to each holder of outstanding Bonds who makes a request for such information. The Annual Report shall include:

- (1) The audited financial statements of the County for the prior fiscal year, prepared in accordance with generally accepted accounting principles (accrual basis of accounting).
- (2) To the extent not otherwise provided in (1) above, the information relating to the County and its operations set forth in *Appendix A* of this Official Statement relating to the Bonds, set forth in the tables under the sections captioned: “**FINANCIAL MANAGEMENT - The General Fund,**” “**- Revenue Sources,**” “**TAXATION - Tax Procedures - Current Assessed Valuation,**” “**- Tax Rates - Total Tax Rates,**” “**- Tax Rates - County Tax Rates,**” “**DEBT OF THE COUNTY - Direct Bonded Indebtedness**” (total amounts outstanding of direct general obligation bonds and neighborhood improvement district bonds) and “**- Overlapping Bonded Indebtedness**” and information with respect to litigation if, in the judgment of the County, such litigation would have a material adverse effect on the financial condition of the County.

The County shall also provide to the MSRB via EMMA written notice of the occurrence of any of the following events with respect to the Bonds (“**Material Events**”) within 10 Business Days of such occurrence:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 570-TEB) or other material notices or determinations with respect to the tax status of the Bond, or other material events affecting the tax status of the security;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the County;
- (13) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) appointment of a successor or additional bond trustee or the change of name of the bond trustee, if material.

Nothing in the Continuing Disclosure Agreement shall prevent the County from disseminating any other information in addition to that which is required by the Continuing Disclosure Agreement. If the County chooses to include any information in any Annual Report or notice of occurrence of a Material Event in addition to that which is specifically required, the County shall have no obligation to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission.

All Annual Reports and notices of Material Events required to be filed by the County pursuant to the Continuing Disclosure Agreement must be submitted to the MSRB through EMMA in a word-searchable format. EMMA is an internet-based, online portal for free investor access to municipal bond information, including offering documents, material event notices, real-time municipal securities trade prices and MSRB education resources, available at www.emma.msrb.org. Nothing contained on EMMA relating to the County or the Bonds is incorporated by reference in this Official Statement.

The County is currently in compliance with all prior continuing disclosure undertakings.

MISCELLANEOUS

Financial Statements

Excerpts of the audited financial statements of the County, as of and for the fiscal year ended December 31, 2009, are included in **Appendix B** to this Official Statement. These financial statements have been audited by KPMG LLP, an independent certified public accounting firm, to the extent and for the periods indicated in the report which is also included in **Appendix B** to this Official Statement.

Financial Advisor

Columbia Capital Management, LLC, St. Louis, Missouri, is employed as Financial Advisor to the County to render certain professional services, including advising the County on a plan of financing. The Financial Advisor has read and participated in drafting certain portions of this Official Statement. The Financial Advisor has not, however, independently verified the factual information contained in the Official Statement.

Underwriting

A syndicate managed by BMO Capital Markets GKST Inc., Chicago, Illinois (the “**Underwriter**”), has agreed to purchase (1) the Series 2011A Bonds at a price of \$10,212,486.63 (which is equal to the aggregate principal amount of the Series 2011A Bonds, less an underwriting discount of \$92,513.37) and (2) the Series 2011B Bonds at a price of \$148,653.37 (which is equal to the aggregate principal amount of the Series 2011B Bonds, less an underwriting discount of \$1,346.63). The Underwriter is purchasing the Bonds for resale in the normal course of the Underwriter’s business activities. The Underwriter reserves the right to offer any of the Bonds to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, shall determine.

Certification and Other Matters Regarding Official Statement

Information set forth in this Official Statement has been furnished or reviewed by certain officials of the County, certified public accountants, and other sources, as referred to herein, which are believed to be reliable. Any statements made in this Official Statement involving matters of opinion, estimates or projections, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates or projections will be realized. The descriptions contained in this Official Statement of the Bonds and the Bond Ordinance do not purport to be complete and are qualified in their entirety by reference thereto.

The form of this Official Statement and its distribution and use has been approved by the County. Neither the County nor any of its officers, directors or employees, in either their official or personal capacities, has made any warranties, representations or guarantees regarding the financial condition of the County or the County's ability to make payments required of it; and further, neither the County nor its officers, directors or employees assumes any duties, responsibilities or obligations in relation to the issuance of the Bonds other than those either expressly or by fair implication imposed on the County by the Bond Ordinance.

ST. LOUIS COUNTY, MISSOURI

By: /s/ Charlie A. Dooley
County Executive

APPENDIX A

INFORMATION REGARDING ST. LOUIS COUNTY, MISSOURI

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GENERAL INFORMATION

The information contained in this section relates to and has been obtained from the County. The delivery of this Official Statement will not create any implication that there has been no change in the affairs of the County since the date hereof or that the information contained or incorporated by reference in this section is correct as of any time subsequent to its date.

General

The County was formed by a proclamation of Governor William Clark on October 1, 1812, nine years before Missouri attained statehood. In 1876, by vote of the entire county, the City of St. Louis separated itself from the County. Today, the County covers an area of 524 square miles. The City of Clayton is the county seat and is located in the east-central part of the County. The 2010 population of the County was 998,954. Sixty-six percent (66%) of the land area of the County is occupied by 91 self-governing municipalities, containing approximately two-thirds of the population of the County. The remaining unincorporated area comes under the direct jurisdiction of the County government.

The County has a diverse economic base, which includes manufacturing, service industries, commerce and trade. The County houses approximately 17% of the State's population and 27% of all the jobs within the State. As of 2009, manufacturing establishments employed approximately 47,849 people. Five Fortune 500 companies and eleven Fortune 1,000 companies have their national or international headquarters in the County, including Monsanto, Edward Jones, Express Scripts and Enterprise Rent-A-Car. In addition, there are nine major regional shopping centers and numerous neighborhood, community and specialty retail centers, twelve general practice hospitals and several major tourist attractions including Six Flags Over Mid-America, the Museum of Transportation and Grant's Farm. The County is an attractive place to live with excellent recreational and cultural opportunities, below average cost of living, good schools, excellent health care services and a comparatively pleasant climate.

The County has generated opportunities for business growth and development. Edward Jones opened two new office buildings in the northern portion of the County. Express Scripts has been able to create 270 new jobs. Scottrade, located in Town & Country, anticipates creating 500 jobs in the next five-year period. The River City Casino and Entertainment Center that opened in March 2010 created approximately 1,300 positions. The County has created the Midwest – China Hub Commission to work with China on a joint venture to increase trade between China and the Midwest. Progress is being made to establish an air freight hub at Lambert-St. Louis International Airport to increase trade which will benefit both the Midwest and China.

Government and Elected and Administrative Officers

The County is a constitutional charter county. Its system of government is provided for in its Charter, which first became effective in 1950 and was revised in 1968 and again in 1979. Under the Charter, the County has all powers which the General Assembly of the State has the authority to confer on any county, provided such powers are consistent with the Missouri Constitution and are not limited by the Charter or by statute. The County has all other powers conferred on it by law.

The County Executive, elected for a four-year term, is the Chief Executive Officer of the County. The legislative body of the County is the County Council, which is comprised of seven members. One member of the County Council is elected from each of the County's seven districts to serve a four-year staggered term. The presiding officer of the County Council is the Chair, who is selected from among the members of the County Council in every calendar year. The County Council may adopt ordinances which the County Executive may either approve or veto. Ordinances may be enacted by the County Council over the County Executive's veto by a two-thirds vote.

The current chief elected officers of the County and their terms are as follows:

<u>Office</u>	<u>Officer</u>	<u>Term Ends</u>
County Executive	Charlie A. Dooley	2014
County Council Chair	Steve Stenger	2012
County Councilmember	Hazel M. Erby	2014
County Councilmember	Kathleen Kelly Burkett	2012
County Councilmember	Michael O'Mara	2012
County Councilmember	Gregory F. Quinn	2014
County Councilmember	Patrick M. Dolan	2014
County Councilmember	Colleen Wasinger	2014
County Assessor	Jake Zimmerman	2014

Previously, the County Assessor was appointed by the County Executive. However, in August 2010, the voters of the County approved a charter amendment that requires the County Assessor to be elected rather than appointed. The first election for County Assessor occurred on April 5, 2011.

Employees and Employee Relations

As of January 1, 2011, the County had 4,313 employees. Of those employees, 901 were represented by the American Federation of State, County, and Municipal Employees Union, Local 410; 53 were represented by the International Brotherhood of Teamsters, Local 610; 154 were represented by the International Brotherhood of Electrical Workers, Local 1; and 59 were part of the bargaining unit of the Service Employees International Union. Except for these employees, County employees are not represented by any collective bargaining organization. The County has no record of any labor dispute or work stoppage and considers its employee relations to be excellent.

Retirement Plans

The County maintains a retirement and death plan covering substantially all salaried civilian employees, and a retirement, death and disability plan for the commissioned officers of the St. Louis County Department of Police. A seven-member Retirement Board of Trustees governs the retirement trust fund. The County's contribution during 2010 was \$29,106,006. The total net assets held in trust for pension benefits as of December 31, 2010, was \$463,686,285 (based on unaudited figures). The plan's funded ratio was 71% for the civilian plan and 68% for the police plan on the January 1, 2010 valuation date.

Insurance

Except for insurance for certain high risks and for the Spirit of St. Louis Airport, the County is self-insured with respect to employee benefits, property damage and general liability. The County has sovereign tort immunity from liability and suits for compensatory damages for negligent acts or acts of omission, except in the case of injuries arising from the operation of motor vehicles or caused by the condition of County property. The estimated costs to be incurred for self-insured employee benefits and for property and general liability are charged to the various funds and departments of the County. These charges are recorded as premium income in the County's Internal Service Fund. See "**FINANCIAL MANAGEMENT - Accounting and Reporting Practices**" herein for further information regarding the County's Internal Service Fund. Actual claims reported to the County by various claims servicing companies are paid from reserves set aside in the Internal Service Fund. The reserves are established based on loss experience. As of December 31, 2010, the Internal Service Fund had a balance of \$8,901,800 (unaudited).

Community Services

General. The County provides a wide range of services in three categories: (i) countywide services, which are available on an equal basis to residents of incorporated and unincorporated areas of the County; (ii) municipal-type services to unincorporated areas; and (iii) services to incorporated areas on request or by contractual agreement. Major services provided by the County include: tax assessment and collection, judicial and justice services, public works, road and bridge maintenance and construction, human services programs, low income assistance programs, environmental health, planning and zoning, health care, parks and recreation, police protection and economic development programs.

Utilities. Storm water drainage and sewage collection and disposal facilities for most of the County are operated by the Metropolitan St. Louis Sewer District, a separate taxing authority that is financed by ad valorem taxes and user fees. Other utilities in the County are provided predominantly by privately owned companies. Water service is provided by Missouri-American Water Company. Gas service is provided by Laclede Gas Company, electrical service is provided by Ameren UE and telecommunication service is provided by AT&T and numerous cellular and digital telecommunications companies. However, the City of Kirkwood maintains its own municipal water and electric system and the City of Eureka maintains its own water and sewer service.

Medical Services. There are 61 hospitals with approximately 12,000-licensed beds located in the St. Louis SMSA (as defined herein), of which 12 are located in the County. St. Louis University Medical School and Washington University Medical School are located in the St. Louis SMSA. Washington University is one of the major employers of the County.

Police Protection. The incorporated portion of the County receives police protection from 60 municipal police departments. Police protection in unincorporated portions of the County is provided by the St. Louis County Department of Police (the “**County Police Department**”). Seventeen incorporated municipalities also contract with the County Police Department for police protection.

Fire Protection. Fire protection in the County is provided by 20 municipal fire departments and 23 independent fire protection districts. The fire protection districts are independent of the County, having their own elected officials, budgets and administrators and are empowered to levy property taxes, separate and distinct from those levied by the County, sufficient to finance their operations. Municipal departments are supported by municipal revenues, which include property taxes, sales taxes, utility taxes, various fees and intergovernmental payments.

Education. The public school system within the County is operated under the administration and control of 24 school districts, including the St. Louis County Special School District, which serves students with disabilities. School districts are independent jurisdictions with elected boards and independent taxing authority.

St. Louis Community College (the “**College**”), also a separate taxing authority, maintains three campuses in the County and one campus in the City of St. Louis. The College awards associate degrees and certificates of proficiency and specialization in several courses of study.

The University of Missouri maintains a campus in the County, encompassing 70 buildings on approximately 350 acres. The academic structure at this campus consists of a College of Arts and Sciences, Schools of Business Administration, Communication, Education, Fine Arts, Nursing and Optometry, a Graduate School and an Evening College. From its beginning in 1963, the St. Louis campus of the University of Missouri has grown to become the third largest university in Missouri and the largest in St. Louis in terms of enrollment. The St. Louis campus serves primarily residents of the St. Louis SMSA (as defined herein).

Private universities located in the County include Fontbonne University, Maryville University, Washington University and Webster University. In addition, St. Louis University, a prominent university in the area, is located in the City of St. Louis. Numerous other private schools, college and universities have facilities within the County.

Parks. There are over 30,000 acres of public park land in the County, with the County Department of Parks and Recreation serving as the steward for more than 12,000 acres. The County park system offers 69 parks featuring camping, fishing, boating, picnicking, hiking, horseback riding, cross country skiing, swimming, golf, ice skating, and other athletic activities. Unique attractions include the St. Louis Carousel; the Butterfly House; the internationally recognized Laumeier Sculpture Park; the working farm in Suson Park; the elk and buffalo in Lone Elk Park; and the Museum of Transportation which “houses one of the largest and best collections of transportation vehicles in the world” according to the Smithsonian Institution. The St. Louis County Department of Parks and Recreation is also working in cooperation with the Metropolitan Parks and Recreation District to acquire and develop property for a regional system of greenways with trails and recreational facilities along the Meramec and Missouri Rivers.

Transportation. The County’s central geographic location makes it accessible to all parts of the United States for shipping and receiving merchandise, raw materials and other resources. It has a complete range of transportation facilities including highways, railroads, waterways and airports. Roadways are the most important component of the County’s transportation system. There are approximately 5,238 miles of highways and roads in the County, including six interstate highways.

Commercial air service is provided by Lambert St. Louis International Airport, located in the County and operated by the City of St. Louis. In 2009, Lambert St. Louis International Airport had more than 6.4 million enplanements. Recent expansion at Lambert St. Louis International Airport included a new 9,000 foot parallel runway, opened in 2006 to minimize delays by facilitating simultaneous landings in bad weather. The airport recently announced \$50 million in modernization projects focused on modernizing Terminal 1 (formerly known as the “Main Terminal”) and improvements to concourses A and C. The renovation project started during the Fall of 2010. The County operates the Spirit of St. Louis Airport, located in the western portion of the County, which the Federal Aviation Administration has designated as the area’s prime reliever airport. This airport is the base for over 500 aircraft. More than 200,000 aircraft operations per year happen at Spirit of St. Louis Airport.

One intercontinental railroad, one regional railroad, one local railroad, three switching terminal railroads and numerous barge lines and commercial carrier truck lines also provide services within the County.

Public transportation, including bus and light rail service, for the County is provided by the Bi-State Development Agency (doing business as Metro), a regional entity serving Missouri and Illinois (the “**Agency**”). The Agency has authority to issue bonds payable out of revenues collected for the use of facilities leased, owned or operated by it in the St. Louis SMSA (as defined herein). At present, the Agency receives funds from a 1/2 of 1% transportation sales tax charged by the County and the City of St. Louis. Appropriations of this tax by the County and the City are used to pay a portion of the cost of the transportation system of the Agency. In addition, a 1/4 of 1% transportation sales tax in the County and the City of St. Louis is used to pay a portion of the costs of the MetroLink light rail system. In March 2010 the voters of the County approved a 1/2 of 1% sales tax in addition to the 1/4 of 1% transportation sales tax already existing. The new sales tax was passed to restore, operate and expand transit services, including MetroBus and MetroLink (light rail) services.

ECONOMIC AND DEMOGRAPHIC DATA

Population

The County is a part of the St. Louis Standard Metropolitan Statistical Area (“**St. Louis SMSA**”) comprised of the County, the City of St. Louis, and the Counties of Franklin, Jefferson, Lincoln, St. Charles, Warren and Washington in Missouri and the Counties of Bond, Calhoun, Clinton, Jersey, Macoupin, Madison, Monroe and St. Clair in Illinois. The following table sets forth population statistics for the County and the St. Louis SMSA:

<u>Year</u>	<u>St. Louis County</u>	<u>St. Louis SMSA</u>
1950	406,349	1,806,474
1960	703,532	2,161,228
1970	951,353	2,428,655
1980	973,896	2,414,061
1990	993,529	2,492,348
2000	1,016,300	2,603,607
2010	998,954	Not available ⁽¹⁾

⁽¹⁾ The population for the St. Louis SMSA for the 2010 U.S. Census has not yet been released by the U.S. Census Bureau.
Source: U.S. Census Bureau.

Population estimates for the County since 2000 are set forth below:

<u>Year</u>	<u>St. Louis County</u>	
	<u>Population</u>	<u>Change</u>
2000	1,016,301	N/A
2001	1,015,705	(595)
2002	1,012,999	(2,706)
2003	1,008,956	(4,043)
2004	1,004,271	(4,685)
2005	999,523	(4,748)
2006	996,664	(2,859)
2007	993,690	(2,974)
2008	992,331	(1,359)
2009	992,408	(77)
2010	998,954	6,546

Source: U.S. Census Bureau.

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Employment

The following table sets forth information relating to the average composition of employment in the County for 2009:

<u>Type</u>	<u>Estimated Employment</u>
Agriculture, forestry, fishing and hunting, and mining	2,443
Construction	19,106
Manufacturing	47,849
Wholesale Trade	16,304
Retail Trade	54,920
Transportation, warehousing, and utilities	23,918
Information	12,989
Finance and insurance, real estate, and rental and leasing	44,821
Professional, scientific, management and administrative	61,529
Educational services, healthcare and social assistance	122,361
Arts, entertainment, recreation, accommodation, and food services	40,274
Other services, except public administration	22,248
Public Administration	15,665

Source: Missouri Census Data Center - U.S. Bureau of the Census, American Community Survey.

The following table sets forth employment figures for St. Louis County, Missouri:

<u>For Year</u>	<u>Total Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>
2006	532,482	507,486	24,996
2007	528,781	502,704	26,077
2008	521,555	490,271	31,284
2009	516,614	470,073	46,541
2010	512,542	467,028	45,514

Source: Missouri Department of Economic Development, in cooperation with U.S. Department of Labor.

Unemployment Rates. The following table sets forth unemployment rates⁽¹⁾ for the County, the State of Missouri and the United States for the five most recent years for which such information is available:

<u>Year</u>	<u>St. Louis County</u>	<u>Missouri</u>	<u>United States</u>
2006	4.7%	4.8%	4.6%
2007	4.9	5.1	4.6
2008	6.0	6.1	5.8
2009	9.0	9.3	9.3
2010	8.9	9.2	9.1

⁽¹⁾ Unemployment rates are not seasonally adjusted.

Source: Missouri Department of Economic Development; in cooperation with U.S. Department of Labor.

Major Employers. The following list sets forth the names and approximate employment of the top ten employers in the County during 2009:

<u>Major Employers</u>	<u>Type of Business</u>	<u>Number of Employees</u>
Boeing Co., Integrated Defense Systems	Manufacturing	16,000
Washington University in St. Louis	Private University	13,167
SSM Healthcare	Healthcare	12,367
Schnuck Markets, Inc.	Grocer	10,700
St. John's Mercy Health Care	Healthcare	9,793
Edward Jones	Financial Services	5,988
Special School District of St. Louis County	Education	5,960
Dierberg's Markets	Grocer	4,500
Monsanto	Agriculture Products	4,470
St. Louis County Government	Government	4,202

Source: St. Louis Business Journal 2010 Book of Lists.

Per Capita Personal Income. The following table sets forth information relating to per capita personal income for the County for the five most recent years for which such information is available:

<u>Year</u>	<u>St. Louis County</u>
2004	\$45,680
2005	46,968
2006	50,845
2007	52,576
2008	54,343

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Housing. Since 2000, the County's housing supply has increased 2.8%. In 2009, there were an estimated 435,961 housing units in the County, representing a diversity of housing types in urban, suburban and rural locations.

The following table shows historical information on permits issued for construction of new single and multi-family units in the County:

<u>Year</u>	<u>Single Family Units</u>	<u>Multi-Family Units</u>	<u>Total</u>
2001	1,868	586	2,454
2002	1,673	507	2,180
2003	1,969	288	2,257
2004	2,147	478	2,625
2005	2,155	386	2,541
2006	1,431	245	1,676
2007	1,234	224	1,458
2008	615	120	735
2009	503	81	84
2010	510	176	686

Source: St. Louis County Department of Planning.

IMPACT OF CURRENT ECONOMIC DOWNTURN ON THE COUNTY

As with most governmental and commercial enterprises, the County has been adversely affected by the recent recession. The struggles in the housing market resulted in lower property values. The 2009 required reassessment resulted in a 7% decrease in value of residential real estate and a 2% decrease in the value of commercial real estate. As a result, general funds property tax revenues were approximately \$8 million less in 2009 than in 2008. Because 2010 was not a reassessment year, final 2010 property tax revenues are expected to be similar to 2009 revenues. Property will be reassessed again in 2011.

Taxable sales in the County decreased 3.9% in 2008 and 7.2% in 2009. The County's general funds sales tax revenues declined 1.1% in 2008 and 8.4% in 2009. The smaller decrease in 2008 was caused by the final payment of two tax increment financing transactions, freeing up funds that would otherwise have been captured by the tax increment financing transactions. Sales tax revenues for 2010 were approximately 0.3% lower than in 2009.

Other County revenues, including those from building permits, interest and court fees were lower in 2008 and 2009 than they were in 2007. Preliminary financial information for 2010 indicates a 5.4% increase in such revenues, primarily due to the opening of a new casino in March 2010.

The County implemented several policies to reduce its expenditures in 2009 and 2010, with the intention of reducing expenditures to produce a structurally-balanced budget. These policies included prioritization of programs and services, a more stringent review of vacant positions prior to hiring a replacement, a freeze on employee salaries, reduced travel costs and close review of purchase orders and budgeted expenditures.

FINANCIAL MANAGEMENT

Introduction

Management of the County's finances includes preparation of an annual budget, control of the expenditures of County funds and cash management. This section presents information regarding the County's finances, including the County's accounting and budgeting practices.

Accounting and Reporting Practices

The accounts of the County are organized on the basis of funds, which conform to generally accepted accounting principles and comply with the guidelines established by the Governmental Accounting Standards Board. The financial statements of the governmental funds and fiduciary funds, as hereinafter described, use the modified accrual basis of accounting. The financial statements of the proprietary funds, as hereinafter described, use the accrual basis of accounting.

The County Council annually engages a firm of independent certified public accountants for the purpose of performing an annual audit of the financial statements of the County.

Since 1982, the County has obtained a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada for its comprehensive annual financial report. In order to be awarded the Certificate, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, the content of which must conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

The funds of the County can be divided into the following three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for governmental activities. The County maintains multiple individual governmental funds including the General Fund, the Highway Improvement Fund, the Transportation Trust Fund, the Public Mass Transit Fund, the Convention and Recreation Trust Fund, and Debt Service Fund, all of which are considered to be major funds.

Proprietary funds. Proprietary funds offer financial information about services for which the County charges customers, both external customers, and internal departments of the County. The County maintains two types of proprietary funds. Enterprise funds are used for business-type activities, including the operations of the Spirit of St. Louis Airport. Internal service funds are used to report activities, and accumulate and allocate costs of services that are provided to the County's various functions including payroll and risk management, which includes self-insurance general liability and worker's compensation. These services predominantly benefit governmental rather than business-type functions.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties other than the County. The County is the trustee, or fiduciary, responsible for assets that can be used only for the trust beneficiaries per trust arrangements. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The County's pension trust fund and agency funds are fiduciary funds.

Budget Process

Pursuant to the Charter, the County Executive must submit a balanced current expense budget to the County Council no later than 60 days before the beginning of each fiscal year. The budget must include a complete financial plan for all County funds and activities, including proposed tax rates, an estimate of all income and revenue and all proposed expenditures for current operations, debt service and a capital program.

The Division of Budget prepares the proposed budget based upon information provided by the various County departments, commissions and boards in the form required by the County Executive. After internal review and analysis the proposed budget is submitted to the County Executive. The proposed budget must present, for each fund, the estimated income and revenues of the fund for the budget year and the estimated income and revenue of the fund for the immediately preceding fiscal year. The total proposed expenditures in the budget for each fund cannot exceed any unencumbered cash balance in the fund from the immediately preceding fiscal year plus the lesser of the estimated income and revenue of the fund for the budget year or the estimated income and revenue of the fund from the immediately preceding fiscal year. The County Executive may propose additional expenditures if additional income and revenues are proposed and provided such additional expenditures do not exceed 90% of the estimated additional income and revenue to be received from taxes plus the total estimated additional income and revenue to be received from any other source.

Prior to adoption of a budget, the County Council holds at least one public hearing on the proposed budget. After the public hearing, the County Council may adopt or amend the proposed budget. If the County Council fails to adopt a budget by the last day of the currently ending fiscal year, the amounts appropriated for current operations for the current fiscal year are treated as appropriated for the ensuing fiscal year on a monthly prorated basis until a budget is adopted.

Adoption of the budget constitutes an appropriation of the amounts specified as expenditures from the funds indicated and as a levy of the taxes therein proposed. If recommended by the County Executive, the County Council may, by ordinance during any fiscal year, make supplemental or emergency appropriations. The County Executive may, by executive order contemporaneously filed with the County Council, transfer appropriations within any department during the fiscal year.

The County has received the Government Finance Officers Association Distinguished Budget Presentation Award annually since 2006. In order to receive this award, a government must publish a budget document that meets program criteria as a policy document, as an operational guide, as a financial plan, and as a communication device.

Capital Program

Pursuant to the Charter, a capital program must be submitted for each ensuing fiscal year. The capital program must include at a minimum a clear, general summary of the program, the capital improvements pending and proposed to be undertaken during the next five ensuing fiscal years, together with the estimated cost of each improvement and the pending or proposed method of financing, and the estimated annual cost of operating and maintaining the facilities to be constructed or acquired.

Accounting System and Budgetary Controls

In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. It is the judgment of the County that the internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary control is maintained at the departmental line item level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Purchase orders which result in an overrun of budget category balances are not released until additional funding is made available. Open encumbrances are reported as reservations of fund balance at December 31.

Cash Management

The County employs a cash management program whereby available cash resources of all funds, except those of the Pension Trust Fund and certain other restricted funds, are combined to form a pool of cash and investments which is managed by the County's Department of Administration. Such investments consist of overnight repurchase agreements, certificates of deposit, U.S. Treasury and Federal agency securities. Interest income earned on pooled funds is distributed to the appropriate funds based on the average daily balance of the cash and investments of each fund. The County has an agreement with its principal depository bank for overnight repurchase agreements of all investable funds within its account.

The General Fund

In accordance with established accounting procedures for governmental units, the County records its financial transactions under various funds. The largest is the General Fund, from which all general operating expenses are paid and to which taxes and all other revenues not specifically allocated by law or contractual agreement to other funds are deposited.

The following table indicates the County's General Fund revenues and expenditures (in thousands) for the fiscal years ended December 31, 2006 through 2009 (2010 information is not yet available). The information set forth below should be read in conjunction with the financial statements and notes appertaining thereto for the fiscal year ended December 31, 2009 set forth in **APPENDIX B** of this Official Statement and

the audited financial statements for the fiscal years ended December 31, 2006 through December 31, 2009 on file at the County.

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
REVENUES				
Taxes:				
Property	\$ 95,159	\$ 99,132	\$112,705	\$104,750
Sales	48,061	49,678	49,107	45,006
Utilities gross receipts	22,261	35,027	28,731	33,495
Total Tax Revenues	<u>\$165,481</u>	<u>\$183,838</u>	<u>\$190,543</u>	<u>\$183,251</u>
Licenses and permits	\$ 14,852	\$ 15,855	\$ 14,904	\$ 11,950
Assessment and tax collection fees	20,777	23,029	21,495	22,472
Fines and forfeitures	4,027	4,466	4,191	3,998
Investment earnings	3,354	5,273	4,443	1,019
Rents & Concessions	2,780	2,829	2,904	2,912
Intergovernmental	20,642	16,434	17,605	16,136
Charges for services	39,498	40,669	41,060	39,730
Fees	5,315	6,272	5,561	5,564
Other	5,356	4,460	5,798	5,643
Total Revenues	<u>\$282,083</u>	<u>\$303,125</u>	<u>\$308,504</u>	<u>\$292,675</u>
EXPENDITURES				
General Government	\$ 59,251	\$ 57,486	\$ 62,756	\$ 70,141
Public safety	124,534	129,574	134,844	139,985
Human Services	6,047	6,005	6,254	6,000
Highways and Traffic	39,087	40,409	41,401	41,000
Health	37,616	38,126	40,957	41,513
Parks	22,414	23,284	22,442	21,737
Debt Service/Capital Outlay	11,031	11,780	13,876	11,030
Total Expenditures	<u>\$299,979</u>	<u>\$306,663</u>	<u>\$322,530</u>	<u>\$331,406</u>
Excess of revenues over (under) expenditures	\$ (17,896)	\$ (3,538)	\$ (14,026)	\$ (38,731)
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 17,997	\$ 19,035	\$ 20,383	21,089
Transfers out	(808)	(1,365)	(795)	(861)
Refunded certificates of participation	--	--	--	(26,980)
Bond Issues	--	--	--	34,185
Premium on Bond Issues	--	--	--	749
Sale of capital assets	--	7,101	--	--
Proceeds from capital lease	1,044	--	--	--
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 18,233</u>	<u>\$ 24,771</u>	<u>\$ 19,588</u>	<u>\$ 28,182</u>
Net Change Fund Balance	\$ 337	\$ 21,232	\$ 5,561	\$ (10,549)
FUND BALANCES BEGINNING OF YEAR	<u>93,389</u>	<u>93,726</u>	<u>114,958</u>	<u>120,519</u>
FUND BALANCE END OF YEAR	<u>\$ 93,726</u>	<u>\$114,958</u>	<u>\$ 120,519</u>	<u>\$109,970</u>

Source: County's Comprehensive Annual Financial Reports for fiscal years ending December 31, 2006, 2007, 2008 and 2009.

Revenue Sources

The County derives its revenues from a variety of sources. The following list sets forth primary sources of County revenues from all governmental fund types, other than those for Enterprise and Internal Service Funds, for the fiscal year ended December 31, 2009:

	Percentage of Total Revenues
Taxes:	
Property	21.7%
Sales	33.8
Utilities gross receipts	6.3
Convention and Recreation	1.6
Emergency Telephone	<u>0.2</u>
Total Tax Revenues	63.6
Licenses and permits	2.2
Assessment and tax collection fees	5.9
Fines and forfeitures	0.7
Investment earnings	0.5
Rents and Concessions	0.5
Intergovernmental	13.8
Charges for services	8.0
Fees	3.0
Other	<u>1.8</u>
Total Revenues	<u>100.0%</u>

Sources: County's Comprehensive Annual Financial Report for fiscal year ending December 31, 2009.

E-911 Sales Tax

In addition to other sales taxes levied by the County, on November 3, 2009, the voters of the County approved the imposition of a 1/10th of 1% sales tax on all sales in the County for the purpose of establishing, operating and maintaining an emergency communications system (the "E-911 Sales Tax"). Collection of the E-911 sales tax (which does not have an expiration date) commenced in April 2010. The County intends to use the proceeds of the E-911 Sales Tax to pay debt service on the County's Special Obligation Bonds (Emergency Communications System), Series 2010. The County anticipates that the proceeds of the E-911 Sales Tax will be sufficient to pay the debt service on said bonds.

Financial Condition Since December 31, 2009

During 2010, uncertainty in the national and local economy continued to impact County revenues. Although property tax revenues are expected to be similar to 2009 (because 2010 was a non-reassessment year), sales taxes continued to decrease. 2010 general funds sales tax revenues were approximately 0.3% lower than in 2009. More positive results are seen in other sources of revenue. The County received \$8.4 million of new tax revenues due to the opening of the River City Casino complex in March 2010, and minor growth is expected for all other sources of revenue when compared to 2009. Final 2010 revenue information will not be available until spring 2011.

The County continued policies implemented over the past several years aimed at minimizing expenditures. As a result, 2010 expenditures in the general funds were 2.8% below estimated levels, returning \$9.7 million more to fund balance than was expected. In total, general funds budgets lapsed \$31.3 million (8.5%) of appropriation authority.

TAXATION

Tax Procedures

All taxable real and personal property within the County is assessed annually by the County Assessor. Missouri law requires that personal property be assessed at 33-1/3% of true value (except for a few subclasses of minimal value that are assessed at a lower percentage) and that real property be assessed at the following percentages of true value:

Residential real property	19%
Agricultural and horticultural real property	12
Utility, industrial, commercial, railroad and all other real property	32

On January 1 in every odd numbered year, each County Assessor must adjust the assessed valuation of all real property located within the county in accordance with a two-year assessment and equalization maintenance plan approved by the State Tax Commission. The County Assessor is responsible for preparing the tax rolls each year and for submitting the tax rolls to the County Board of Equalization. The Board of Equalization has the authority to review and determine the proper values of property and then adjust and equalize individual properties appearing on the tax rolls.

Certain properties, such as those used for charitable, educational and religious purposes, are excluded from both the real estate ad valorem tax and personal property tax.

Current Assessed Valuation. The following table shows the total assessed valuation and the estimated actual valuation, by category, of all taxable tangible property situated in the County, according to the assessment as of January 1, 2010, including state assessed railroad and utility property, as finally adjusted:

	<u>Assessed Valuation⁽¹⁾</u>	<u>Assessment Rate</u>	<u>Estimated Actual Valuation⁽¹⁾</u>
Real Estate:			
Residential	\$13,991,720,280	19.00%	\$ 73,640,633,053
Commercial	5,829,130,680	32.00	18,216,033,375
Agriculture	6,531,120	12.00	54,426,000
Railroad & Utility	<u>278,261,547</u>	32.00	<u>869,567,334</u>
Total Real Estate:	20,105,643,627		92,780,659,762
Personal Property	3,170,106,910	33 1/3	9,510,320,731
Railroad & Utility	<u>117,903,998</u>	33 1/3	<u>353,711,994</u>
Total	<u>\$23,393,654,535</u>		<u>\$102,644,692,487</u>

⁽¹⁾ Includes incremental assessed valuation in the portion of the County that is included in a tax increment financing district. See the section captioned "Tax Abatement and Tax Increment Financing."
Source: St. Louis County Department of Revenue.

History of Property Valuations. The total assessed valuation of all taxable tangible property situated in the County, including state assessed railroad and utility property, according to the assessments of January 1 in each of the following years, as finally adjusted, has been as follows:

<u>Year Assessed</u>	<u>Valuation⁽¹⁾</u>	<u>% Change</u>
2006	\$21,249,112,522	N/A
2007	24,780,423,928	+16.62
2008	25,023,897,937	+0.98
2009	23,650,886,005	-5.49
2010	23,393,654,535	-1.09

⁽¹⁾ Includes incremental assessed valuation in the portion of the County that is included in a tax increment financing district. See the section herein captioned “**Tax Abatement and Tax Increment Financing.**”

Source: St. Louis County Department of Revenue.

Tax Rates

Total Tax Rates. The County Collector of Revenue distributes tax bills and collects taxes for most taxing districts having jurisdiction within the County limits. Average tax rates for property taxes levied within the County (per \$100 assessed valuation for real and personal property) for the tax years ended December 31, 2006 through 2010 were as follows:

<u>Recipient</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
St. Louis County	\$0.558	\$0.558	\$0.558	\$0.523	\$0.523
School Districts	4.530	4.350	4.377	4.451	4.670
Cities	0.450	0.430	0.486	0.500	0.480
Service District ⁽¹⁾	1.580	1.510	1.444	1.491	1.647
Other ⁽²⁾	<u>1.720</u>	<u>1.660</u>	<u>1.700</u>	<u>1.769</u>	<u>1.850</u>
Total	<u>\$8.838</u>	<u>\$8.508</u>	<u>\$8.565</u>	<u>\$8.734</u>	<u>\$9.170</u>

⁽¹⁾ Includes fire, light and sewer districts.

⁽²⁾ Includes Special School District, the St. Louis Community College District, Zoo Museum District, Sheltered Workshop, Library Districts and the State of Missouri.

Source: The County and the County’s Comprehensive Annual Financial Report for fiscal year ending December 31, 2009.

County Tax Rates. The following table sets forth tax rates levied by the County per \$100 assessed valuation for the tax years ended December 31, 2006 through 2010:

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
County Base Rate:					
General Government	\$0.190	\$0.190	\$0.190	\$0.190	\$0.200
Highway & Traffic	0.105	0.105	0.105	0.105	0.105
Health	0.165	0.150	0.150	0.150	0.140
Parks & Recreation	<u>0.035</u>	<u>0.050</u>	<u>0.050</u>	<u>0.050</u>	<u>0.050</u>
Total Base Rate	\$0.495	\$0.495	\$0.495	\$0.495	\$0.495
Debt Service Fund	<u>0.063</u>	<u>0.063</u>	<u>0.063</u>	<u>0.028</u>	<u>0.028</u>
Total	<u>\$0.558</u>	<u>\$0.558</u>	<u>\$0.558</u>	<u>\$0.523</u>	<u>\$0.523</u>

Tax Assessment and Collection

Taxes are levied on all taxable real and personal property owned as of January 1 in each year. By statute, tax rates must be submitted to the County by October 20 of each year. Tax bills are then mailed to homeowners in November; however, the volume of assessment complaints required to be reviewed by the County Board of Equalization can affect the date on which bills are actually mailed. Payment of taxes on real

and personal property is due by December 31, after which date they become delinquent and accrue a penalty of one percent per month.

There are approximately 240 taxing bodies having jurisdiction in the County limits. The County Collector of Revenue collects taxes for almost all of these taxing bodies. The Collector of Revenue deducts a commission equal to one percent of the taxes collected for his services.

The following table sets forth information regarding collections for the County for such real and personal property taxes (other than for state-assessed railroads and utilities and railroad and utility surcharges):

<u>Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections⁽¹⁾</u>	<u>Percent of Levy Collected</u>	<u>Current and Delinquent Taxes Collected</u>	<u>Percentage of Current and Delinquent Taxes Collected</u>
2005	\$114,511,651	\$ 96,134,364	83.95%	\$102,450,315	89.47%
2006	116,808,539	108,250,377	92.67	126,365,436	108.18
2007	135,279,183	114,677,293	84.77	122,726,458	90.72
2008	137,324,875	118,264,749	86.12	138,111,615	100.57
2009	121,780,510	102,727,648	84.35	120,899,463	99.28
2010	120,371,261	101,612,997	84.42	120,416,197	100.04

⁽¹⁾ 2005 Current Tax Collections reflect a decrease from the previous year as a result of a change in the collection process for protested tax payments. In 2005, approximately \$15 million of taxes were paid under protest and therefore not reflected as current collections. These protested taxes were released in March, 2006.

Source: St. Louis County Department of Revenue.

Major Taxpayers

The largest identifiable taxpayers within the County for calendar year 2010 are listed below, based on 2010 total assessment valuation of property. These taxpayers represent 5.18% of the 2010 total assessed valuation of property located in the County.

<u>Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percentage of County Total</u>
Ameren UE	\$ 313,990,702	1.34%
Boeing	176,019,100	0.75
Duke Realty L.P.	141,327,230	0.60
Monsanto	106,220,770	0.45
Pinnacle Entertainment	87,639,900	0.38
Missouri American Water Company	86,616,370	0.37
THF Realty Development	78,805,880	0.34
CBL & Associates	78,313,160	0.34
AT&T	74,135,062	0.32
Chrysler Corporation ⁽¹⁾	68,611,440	0.29
	<u>\$1,211,679,614</u>	<u>5.18%</u>

Source: St. Louis County Department of Revenue.

⁽¹⁾ Chrysler LLC closed its plants and ceased operations in Fenton, Missouri in 2009. The reassessment value as of January 1, 2011 is not yet available.

Tax Abatement and Tax Increment Financing

Under Missouri law, tax abatement is available for redevelopers of areas determined by the governing body of a municipality to be “blighted.” The Land Clearance for Redevelopment Authority Law authorizes ten-year tax abatement pursuant to Sections 99.700 to 99.715, Revised Statutes of Missouri. Redevelopment corporations formed pursuant to Chapter 353, Revised Statutes of Missouri, as amended, may seek real property tax abatement for a total period of 25 years. In addition, the Industrial Development Corporations Law, Chapter 100, Revised Statutes of Missouri, as amended, authorizes real and personal property tax abatement for projects for industrial development.

In addition, the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, Revised Statutes of Missouri, as amended, makes available tax increment financing for redevelopment projects in certain areas determined by the governing body of a municipality or county to be a “blighted area,” “conservation area” or “economic development area,” each as defined in such statute. Currently, several tax increment financing districts exist within the County. Tax increment financing will not materially diminish the amount of property tax revenues currently collected by the County in the affected area, but instead acts to freeze such revenues at current levels and would deprive the County of future increases which would otherwise have resulted from increases in ad valorem property tax revenues in such areas until the tax increment revenue bonds issued are repaid and the tax abatement period terminates.

DEBT OF THE COUNTY

General

Under Missouri law, refunding bonds and obligations payable from annual appropriations do not require voter approval. Any general obligation bonds, other than refunding bonds, require voter approval for issuance. Pursuant to the Missouri Constitution, the County is authorized to issue general obligation bonds payable from unlimited ad valorem taxes upon a two-thirds or, at elections held on general municipal election days or state primary or general election days, a four-sevenths majority vote of the qualified voters voting on the specific proposition. The Missouri Constitution provides that the amount of bonds payable out of tax receipts may not exceed 10% of the total assessed valuation of the taxable property of the County.

Direct Bonded Indebtedness (as of 12/31/10)

On June 23, 1998, the County issued \$91,390,000 General Obligation Bonds, Series 1998. As of April 1, 2011 these bonds were outstanding in the aggregate principal amount of \$26,085,000. The bonds are secured by the full faith and credit and taxing power of the County.

On November 17, 2009, the County issued \$430,000 General Obligation Neighborhood Improvement Bonds (Northpointe Forest Water Project), Series 2009A (the “**Series 2009A Bonds**”) and \$50,000 Taxable General Obligation Neighborhood Improvement Bonds (Northpointe Forest Water Project), Series 2009B (the “**Series 2009B Bonds**”) collectively, the “**NID Bonds**”). The Series 2009A Bonds are outstanding in the aggregate principal amount of \$430,000 and the Series 2009B Bonds are currently outstanding in the aggregate principal amount of \$25,000. The NID Bonds are payable from special assessments levied upon the property benefited by the improvements financed with the NID Bond proceeds. If the special assessments are not timely paid, the NID Bonds are payable from the current income and revenue and surplus funds of the County. The full faith and credit of the County are irrevocably pledged for the prompt payment of the principal of and interest on the NID Bonds; provided, however, the County may not impose any new or increased ad valorem property taxes to pay principal of or interest on the NID Bonds without voter approval.

Overlapping Bonded Indebtedness (as of 12/31/09)

The following table sets forth the general obligation indebtedness of political subdivisions with boundaries overlapping the County as of December 31, 2009 and the amount attributable (on the basis of assessed valuation) to the County. The table was compiled from information furnished by the jurisdictions responsible for the debt, and the County has not independently verified the accuracy or completeness of such information. Furthermore, political subdivisions may have ongoing programs requiring the issuance of substantial additional bonds, the amounts of which cannot be determined at this time.

<u>Taxing Jurisdiction</u>	<u>Outstanding General Obligation Debt</u>	<u>Percent Applicable to County</u>
Fire Districts	\$ 48,980,000	100%
Municipalities	181,316,696	100
School Districts	<u>1,005,501,729</u>	100
Total	<u>\$1,235,798,425</u>	100

Source: County's Comprehensive Annual Financial Report for fiscal year ending December 31, 2009.

Debt Ratios and Related Information⁽¹⁾

Estimated Population (2010):	998,954
Assessed Valuation (2010):	\$23,393,654,535
Estimated Actual Value (2010):	\$102,644,692,487
Direct General Obligation Bonded Debt (2011) ⁽²⁾ :	\$26,085,000
Overlapping General Obligation Debt (2009):	\$1,235,798,425
Direct and Overlapping General Obligation:	\$1,261,883,425
Per Capita Direct Debt (per above):	\$26.11
Ratio of Direct Debt to Assessed Valuation (per above):	0.11%
Ratio of Direct Debt to Estimated Actual Value (per above):	0.03%

⁽¹⁾ Because the County is comprised of over 200 taxing jurisdictions, the overlapping indebtedness presented above under the caption "Overlapping Bonded Indebtedness" is for all of the taxing entities within St. Louis County. As a result, the above table does not include per capita overlapping debt or overlapping debt ratios, because it would overstate the amounts for which a particular taxpayer within an individual municipality within the County would be responsible.

⁽²⁾ Excludes \$480,000 outstanding principal amount of neighborhood improvement district bonds. These bonds are payable from special assessments levied upon the property benefited by the improvements financed with the proceeds of the bonds. If the special assessments are not timely paid, the bonds are payable from the current income and revenues and surplus funds of the County.

Short-Term Borrowing

From time to time, the County has issued tax anticipation warrants or used interfund borrowings to manage cashflow demands. The county's historical tax anticipation note issuances are listed below:

<u>Year</u>	<u>Amount</u>
2006	\$31,000,000
2007	28,000,000
2008	20,000,000
2009	25,075,000
2010	28,105,000

Annual Appropriation Financing

On January 6, 1999, the County issued \$44,265,000 in capital improvements projects certificates of participation to finance the construction of a parking garage and advance refund leasehold revenue bonds previously issued to finance the costs of acquiring and improving certain real property. In 2009, these certificates of participation were refunded by the issuance by the County of its \$26,975,000 Special Obligation Refunding Bonds, Series 2009A. As of April 1, 2011, such bonds were outstanding in the principal amount of \$24,240,000.

On August 28, 1991, the Regional Convention and Sports Complex Authority (the “**Authority**”) issued, in three separate series, an aggregate of \$258,670,000 principal amount of Convention and Sports Facility Project Bonds, the proceeds of which were available for the acquisition and construction of a convention and sports facility located in the City of St. Louis, Missouri. One of the series of such bonds, in the aggregate amount of \$65,685,000 (the “**Dome Bonds**”), is payable from payments made, subject to annual appropriation, by the County. The County’s combined payments in connection with such series of bonds, which payments are subject to annual appropriation by the County Council, are \$6,000,000 for each of the years 2003 through 2021 (which includes a \$1,000,000 annual preservation payment). The County will continue to pay annual preservation payments of \$1,000,000 from 2022 through 2024 pursuant to a contractual agreement. A refinancing of the Dome Bonds closed in August 2003 and bonds totaling \$41,360,000 remained outstanding at December 31, 2010. The refinancing did not reduce the County’s combined debt service and preservation payments in connection with such bonds. The County has historically and expects to continue to make such payments from the revenues from its Sports and Recreation Tax.

On December 23, 2003, the Missouri Development Finance Board issued \$45,760,000 of Taxable St. Louis Cardinals Ballpark Project Bonds (St. Louis County, Missouri—Annual Appropriation) Series 2003. The proceeds of the Bonds were used to finance a portion of the costs of planning, design, acquisition, construction and equipping of a new ballpark to serve as the home of the St. Louis Cardinals baseball team in the City of St. Louis, Missouri. Debt service on the bonds is paid by annual appropriation of County revenues. The County expects to make such payments from the Sports and Entertainment Tax also used to make payments on the Dome Bonds. The Sports and Entertainment Tax is a three and one-half percent tax on sales or charges for sleeping rooms paid by the transient guests of hotels and motels situated within the County and doing business within the County for the purpose of funding a regional convention and sports complex authority and for other regional convention and tourism purposes. As of April 1, 2011, bonds totaling \$44,375,000 remained outstanding.

On October 5, 2006, the County issued \$14,750,000 of its Annual Appropriation-Supported Tax Increment Revenue Bonds, Series 2006A. The proceeds of the Bonds were used to finance a portion of the redevelopment project costs in connection with the Lambert Airport Eastern Perimeter Joint Development Commission Redevelopment Plan. To the extent tax increment financing revenues are not available for such purpose, debt service on the bonds is paid by annual appropriation of County revenues. As of April 1, 2011, bonds totaling \$14,750,000 remained outstanding.

In 2007, the County entered into an agreement with the City of Hazelwood, Missouri (“**Hazelwood**”) by which it agreed to loan funds to Hazelwood in a total principal amount of approximately \$7 million over a seven-year period commencing in March 2008. This loan was funded by the County, subject to annual appropriation, to provide funds to assist in the redevelopment of a former Ford assembly plant. In 2009, the County issued its \$7,210,000 Special Obligation Bonds (Hazelwood Commerce Center Road Improvements), Series 2009B, restructuring the County’s obligation to advance loan proceeds to Hazelwood. As of April 1, 2011, such bonds were outstanding in the principal amount of \$6,965,000.

On April 15, 2010, the County issued its Special Obligation Bonds (Emergency Communications System), Series 2010A in the aggregate principal amount of \$60,560,000 and its Taxable Special Obligation Bonds, Build America Bonds (Emergency Communications System), Series 2010B in the aggregate principal

amount of \$58,675,000 to pay the costs of establishing, operating and maintaining an emergency communications system in the County. The County anticipates that the proceeds of the E-911 Sales Tax will be sufficient to pay the debt service on such bonds; however, proceeds of the E-911 Sales Tax are not pledged to the payment of such bonds. These bonds are currently outstanding in the original principal amounts.

On April 29, 2010, the County issued its Special Obligation Bonds (Business Incubator Projects), Series 2010C in the aggregate principal amount of \$3,555,000 and its Taxable Special Obligation Bonds (Build America Bonds-Direct Pay) (Business Incubator Projects), Series 2010D in the aggregate principal amount of \$3,540,000 to pay the costs of acquiring and renovating new business incubator facilities and renovating and improving existing business incubators. The County intends to satisfy its obligation to pay principal of and interest on the Bonds from the County's share of the admission fee paid by River City Casino (the "Casino"), a new 90,000 square-foot casino owned by Pinnacle Entertainment, Inc. that began operations in the southern part of the County on March 4, 2010. The Casino is required to pay to the Missouri Gaming Commission (the "Commission") an admission fee of two dollars for each person admitted to the Casino. The Commission will remit to the County, as the home dock of the Casino, half of the receipts from the admission fee collections from the Casino. Such funds, however, are not pledged to the payment of the Bonds. These bonds are currently outstanding in the original principal amounts.

On June 18, 2010, the County issued its Special Obligation Bonds (Health Campus Project), Series 2010E in the aggregate principal amount of \$3,145,000 and its Taxable Special Obligation Bonds - Recovery Zone Economic Development Bonds (Health Campus Project), Series 2010F in the aggregate principal amount of \$17,265,000 to finance certain costs in connection with the acquisition, construction, improvement and equipping of a new health care campus for the County. Debt service on the bonds is paid by annual appropriation of tax revenue collected for the support of public health care for county residents; however, the County reserves the option to pay these bonds from other available funds of the County. These bonds are currently outstanding in the original principal amounts.

On June 29, 2010, the County issued its Special Obligation Bonds (Page-Olive Connector Project), Series 2010H in the aggregate principal amount of \$5,625,000 and its Taxable Special Obligation Recovery Zone Economic Development Bonds (Page-Olive Connector Project), Series 2010I in the aggregate principal amount of \$23,095,000 to refund the County's outstanding \$20,060,000 Special Obligation Notes, Series 2009-2 (Page-Olive Connector Project) and to finance the remaining costs of the highway improvements project started with proceeds from the Special Obligation Notes, Series 2009-2 (Page-Olive Connector Project). Debt service on the bonds is paid by annual appropriation of surplus County revenues. A portion of the proceeds of a one-half cent sales tax levied by the County for transportation-related purposes is expected to be used to make debt service payments on these bonds; however, it is not pledged as security for the payment of the debt service. These bonds are currently outstanding in the original principal amounts.

On October 15, 2010, the County issued its Special Obligation Bonds (Police Laboratory Project), Series 2010K in the aggregate principal amount of \$2,980,000 and its Taxable Special Obligation Build America Bonds (Police Laboratory Project), Series 2010L in the aggregate principal amount of \$8,640,000 to finance and refinance the costs of (a) constructing, renovating, improving and equipping a police laboratory for the County and (b) acquiring, installing and equipping the County's 911 call center, including constructing furnishing and equipping related facilities for the County. Debt service on the bonds is paid by annual appropriation of surplus County revenues.

On December 30, 2010, the County issued its Taxable Special Obligation Build America Bonds (Transportation Projects), Series 2010M in the aggregate principal amount of \$2,300,000 and its Taxable Special Obligation Recovery Zone Bonds (Transportation Projects), Series 2010N in the aggregate principal amount of \$3,710,000 to finance the costs of certain highway, road and bridge improvements within the County. The Bonds are subject to annual appropriations of the County. The County anticipates that a portion of the proceeds of a one-half cent sales tax levied by the County for transportation-related purposes will be

used to make debt service payments on the Bonds; however, the proceeds of the one-half cent sales tax levied by the County for transportation purposes are not pledged to the payment of such bonds.

The County has entered into a variety of lease purchase agreements under which rental payments are subject to appropriation of available moneys therefor. As of December 31, 2010, the principal balance of such lease purchase agreements was \$8,684,543.

Legal Debt Limit and Debt Margin

The Missouri Constitution provides that the County may become indebted in an amount up to 10% of the assessed valuation of the taxable tangible property within the County, according to the last completed assessment for state and county purposes at the time of issuance of such indebtedness. The legal debt margin of the County based upon the 2010 assessed valuation is calculated as follows:

2010 Assessed Valuation	\$23,393,654,535.00
Constitutional Debt Limit (10% of Assessed Valuation)	2,339,365,453.50
Less Total General Obligation Indebtedness	26,085,000.00
Less Total NID Bonds	<u>455,000.00</u>
Legal Debt Margin	<u>\$2,312,825,453.60</u>

Future Debt Plans

The County has no authorized but unissued general obligation debt. The County is currently considering submitting a ballot measure to the public permitting the issuance of general obligation bonds to finance the replacement of the County’s family court facilities. The timing and amount of any such measure have not been determined. With the exception of tax anticipation notes expected to be issued during the summer, the County does not anticipate additional borrowings in 2011.

History of Debt Payment

The County has never defaulted on any indebtedness.

* * *

APPENDIX B

**COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR
FISCAL YEAR ENDED DECEMBER 31, 2009**

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St. Louis County, Missouri

Comprehensive Annual Financial Report

For the Year Ended December 31, 2009

Charlie A. Dooley, County Executive

Garry W. Earls, Chief Operating Officer

Pamela J. Reitz, Director of Administration

Donald H. Rode, Accounting Officer

St. Louis County Council

BARBARA FRASER, CHAIR

STEVEN V. STENGER, VICE-CHAIR

HAZEL M. ERBY

KATHLEEN KELLY BURKETT

COLLEEN M. WASINGER

MICHAEL E. O'MARA

GREGORY F. QUINN

St. Louis County, Missouri

**Comprehensive Annual Financial Report
For the Year Ended December 31, 2009**

Prepared by:

**The Division of Fiscal Management
Donald H. Rode
Accounting Officer**

Alternative formats for this publication are available. Web access is available at www.stlouisco.com/fiscalmanagement. Large print, Braille, and audio tape will be made available upon request. Please contact Bruce Kozozenski at (314) 615-7099 (voice) or (314) 615-5889 (TTY).



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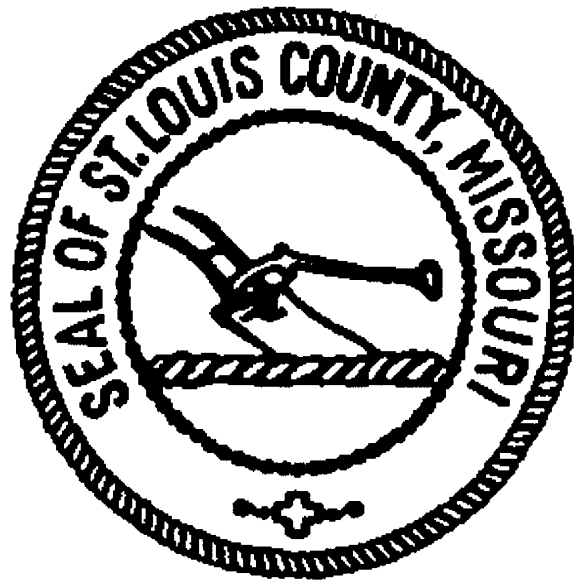
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INTRODUCTORY SECTION



Charlie A. Dooley
County Executive

Saint Louis
COUNTY
ADMINISTRATION

Pamela J. Reitz, CPFO
Director of Administration

Donald H. Rode, CPA
Accounting Officer

June 7, 2010

The Honorable Barbara Fraser, Chair,
Members of the St. Louis County Council
and
The Honorable Charlie A. Dooley, County Executive
St. Louis County, Missouri

In accordance with applicable state statutes and County Charter provisions, the Comprehensive Annual Financial Report (CAFR) of St. Louis County, Missouri, for the fiscal year ended December 31, 2009 is hereby submitted. This report was prepared by the Division of Fiscal Management, Department of Administration.

Responsibility for both the accuracy of all presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe that the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly present the County's financial position and results of operations. All disclosures necessary to enable the reader to gain an understanding of the County's financial affairs have been included.

This report has been prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada. The Government Finance Officers Association awards Certificates of Achievement for Excellence in Financial Reporting to those governments whose annual financial reports are judged to conform substantially to high standards of public financial reporting including generally accepted accounting principles. St. Louis County has received a Certificate of Achievement for its CAFR for twenty-seven consecutive fiscal years, 1982 through 2008.

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

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

FISCAL MANAGEMENT

All internal control evaluations occur within the above framework. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

For budgetary purposes, the legal level of control at which actual expenditures may not exceed budgeted expenditures is at the department level (General Government, Department of Highways and Traffic, Department of Health, and Department of Parks and Recreation) within the general fund and at the fund level for all other budgeted fund types. In addition, the County adopts budgets for each office and category (line item) level of expenditure for management control purposes only. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is utilized for purposes of budgetary control and compliance. At the end of each budget period, unencumbered, unexpended appropriations lapse. Fund balances are reserved for outstanding encumbrances, which serve as authorization for expenditures in the subsequent year.

THE REPORTING ENTITY AND ITS SERVICES

The County was formed by a proclamation of Governor William Clark on October 1, 1812. In 1876, by a vote of the entire County, the City of St. Louis voted to separate itself from the County. The County is a Constitutional Charter County, and its government is provided for in its Charter, which first became effective in 1950 and was subsequently revised in 1969 and 1979. The County Executive is the chief executive officer of the County and is elected, in partisan elections, to four-year terms. The County Council is the legislative body of the County. Its seven members are elected to four-year staggered terms, by district, in partisan elections. The presiding officer of the County Council is the Chairman, who is selected from among the County Council members every calendar year. Sixty-six percent of the land area of the County is occupied by 91 self-governing municipalities, containing two-thirds of the County population. The remaining unincorporated area comes under the direct jurisdiction of the County government. The County provides the full range of services contemplated by statute or charter. These include public safety, highways and traffic services, community health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

A basis for preparing the County's Comprehensive Annual Financial Report was the identification of the reporting entity. Various potential component units were evaluated to determine whether they should be reported in the County's financial report. A component unit was considered to be part of the County's reporting entity when it was concluded that the County was financially accountable for the entity or the nature and significance of the relationship between the County and the entity was such that exclusion would cause the County's basic financial statements to be misleading or incomplete.

The Comprehensive Annual Financial Report includes all the funds of the County and its component units. The financial activities of the Economic Council of St. Louis County and the Productive Living Board for St. Louis County Citizens with Developmental Disabilities are reported as discretely presented component units. Not included in the funds of the County because they do not meet the criterion of a component unit for discrete or blended presentation, as set forth by the Governmental Accounting Standards Board in its Statement Number 14 (GASB 14), as amended by Statement Number 39 (GASB 39), are joint ventures with the St. Louis Regional Convention and Sports Complex Authority, the St. Louis Cardinal Ballpark Site and Ballpark Project and the Bi-State Development Agency of the Missouri-Illinois

Metropolitan District. Various other organizations that meet the GASB 14 definition of related or jointly governed organizations and the relationships of these organizations with the County can be found in NOTE 1 to the basic financial statements.

ECONOMIC OUTLOOK

St. Louis County is the largest county in the State of Missouri and the major contributor to the economy of the state and the twelve-county metropolitan area. With approximately 17% of the state population, the County's approximately 1 million residents are at the center of the metropolitan area's population. The County houses the largest resident labor force in the region, as well as hosting the largest share of the region's housing stock. With nearly 27% of all the jobs within the State, St. Louis County is a Triple-A (AAA) rated County and is the economic and employment engine of the region and State of Missouri. Resident income levels exceed the norms with a per capita income and median family income equivalent to 138% and 134% of the state, respectively. Five Fortune 500 companies and eleven Fortune 1000 companies have their national or international headquarters in the County. Corporate headquarters include those of Monsanto, Edward Jones, Express Scripts and Enterprise Rent-A-Car. The County also benefits from the education and healthcare sectors which include Washington University, the second largest employer. As with most governmental and commercial enterprises, the County has been affected by the current economic downturn and is experiencing declines in sales tax revenues which historically have been sensitive to changes in local, regional and national economic conditions. The diversity of the tax and revenue base moderates these conditions and assists to position the County well for the future.

MAJOR INITIATIVES

The County continues to generate opportunities for business development and expansion. The Edward Jones North Campus opened a new office building in November 2008 with another North Campus ribbon cutting in October 2009 and a South Campus ribbon cutting in early 2010. Work has continued with Express Scripts to provide incentives for their high-volume pharmaceutical filler building creating 270 jobs. An expansion by Scottrade located in Maryville Centre in Town & Country is expected to create approximately 500 jobs over the next five years. The River City Casino and Entertainment Complex opened in March 2010. This \$450 million development included approximately 1,300 jobs. The County created Midwest-China Hub Commission of local public and private industry leaders continues to work with Chinese officials to establish an air freight hub at Lambert International Airport to benefit both nations. Significant progress is being made towards the goal of assisting Chinese companies to gain access to the Midwest through Lambert and, in turn, help Midwest companies expand their market into China. Programs funded by the Federal Economic Stimulus funds through the American Recovery and Revitalization Act (ARRA) have begun. These programs cover a range of infrastructure improvements, energy incentives, neighborhood stabilization and health and safety initiatives. The County also has plans to make effective use of other debt issuance opportunities available with the ARRA funds involving the subsidy for interest paid when using the Build America Bond Program and Recovery Zone Bonds. Additionally, when looking for alternatives in this economic climate, the County took this opportunity to take advantage of the current interest rate environment to refund existing debt. The County completed a refunding of \$27 million in outstanding Certificates of Participation resulting in approximately \$2.6 million in savings while maintaining the same maturity of the original debt.

LONG-TERM FINANCIAL PLANNING

Future plans for the County include several initiatives and financing opportunities. The voters recently passed a dedicated sales tax to fund a Regional Emergency Communications System. Approximately \$119 million in debt was issued in early 2010 for this initiative to fund emergency service communications equipment and facilities which will greatly enhance the coordination of regional emergency response. Approximately \$7 million in debt was also issued in early 2010 to finance Business Incubator facilities to assist new business and business development opportunities. An additional initiative is to issue approximately \$20 million in bonds for a new Health Campus. This Health Campus is expected to provide energy and efficiency savings by consolidating administrative facilities, environmental lab and biological lab facilities. Another one of the goals of the County is to increase the ease of cross-county travel. The Page-Olive Connector Project is one of the ways to accomplish that. This project is approximately \$64 million and will link the Maryland Heights Expressway to the Missouri Highway 141 at Olive Boulevard. This will have significant benefits, including reduced congestion and cut-through traffic and is expected to support economic development in the County. The funding of the project is expected to come from Economic Stimulus ARRA funds, two local municipalities, \$28 million of Special Obligation Bonds to be issued in mid-2010 and existing available highway funds.

INDEPENDENT AUDIT AND SINGLE AUDIT

The County Charter requires an annual audit of the accounts of the County by an independent certified public accountant or firm selected by the County Council. This requirement has been satisfied and the report of our independent auditors has been included in this report. In addition to meeting the requirements set forth in the County Charter, the audit was also designed to meet the provisions of the Federal Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Information related to this single audit is included in a separate report.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to St. Louis County, Missouri for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2008. In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, that satisfied both generally accepted accounting principles and applicable legal requirements.

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

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Division of Fiscal Management, Department of Administration. We would like to express our appreciation to the Office of the County Auditor, all members of the County departments who assisted and contributed to its preparation, and to KPMG LLP, Certified Public Accountants, for their cooperative assistance. We would also like to thank the Chair and the members of the County Council and the County Executive for their interest and support in planning and conducting the financial operations of the County in a responsible manner.

Respectfully submitted,



Donald H. Rode, CPA
Accounting Officer



Karen Cronk
Deputy Accounting Officer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

St. Louis County
Missouri

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

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



A handwritten signature in black ink, appearing to be "Jeffrey R. Emer".

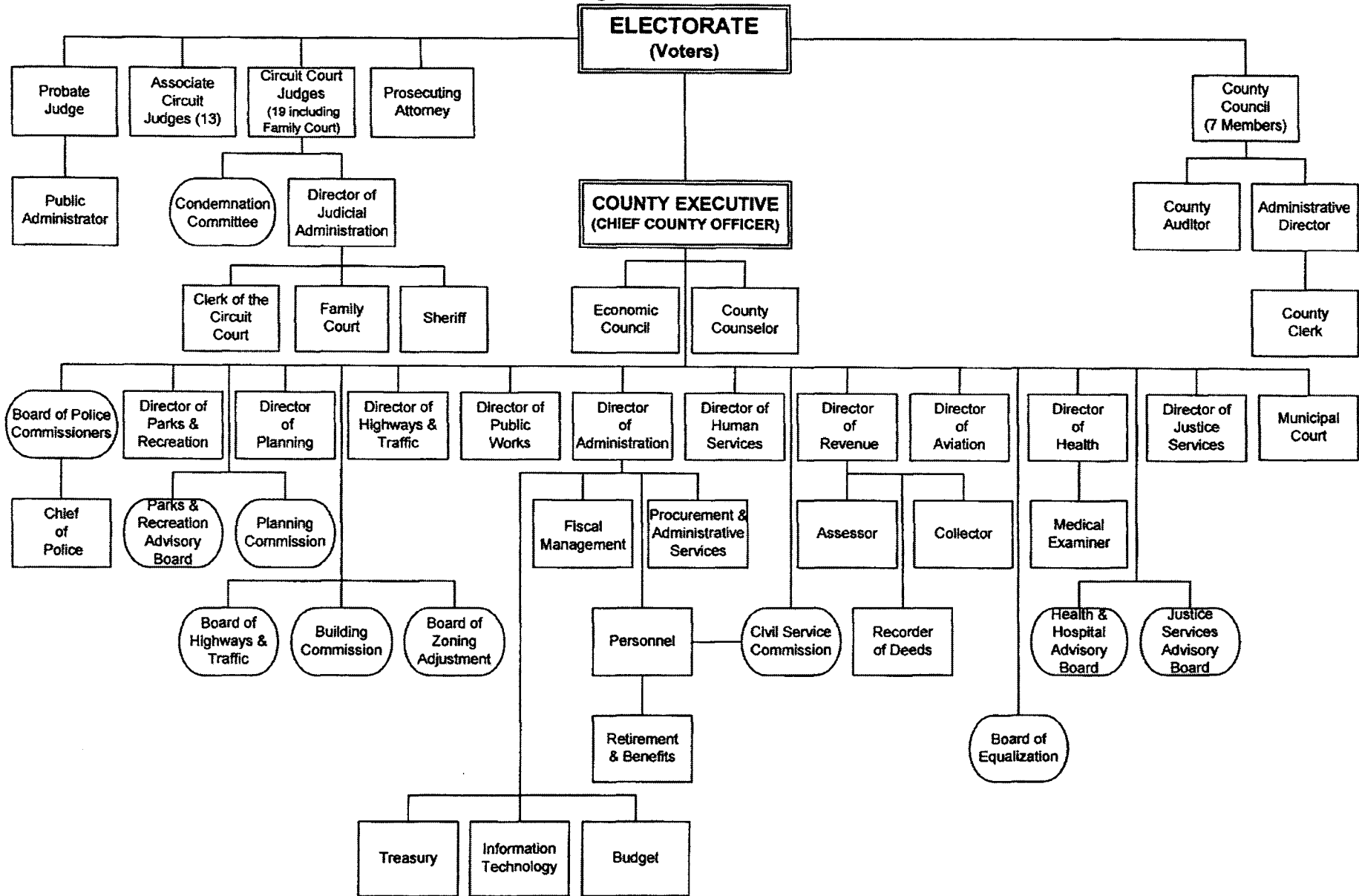
President

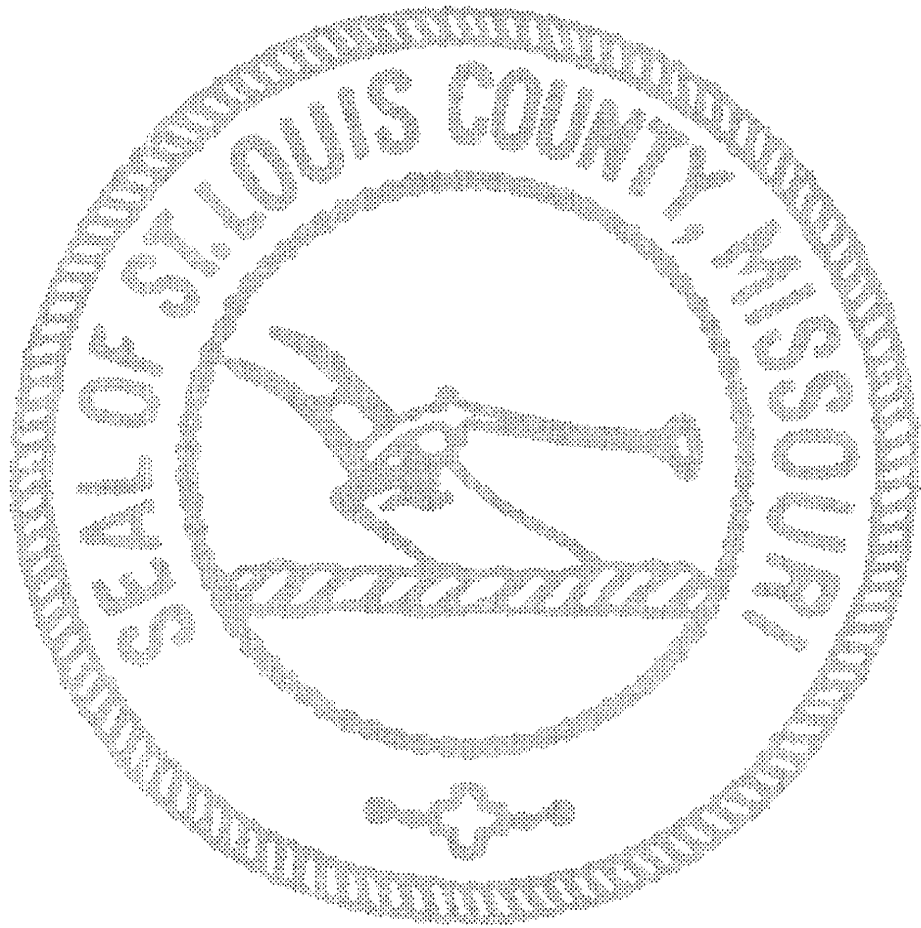
A handwritten signature in black ink, appearing to be "Jeffrey R. Emer".

Executive Director

ST. LOUIS COUNTY GOVERNMENT

Organizational Chart





ST. LOUIS COUNTY, MISSOURI
ELECTED OFFICIALS

County Executive	Charlie A. Dooley
County Council:	
First District	Hazel M. Erby
Second District	Kathleen Kelly Burkett
Third District	Colleen Wasinger
Fourth District	Michael E. O'Mara
Fifth District	Barbara Fraser, Chair
Sixth District	Steven V. Stenger, Vice-Chair
Seventh District	Gregory F. Quinn
Circuit Court Judges:	
Division One	Robert S. Cohen
Division Two	Maura B. McShane
Division Three	Mark D. Seigel
Division Four	Vacant
Division Five	John F. Kintz
Division Six	Gary M. Gaertner, Jr., Probate Division
Division Seven	Carolyn C. Whittington
Division Eight	Thomas DePriest
Division Nine	David Lee Vincent, III
Division Ten	Michael T. Jamison
Division Eleven	Ellen Levy Siwak
Division Twelve	Steven H. Goldman
Division Thirteen	Barbara W. Wallace
Division Fourteen	James R. Hartenbach
Division Fifteen	John A. Ross
Division Sixteen	Michael Burton
Division Seventeen	Larry L. Kendrick
Division Eighteen	Richard C. Bresnahan
Division Nineteen	Vacant
Division Twenty	Colleen Dolan
Associate Circuit Judges:	
Division Thirty-One	Mary E. Ott
Division Thirty-Two	Mary Bruntrager Schroeder
Division Thirty-Three	Brenda Stith Loftin
Division Thirty-Four	Dale W. Hood
Division Thirty-Five	Thea Sherry
Division Thirty-Six	Gloria Clark Reno
Division Thirty-Seven	John R. Essner
Division Thirty-Eight	Lawrence J. Permuter
Division Thirty-Nine	Patrick Clifford
Division Forty	Dennis N. Smith
Division Forty-One	Judy Peddy Draper
Division Forty-Two	Sandra Farragut-Hemphill
Division Forty-Three	Douglas R. Beach
Division Forty-Five	Visiting Judge *

* Visiting Judges are assigned by the Missouri Supreme Court to alleviate St. Louis County case load congestion.

ST. LOUIS COUNTY, MISSOURI
ELECTED OFFICIALS
CONTINUED

Division Forty-Six
Division Forty-Seven
Division Sixty-One
Division Sixty-Two
Division Sixty-Three
Division Sixty-Four
Division Sixty-Five

Mary Greaves, Traffic Commissioner
Peggy McCartney, Traffic Commissioner
Kris Kerr, Family Court Commissioner
Terry W. Wiese, Family Court Commissioner
Vacant, Family Court Commissioner
Victoria Mullen McKee, Family Court Commissioner
Phillip Jones, Family Court Commissioner

Prosecuting Attorney

Robert P. McCulloch

APPOINTED OFFICIALS

Chief Operating Officer

Garry W. Earls

Department Directors:

Administration
County Counselor
Health
Highways
Human Services
Justice Services
Parks and Recreation
Planning
Police
Public Works
Revenue
Spirit of St. Louis Airport

Pamela J. Reitz
Patricia Redington
Dr. Dolores J. Gunn, M.D.
Sheryl Hodges, D. E., P. E., L. P. G.
Marilyn Robinson
Herbert Bernsen, Acting Director
Lindsey Swanick
Glenn A. Powers
Timothy Fitch
Sheryl Hodges, D. E., P. E., L. P. G.
Eugene K. Leung
John D. Bales, Director

Municipal Court Judges:

Robert S. Adler
Celeste Endicott
Renee Hardin-Tammons
Jess Ullom

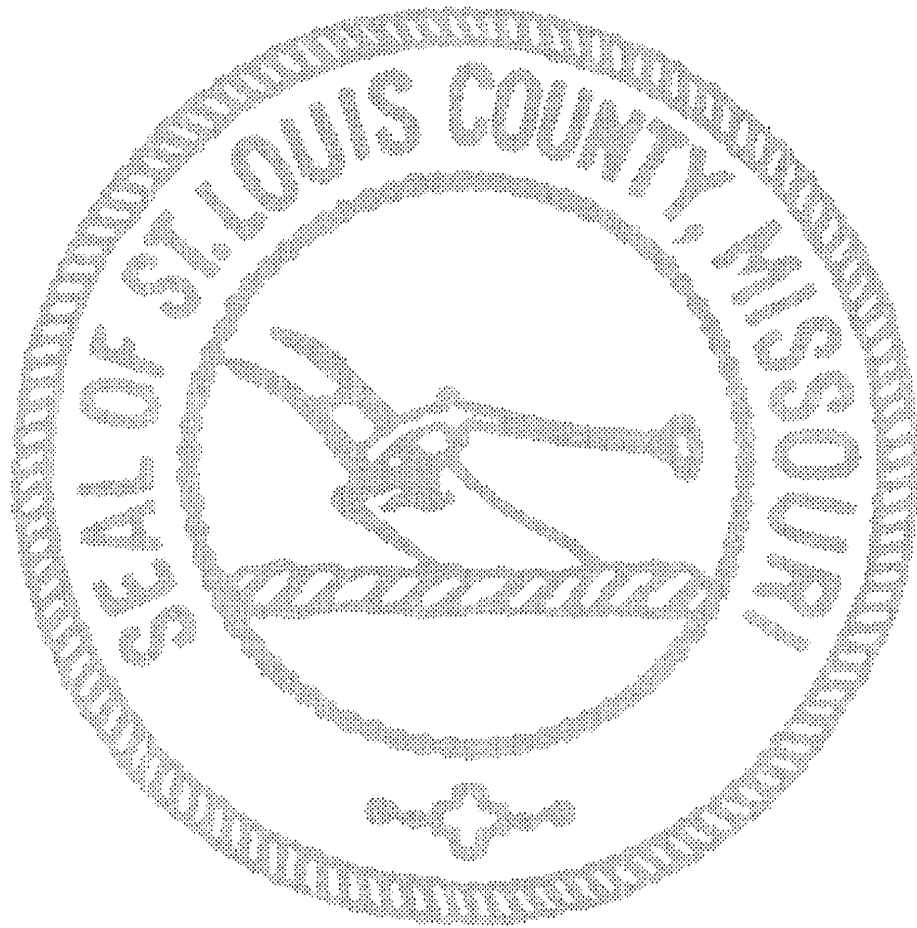
Accounting Officer
Acting Assessor
Acting Auditor
Budget Director
County Council, Administrative Director
Circuit Court Clerk
Collector
Judicial Administration Director
Personnel Director
Public Administrator
Purchasing Director
Recorder of Deeds
Sheriff

Donald H. Rode
Michael Brooks
David Makarewicz
Paul Kreidler
Genevieve Frank
Joan M. Gilmer
John Friganza
Paul Fox
Kirk McCarley
Thomas S. Arras
Rebecca Howe
Janice Hammonds
James D. Buckles II

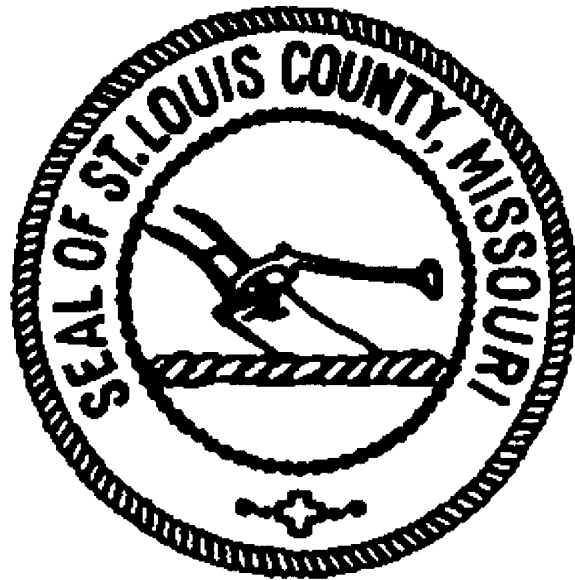
Component Unit Directors:

Economic Council
Productive Living Board

Dennis G. Coleman
Joyce Prag



FINANCIAL SECTION





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

Independent Auditors' Report

To the Honorable Members of the
St. Louis County Council
St. Louis County, Missouri:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of St. Louis County, Missouri, as of and for the year ended December 31, 2009, which collectively comprise St. Louis County, Missouri's basic financial statements as listed in the table of contents. These financial statements are the responsibility of St. Louis County, Missouri's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component units. The financial statements of the discretely presented component units were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the Productive Living Board for St. Louis County Citizens with Developmental Disabilities discretely presented component unit was not audited in accordance with *Government Auditing Standards*. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of St. Louis County, Missouri's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of St. Louis County, Missouri, as of December 31, 2009, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2010 on our consideration of St. Louis County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 3 through 18, the Budgetary Comparison Information on pages 95 through 100 and the Schedule of Funding Progress – County Employees' Retirement Plan on page 101 are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise St. Louis County, Missouri's basic financial statements. The combining and individual fund financial statements and schedules – additional supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information, except for that portion marked "unaudited," on which we express no opinion, has been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

KPMG LLP

St. Louis, Missouri
June 7, 2010

**MANAGEMENT'S
DISCUSSION
AND
ANALYSIS**

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of St. Louis County, Missouri's Comprehensive Annual Financial Report provides management's narrative overview and analysis of the County's financial activities based on currently known facts, decisions and conditions for the year ended December 31, 2009. For a comprehensive understanding of the financial statements, please review the transmittal letter at the front of this report along with the County's financial statements, including the notes that follow the Basic Financial Statements.

FINANCIAL HIGHLIGHTS (excluding discretely Presented Component Units)

- The government-wide assets of St. Louis County exceed its liabilities at the close of 2009 by \$949.6 million (net assets). Of this amount, \$830.0 million is invested in capital assets, net of related debt, and \$148.6 million is restricted for specific purposes (restricted net assets). The remaining portion of the net assets represents a deficit balance in unrestricted net assets of \$28.9 million.
- As of December 31, 2009, net assets for governmental activities and the business-type activity (Spirit of St. Louis Airport) were \$891.1 million and \$58.5 million, respectively for a total of \$949.6 million.
- The total for revenues and the Special item exceeded expenses by \$50.8 million for governmental activities. For the business-type activity, revenues and the Special item exceeded expenses by \$0.6 million, therefore, increasing the County's total net assets by \$51.4 million during fiscal year 2009.
- General revenues for governmental activities (excluding Special item) were \$353.3 million which include \$214.1 million (60.6%) in sales and utilities gross receipts taxes. Property taxes accounted for \$117.1 million (33.1%) of general revenues.
- Net expense from the various functions of governmental activities was \$314.5 million. General government comprised \$42.1 million (13.4%), public safety was \$104.6 million (33.3%), highways and traffic, and transportation, accounted for \$93.4 million (29.7%), health was \$32.0 million (10.2%), and parks and recreation was \$20.5 million (6.5%).
- The County's total long-term debt obligations related to governmental activities decreased 1.9% when compared to 2008. Debt was issued to fund Special obligation refunding bonds, developer notes for tax increment financing of redevelopment areas and certain highway construction improvement projects. These increases were offset by reductions for an all cash GO bond refunding and regular scheduled debt service payments resulting in this net decrease for the year.
- The Net Other Postemployment Benefit Obligation (OPEB) for the primary government was decreased to zero as of year-end. Certain plan changes during the year had eliminated the actuarial accrued liability of healthcare benefits related to the implicit rate subsidy. Accordingly, the County has reduced the previous years' liability of \$12.1 million and reflected this adjustment as a Special item in the statement of activities.

- Governmental funds of the County reported combined ending fund balances at the close of the year of \$293.4 million, a decrease of \$1.8 million from 2008's ending fund balance of \$295.2 million. Approximately \$235.9 million is unreserved fund balance.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to St. Louis County's basic financial statements. The County'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 and additional supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with broad information about the County's finances, similar to those used by private-sector companies. The two government-wide statements, **Statement of Net Assets** and **Statement of Activities**, report the County's net assets and how they have changed. In the government-wide statements, a distinction is made between governmental-type activities and business-type activities. Governmental-type activities are those one normally associates with the operation of a government such as general government, public safety, highways, health and parks. Business-type activities are those activities of the government that are designed to be self-supporting.

The **Statement of Net Assets** presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Increases and decreases in net assets may serve as a useful indicator of whether or not the financial position of the County is improving or deteriorating. The statement of net assets also provides information on its investment in capital assets, net of related debt, restricted net assets and unrestricted net assets.

The **Statement of Activities** presents information on how the County's net assets changed during the most recent fiscal year. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of the timing of related cash flows.

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

The governmental activities of the County include general government, public safety (police, judicial administration, justice services), human services, highways and traffic, health, parks and recreation, transportation, convention and recreation as well as interest and fiscal charges. The business-type activity of the County is an airport operation (Spirit of St. Louis Airport).

The government-wide financial statements include not only St. Louis County itself (known as the primary government), but also the legally separate Economic Council and the Productive Living Board (for developmentally disabled citizens), for which St. Louis County is financially accountable or meets other criteria of GASB Statement No. 14, as amended. Financial information for these component units is reported separately from the financial information for the primary government itself. These component units have separately issued financial statements as discussed on page 33 of the report, which should be referred to for more information.

The government-wide financial statements can be found on pages 20-21 of the report.

Fund Financial Statements

The fund financial statements provide information about groupings of related accounts that are used to maintain control over resources for specific activities or objectives. The County uses fund accounting to demonstrate compliance with finance-related legal requirements. The fund financial statements provide more detailed information about the County's most significant funds. The funds of the County can be divided into the following three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

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

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

St. Louis County maintains multiple individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances, for the General, Highway Improvement, Transportation Trust, Public Mass Transit, Community Children's Services, Convention and Recreation Trust, and Debt Service funds, all of which are considered to be major funds. Data from the other non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The basic governmental fund financial statements can be found on pages 22-25 of this report.

2. *Proprietary funds*. Proprietary funds offer financial information about services for which the County charges customers, both external customers, and internal departments of the County. The County maintains the following two types of proprietary funds:
 - *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The

County uses an enterprise fund to account for its Spirit of St. Louis Airport operations.

- An *internal service fund* is used to report activities, and accumulate and allocate costs of services that are provided to St. Louis County's various functions. St. Louis County uses an internal service fund to account for payroll and risk management, which includes self-insurance general liability and worker's compensation. These services predominantly benefit governmental rather than business-type functions, so they have been predominantly included within governmental activities in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Spirit of St. Louis Airport operation, which is considered to be a major fund of St. Louis County. Similarly, the internal service fund is presented as a single column in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 26-28 of this report.

3. *Fiduciary funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the County. The County is the trustee, or fiduciary, responsible for assets that can be used only for the trust beneficiaries per trust arrangements. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. The County's pension trust fund and agency funds are reported as fiduciary funds. Since the resources of these funds are not available to support the County's own programs, they are not reflected in the government-wide financial statements. Fiduciary fund information can be found on pages 30-31 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 32-92 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that includes budgetary presentations as well as information concerning St. Louis County's progress in funding its pension obligation for its employees. The County adopts an annual appropriated budget for its general, transportation trust, public mass transit and convention and recreation trust funds. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with their respective budgets. Required supplementary information can be found on pages 95-101 of this report.

Additional Supplementary Information

This section includes combining statements and budgetary comparison schedules for certain budgeted funds. The combining statements provide detail for departments of the general fund, fund level detail for all non-major governmental funds, and agency funds. Combining and individual fund statements and schedules can be found on pages 106-143 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS OF ST. LOUIS COUNTY

In the government-wide financial statements, all of the activities of the County, except for discretely presented component units, are considered activities of the Primary Government (i.e., both governmental and business-type). The government-wide financial statements are designed to provide readers with a broad overview of the County's finances as discussed in the following Analysis of Net Assets and Changes in Net Assets.

Analysis of Net Assets

As noted earlier, net assets may, over time, serve as a useful indicator of a government's financial position. The County's combined net assets increased in 2009 by approximately 5.7% to \$949.6 million from the previous year.

At the end of 2009, the County had positive balances in two of its categories of the primary government's net assets (Invested in capital assets net of related debt, and Restricted net assets) however its unrestricted net assets had a deficit balance.

The largest category of St. Louis County's net assets, (87.4%), reflects its investment of \$830.0 million in capital assets (e.g. land, infrastructure, buildings, machinery, and equipment), net of any related outstanding debt used to acquire those assets. This category was approximately 87.9% of net assets in the prior year, 2008. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County'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.

A second category of the County's net assets of \$148.6 million (15.6%) represents resources that are subject to external restrictions on how they may be used. External restrictions include those imposed by grantors, contributors, laws/regulations of other governments, or restrictions imposed by law through constitutional provisions or legislation.

The remaining category of the County's net assets represents a deficit in unrestricted net assets of \$28.9 million. Although the unrestricted net assets deficit of \$45.9 million in the governmental activities is offset by the \$17.0 million reported for the business-type activity, it is important to note that the net assets of the County's business-type activity may not be used to fund governmental activities.

The governmental activities, net asset deficit, occurs as the result of the County having to meet certain long-term obligations with no corresponding capital asset. This deficit is comprised of several components which include the accrued benefit liability for compensated absences, bond and notes payable for Tax Increment Financing of certain redevelopment projects and joint venture funding of convention and sports facility projects which are not reported as County owned assets in the Statement of Net Assets.

The convention and sports facility obligations, mentioned above, are a component of this deficit and are funded by a dedicated 3.5% hotel motel tax, which is accounted for, and appropriated for, in the convention and recreation trust fund, a major special revenue fund.

The tax increment financing obligations (TIF), also a component of this deficit, are accounted for in non-major special revenue funds, and are limited obligations of the County payable from increased taxes within the redevelopment project areas. In 2009, \$5.4 million in TIF notes were issued, thereby additionally increasing the deficit net asset balance for governmental activities.

The remaining obligations for compensated absences will be paid from governmental activities as they mature.

This deficit in unrestricted net assets does not mean that the County does not have resources available. Rather, it is the result of having long-term commitments that are greater than currently available resources.

Please note that key components of the net assets of governmental activities and the business-type activity can be separately identified in the table below:

**St. Louis County, Missouri
Net Assets
December 31**

	Governmental Activities		Business-type Activity		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Assets:						
Current assets	\$ 280,869,616	\$ 250,750,828	\$ 9,510,810	\$ 7,992,576	\$ 290,380,426	\$ 258,743,404
Equity in pooled cash and investment	146,587,088	150,962,080	8,245,524	9,016,080	154,832,612	159,978,160
Notes and loans	339,198	439,152			339,198	439,152
Capital assets, net	881,045,392	848,485,358	43,974,119	44,536,946	925,019,511	893,022,304
Deferred charges	1,226,431	789,302			1,226,431	789,302
Total assets	1,310,067,725	1,251,426,720	61,730,453	61,545,602	1,371,798,178	1,312,972,322
Liabilities:						
Current liabilities	144,880,390	121,918,013	1,046,110	1,084,158	145,926,500	123,002,171
Noncurrent liabilities	274,120,285	289,290,837	2,152,388	2,494,234	276,272,673	291,785,071
Total liabilities	419,000,675	411,208,850	3,198,498	3,578,392	422,199,173	414,787,242
Net Assets:						
Invested in capital assets, net of related debt	788,407,737	747,528,066	41,552,329	41,847,365	829,960,066	789,375,431
Invested in capital assets Restricted	148,567,940	135,957,609			148,567,940	135,957,609
Unrestricted (deficit)	(45,908,627)	(43,267,805)	16,979,626	16,119,845	(28,929,001)	(27,147,960)
Total net assets	\$ 891,067,050	\$ 840,217,870	\$ 58,531,955	\$ 57,967,210	\$ 949,599,005	\$ 898,185,080

Changes In Net Assets

In 2009, the County's total revenue on a government-wide basis was \$586.2 million, an increase of \$11.4 million as compared to 2008. This was primarily attributable to an increase of \$26.7 million in sales tax from the Community Children's Services fund. This is a newly established fund for a sales tax approved by the voters in November 2008. The voters approved the imposition of this one-quarter of one percent (.25%) sales tax for the purpose of establishing a community children's services fund to provide services to protect the well-being and safety of children and youth nineteen years of age or less. Without this sales tax, the County's total sales tax would have decreased by \$11.8 million when compared to 2008.

During 2009, the County's property tax rate for debt service decreased from \$.063 to \$.028 changing the total tax rate from \$.558 to \$.523 per \$100 of assessed valuation. This tax decrease coupled with a decrease in the assessed valuation resulted in a decrease in property taxes by \$15.2 million. The utilities gross receipts increased by \$4.8 million almost entirely as a result of a one-time \$4.6 million settlement payment received from a telecommunication company for back taxes. Another source of revenue that decreased significantly in 2009 was investment income. This decreased by \$10.2 million when compared to 2008, primarily due to unfavorable market conditions that adversely affected both interest rates on overnight funds and average yields on the County's portfolio. The increases of sales taxes and utility gross receipts were partially offset by the decreases of property taxes and investment income.

In the area of program revenues, there was a decrease of \$16.8 million in the category of charges for services which was mainly a result of the reduction in the sales of aviation fuel for the Spirit of St. Louis Airport because of unfavorable market conditions. In the category of capital grants and contributions, there was an increase of \$23.2 million that was primarily attributable to an increase in the acceptance of road and bridge infrastructure assets of \$33.3 million during 2009.

Additionally, the County had eliminated its actuarial accrued liability for post-employment healthcare benefits provided through the plan because it is no longer responsible for the implicit rate subsidy associated with the benefits. Through a change in plan terms, the County had eliminated its financial obligation to plan members. As a result, the County adjusted the accrual for the OPEB obligation of \$12.0 million for the government activities and \$.05 million for the business-type activity. These amounts were reported in the statement of activities as a special item.

The total cost of all programs and services for 2009 was \$546.9 million. This represents a decrease of \$37.6 million (6.4%) from the prior year. The County's expenses cover a range of typical County services. Public safety function expenses, which include police, judicial administration and justice services, amounted to \$151.6 million, or 27.7% of government-wide activities. The expense for public safety consumes the largest portion of County's general revenues although this function had only increased by approximately \$1.0 million over 2008. The General government function had the second largest expense of \$113.9 million, or 20.8% of total expenses. However, the General government function had significantly decreased expenses by \$22.3 million, or 16.4% from 2008. This decrease was primarily in the area of the non-major governmental funds. TIF redevelopment project costs in 2009 decreased by \$20.5 million as compared to 2008 because there was a decrease in the amount of debt issued for new and existing TIF projects. The Highway function had the largest increase in expense for the primary government. The increase of \$6.8 million, which accounts for 14.3% of total expenses,

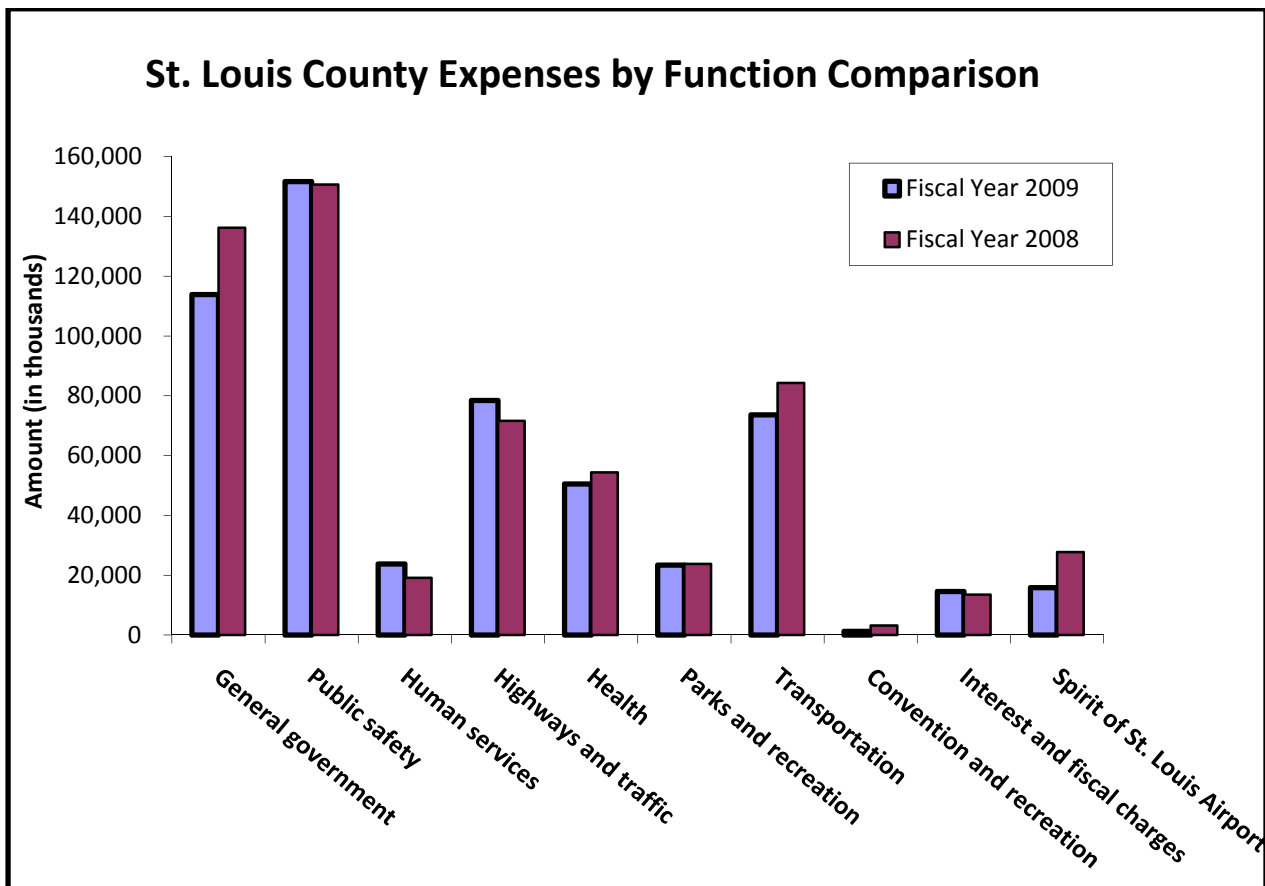
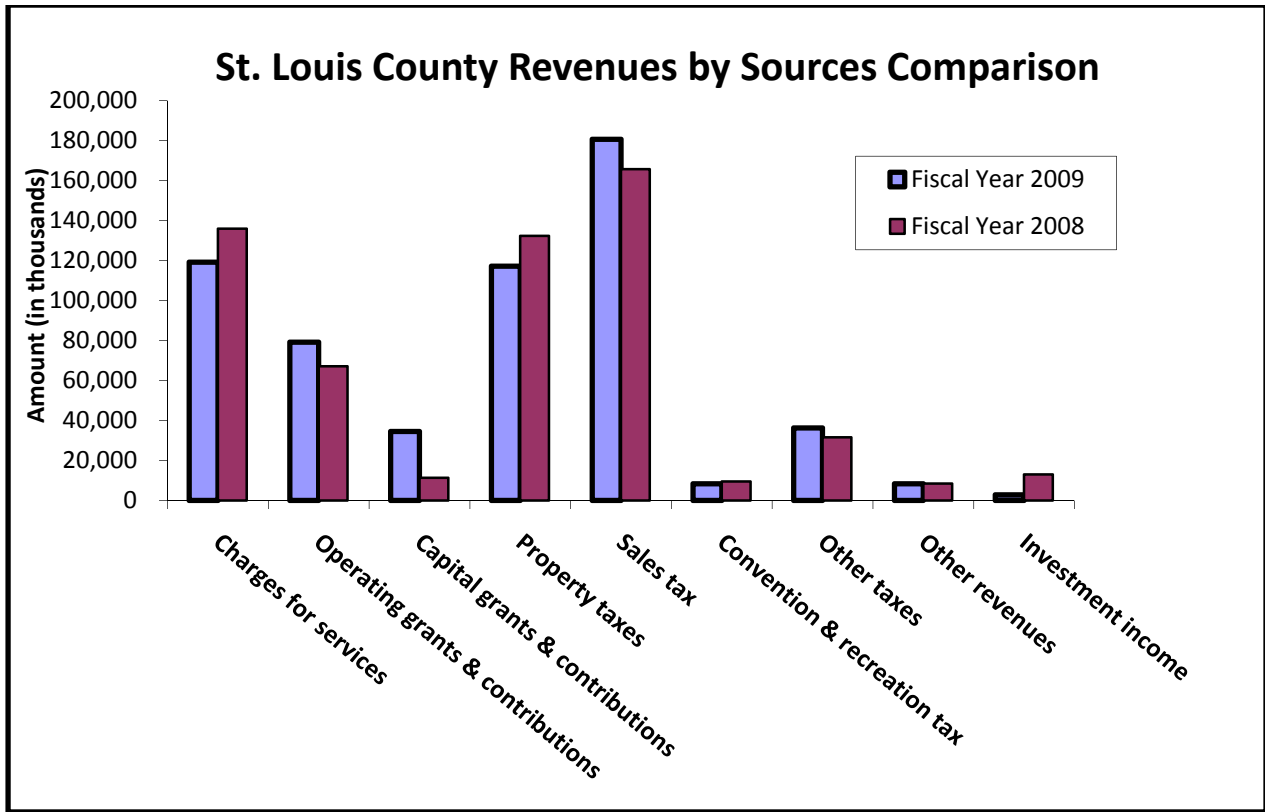
reflects an increase in construction activity in 2009. For the business-type activity, Spirit of St. Louis Airport, expenses decreased by \$11.8 million. As discussed previously, unfavorable market conditions affected private aviation travel. A reduction in fuel sales at the Airport resulted in a decrease in the total fuel that was purchased.

Key elements of the changes in net assets are as follows:

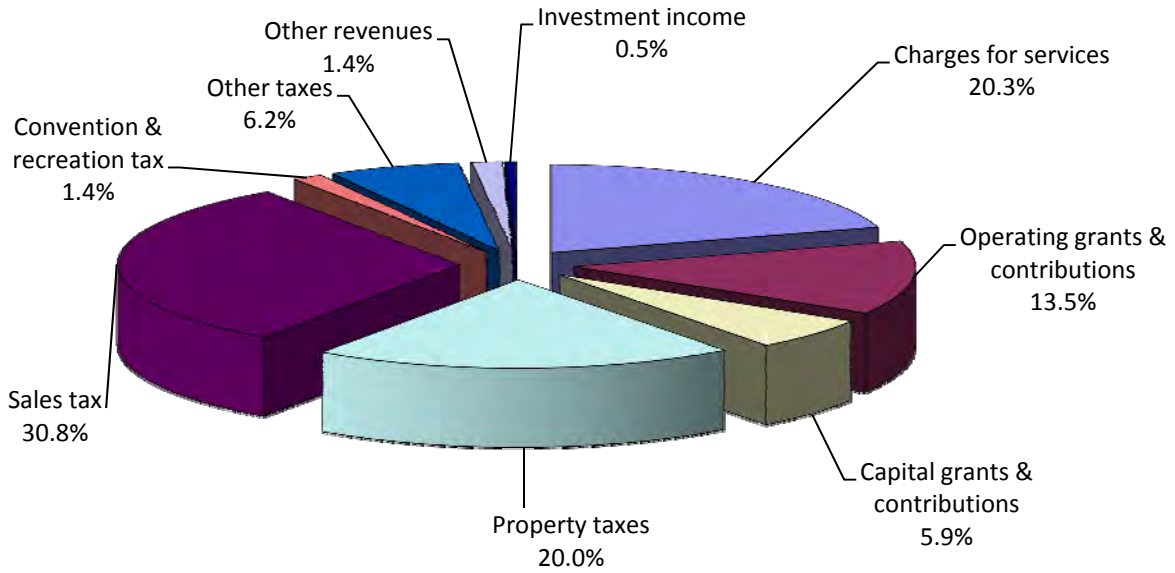
St. Louis County, Missouri
Changes in Net Assets
December 31

	Governmental Activities		Business-type Activity		Total Primary Government	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Revenues:						
Program revenues:						
Charges for services	\$ 104,148,923	\$ 108,421,721	\$ 14,962,838	\$ 27,457,333	\$ 119,111,761	\$ 135,879,054
Operating grants and contributions	78,734,689	66,767,481	403,404	297,858	79,138,093	67,065,339
Capital grants and contributions	33,634,864	11,123,699	846,467	177,732	34,481,331	11,301,431
General revenues:						
Property taxes	117,114,249	132,287,289			117,114,249	132,287,289
Other taxes	225,173,563	206,796,837			225,173,563	206,796,837
Other revenue	8,355,017	8,486,294			8,355,017	8,486,294
Investment income	2,693,668	12,304,681	156,800	720,119	2,850,468	13,024,800
Total revenues	<u>569,854,973</u>	<u>546,188,002</u>	<u>16,369,509</u>	<u>28,653,042</u>	<u>586,224,482</u>	<u>574,841,044</u>
Expenses:						
General government	113,890,407	136,229,279			113,890,407	136,229,279
Public safety	151,612,681	150,628,147			151,612,681	150,628,147
Human services	23,771,490	19,101,962			23,771,490	19,101,962
Highways and traffic	78,425,565	71,601,887			78,425,565	71,601,887
Health	50,518,234	54,363,681			50,518,234	54,363,681
Parks and recreation	23,382,622	23,765,787			23,382,622	23,765,787
Transportation	73,652,211	84,305,026			73,652,211	84,305,026
Convention and recreation	1,216,201	3,201,202			1,216,201	3,201,202
Interest and fiscal charges	14,566,913	13,527,341			14,566,913	13,527,341
Spirit of St. Louis Airport			15,857,918	27,731,154	15,857,918	27,731,154
Total expenses	<u>531,036,324</u>	<u>556,724,312</u>	<u>15,857,918</u>	<u>27,731,154</u>	<u>546,894,242</u>	<u>584,455,466</u>
Excess revenues before special item	38,818,649	(10,536,310)	511,591	921,888	39,330,240	(9,614,422)
Special item-OPEB obligation	12,030,531		53,154		12,083,685	
Change in net assets	<u>50,849,180</u>	<u>(10,536,310)</u>	<u>564,745</u>	<u>921,888</u>	<u>51,413,925</u>	<u>(9,614,422)</u>
Beginning net assets	840,217,870	850,754,180	57,967,210	57,045,322	898,185,080	907,799,502
Ending net assets	<u>\$ 891,067,050</u>	<u>\$ 840,217,870</u>	<u>\$ 58,531,955</u>	<u>\$ 57,967,210</u>	<u>\$ 949,599,005</u>	<u>\$ 898,185,080</u>

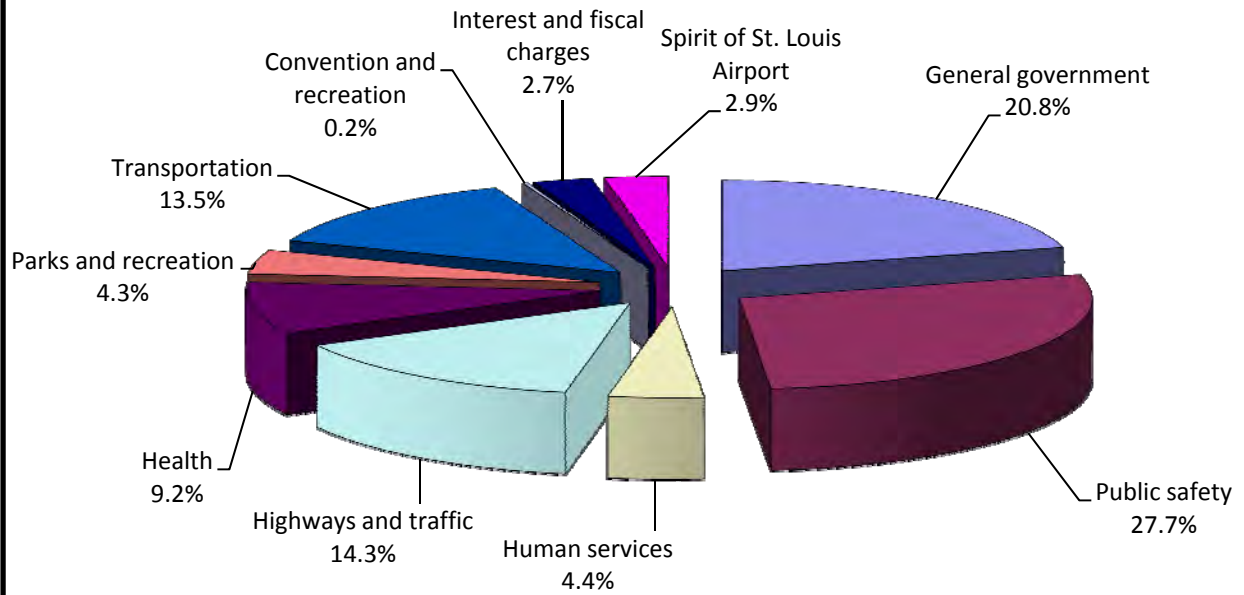
Charts on the following page illustrate the comparison of 2009 and 2008 revenues by source and expenses by function.



St. Louis County Sources of Revenue for Fiscal Year 2009



St. Louis County Governmental Expenses by Function for Fiscal Year 2009



The charts on the preceding page illustrate the County's 2009 revenues by source and expenses by function. Property and sales taxes totaling 50.8% of total revenues are the primary general revenue sources used to finance County-wide program activities that are not fully supported by charges for services or other program revenues. As displayed in the chart, public safety is the function with the largest percentage of total County expenses with 27.7% of all government-wide expenses.

Governmental activities. Governmental activities increased the County's net assets by \$50.8 million. Increases in revenue are attributed to the new sales tax from Community Children's Services of \$26.7 million and an increase in infrastructure assets accepted by the County in the amount of \$33.3 million recorded as capital grants and contributions. These items contributed to the overall net increase of \$23.7 million in revenue, or 4.3% from 2008. This increase in revenue, combined with decreases in operating expenses of \$25.7 million or 4.6% over the prior year, resulted in the addition to net assets. The elimination of the County's OPEB obligation also resulted in a positive adjustment of \$12.0 million to net assets. This adjustment is reflected as a Special item in the statement of activities.

Business-type activity. Both revenues and expenditures decreased by 42.9% and 42.8% from the prior year, respectively. The greater reduction in expense resulted in a modest increase in net assets of \$0.6 million or 1.0% from 2008. In 2009, charges for services accounted for \$15.0 million (91.4%) of total revenues, of which 83.7% was from fuel sales. The significant reduction in revenues and expenditures was attributable to the economic downturn and resulting decline in private aviation travel. Therefore, the volume of fuel sales decreased with a corresponding decrease in aviation fuel purchases.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, St. Louis County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows and balances of available expendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, total governmental funds reported combined ending fund balances of \$293.4 million, a decrease of \$1.8 million from the previous year.

As mentioned in the Financial Highlights, unreserved fund balance represents approximately \$235.9 million of the total fund balance at December 31, 2009 and is available for spending within the context of the legal or contractual provisions for which the separate funds that comprise this balance have been established. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed, (1) to liquidate existing contracts and purchase orders (\$36.4 million), (2) to pay debt service (\$19.1 million), and (3) for other purposes (\$2.0 million).

General Fund

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$95.8 million, while the total fund balance was nearly \$110.0 million.

As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. In 2009, unreserved fund balance represents 28.9% of \$331.4 million of general fund expenditures, (32.4% in 2008), while total fund balance represents 33.2% (37.4% in 2008) of the same amount.

Other Major Funds

Changes in fund balances for other major governmental funds can be described as follows:

- The Highway Improvement fund balance increased by \$2.0 million from last year. Even though expenses for capital construction projects increased, the increase was partially offset by the issuance of notes payable (\$6.5 million) for related construction projects. This resulted in a positive change in fund balance for 2009.
- The Transportation Trust fund balance decreased \$4.7 million from last year as a result of a \$5.3 million decrease in revenue from the .50% sales tax. Expenditures also decreased by \$7.3 million due to a change in the formula for funding Bi-State public transportation purposes beginning in July, 2009. This was offset by the increase of \$7.1 in transfers out to fund other highway transportation related projects.
- The Public Mass Transit Fund had a fund balance of \$6.4 million at the end of 2009 which was larger than the balance at the end of 2008 by \$0.3 million. Revenues for this fund are received from a dedicated .25% sales tax with decreased collections in 2009 of \$2.5 million. The 2009 commitment to fund the Bi-State Metro light-rail transportation system was met as of December 31, 2009, therefore, the remaining fund balance is available to fund future light-rail activities.
- The Community Children's Services Fund was a new fund established during 2009. As mentioned earlier in the section of Change in Net Assets, the voters approved a one-quarter of one percent (.25%) sales tax in November, 2008 for the purpose of establishing a community children's services fund to provide services to protect the well-being and safety of children and youth nineteen years of age or less and to strengthen families. As a result, the County began receiving this revenue during 2009. This new fund generated \$26.7 million in revenue with a corresponding increase in fund balance.
- The Convention and Recreation Trust Fund ended the year with a positive fund balance of \$7.0 million. This was after the negative change in fund balance of \$2.0 million representing a planned use of fund balance for convention, recreation and tourism expenditures. Revenues for this fund are generated from a 3.5% tax on hotel/motel rooms. In 2009, those revenues decreased by \$1.2 million as a result of decreased tourism. With this decline in revenue there was a corresponding decrease in expenditures for tourism related activities of \$2.0 million from the prior year.
- The Debt Service Fund revenue decreased by \$8.9 million as a result of a decrease in the property tax levy from \$.063 to \$.028 per \$100 of assessed value. Expenditures increased by \$5.9 million from the prior year due to a cash defeasance of certain general obligation debt. This resulted in a negative change in fund balance of \$10.2 million from 2008.

Proprietary Funds

St. Louis County's proprietary funds statements provide the same type of information found in the government-wide financial statements, but in more detail.

Spirit of St. Louis Airport's unrestricted net assets at the end of the year amounted to \$17.1 million, with a positive change in total net assets of \$0.6 million. Other factors concerning the finances of this fund have already been addressed in the discussion of St. Louis County's business-type activity.

The internal service fund, which is used to account for payroll and risk management had a balance of \$7.5 million in unrestricted net assets at year-end. A negative change in net assets of \$0.6 million was reported for 2009. An increase in claims of \$2.5 million compared to 2008 resulted in a negative change in net assets for the fund in 2009.

Fiduciary Funds

The County maintains a fiduciary fund to account for assets of the St. Louis County Employees Retirement Plan. The net assets of the pension fund total \$405.9 million representing an increase of \$72.3 million or 21.7% of net assets held in trust for pension benefits since the end of the prior year. The change is primarily a result of favorable market conditions including net appreciation in the fair value of plan investments of \$66.5 million.

General Fund Budgetary Highlights

Final results for any given year will generally differ from that year's adopted budget. The final budget of the County's general fund for 2009 was \$364.8 million, which differs from the original adopted budget of \$360.2 million by approximately \$4.6 million. These supplemental appropriations are summarized as follows:

- \$352,949 increase to support general government activities
- \$2,493,084 increase to support public safety activities
- \$29,500 increase to support human service activities
- \$338,800 increase to support highways and traffic activities
- \$1,108,000 increase to support health activities
- \$306,169 increase to support parks and recreation activities

Revenues were originally estimated at \$307.3 million. This number was revised during the 2010 budget process to \$305.8 million.

After transfers, the General Fund ended the year with an operating deficit of \$12.0 million. This deficit is significantly more favorable than the \$38.2 million deficit estimated from the final revised budget as a result of increased revenues and management of budgetary expenditures.

Even though there was a negative variance overall in revenue (\$4.6 million), expenditures were reduced (\$30.7 million) in every function due to cost cutting measures by management.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At December 31, 2009, the County has invested \$925.0 million in a broad range of capital assets, including buildings, park facilities, roads, bridges, and runways. This amount represents a net increase for the current fiscal year of \$32.0 million, or 3.6%, over last year. For comparative purposes, the following table also displays governmental activities capital assets at the end of the previous year, December 31, 2008.

Significant expenditures for capital assets during 2009 are as follows:

- Completed road and bridge projects for \$16.7 million.
- \$33.3 million accepted for roads, bridges and associated right-of-way donations.
- Right-of-way expenditures of \$.4 million.
- \$4.9 million expended for the purchase of 185 motor vehicles County-wide.
- \$1.7 million expended for capitalizable computer software.
- \$1.7 million expended on computer equipment.

St. Louis County, Missouri Capital Assets (Net of Depreciation)

	Governmental Activities		Business-type Activity		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Land and improvements	\$ 136,104,318	\$ 134,115,667	\$ 14,019,076	\$13,845,726	\$ 150,123,394	\$ 147,961,393
Construction in progress	57,595,830	42,291,331	669,129	5,181,653	58,264,959	47,472,984
Infrastructure	477,802,690	455,286,574	21,468,740	17,439,427	499,271,430	472,726,001
Buildings and other structures	166,855,914	174,271,111	7,231,007	7,432,498	174,086,921	181,703,609
Equipment and vehicles	<u>42,686,640</u>	<u>42,520,675</u>	<u>586,167</u>	<u>637,642</u>	<u>43,272,807</u>	<u>43,158,317</u>
Total	<u>\$ 881,045,392</u>	<u>\$ 848,485,358</u>	<u>\$ 43,974,119</u>	<u>\$44,536,946</u>	<u>\$ 925,019,511</u>	<u>\$ 893,022,304</u>

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

Additional information on the St. Louis County's capital assets can be found in Note 6 on pages 57-59 of this report.

Long-Term Debt Obligations

At the end of fiscal year 2009 the County had outstanding long-term debt obligations for governmental activities in the amount of \$278.0 million, exclusive of any unamortized premiums. This amount is a decrease when compared to 2008. Additions to debt include new obligations for refunding bonds, highway capital improvements and additions to existing TIF obligations

totaling \$46.5 million in 2009. These increases related to new debt were offset by a reduction of \$51.9 million, the amount of scheduled debt service payments for 2009.

	Fiscal Year 2009	Fiscal Year 2008
Governmental Activities:		
General obligation bonds	\$ 49,050,000	\$ 66,710,000
Certificates of participation		26,980,000
Contractual obligations - Authority	59,135,000	62,830,000
Contractual obligations - Ballpark	44,855,000	45,315,000
Note payable - TIF - Grasso Plaza Series 2005B	3,811,890	3,694,502
Bond payable - TIF - Lambert Series A	14,750,000	14,750,000
Note payable - TIF - Lambert Series 2006B-1	12,221,903	11,451,618
Note payable - TIF - Lambert Series 2006B-2	32,636,307	29,898,578
Note payable - TIF - Lemay Plaza Series 2007B	1,791,485	1,753,964
Note payable - TIF - Mayfair Series 2008A	34,538	51,973
Note payable - TIF - Mayfair Series 2008B	6,290,103	6,037,588
Note payable - TIF - Lambert Series 2009C	911,516	
Special obligations - Refunding Series 2009A	26,975,000	
Hazelwood Commerce Center 2009B	7,210,000	
Neighborhood improvement 2009A	430,000	
Neighborhood improvement 2009B	50,000	
Note payable - MO Transportation-Dorsett and I-270	5,100,000	
Note payable - MO Transportation-Spirit St. Louis and I-64	1,392,658	
Capital leases	255,498	
Master leases	11,067,314	
Total	<u>\$ 277,968,212</u>	<u>\$ 269,473,223</u>

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The County's authorized debt limit for fiscal year 2009 was \$2.6 billion. The County's effective legal debt margin as of December 31, 2008 was \$2.7 billion.

The County's underlying general obligation credit ratings as of December 31, 2009 were:

Moody's Investor's Service, Inc.	Aaa
Standard and Poor's Corporation	AAA

Additional information on the St. Louis County's long-term debt can be found in Note 10 on pages 63-78.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- As with most governmental and commercial enterprises, the County has been adversely affected by the current economic downturn. Property tax revenues decreased in 2009, primarily due to a reduction in assessed valuation of property in addition to the reduction of the tax levy for the debt service fund. Property taxes payable in 2009 were based upon valuations of property as of January 1, 2009. Property will not be reassessed until 2011 therefore the lower assessments will remain in effect during 2010.
- The County has continued several policies to reduce its expenditures in 2010. These policies include reducing preventative maintenance, reducing staff through attrition and freezing employee salaries.
- The fiscal year 2010 annual budget for the General Fund, Special Revenue Funds, Debt Service Fund and the Business Type Activity is \$434,335,066. This is a decrease of 1.0% from the previous fiscal year 2009.
- The fiscal year 2010 general fund budget is \$365,369,401, an increase of 0.1% from the 2009 final appropriation of \$364,832,399.
- The County designated \$34.6 million from the unreserved General Fund balance for the 2010 budget while \$31.5 million was designated from the unreserved General Fund balance for the 2009 budget.
- The 2010 General fund budget includes an increased revenue estimate of \$2.3 million or 0.7% compared to the 2009. This net increase is a result of a new revenue source. A total of \$6.8 million in revenue is budgeted for a new casino located in St. Louis County that opened in March, 2010.
- The Health Department budget increased by \$7.0 million, or 12.9%, as compared to the 2009 adjusted budget. This is a one-time funding for targeted capital investments in order to increase efficiency and reduce future operating costs. An investment of \$2.0 million will be used for designing a new health campus in North County and \$5.8 million will be used for the renovation and purchase of equipment for a new animal shelter facility.
- Due to the changing economy, the County's unemployment rate has increased from 4.5% to 8.9%. This compares with the 2009 average rate for Missouri of 9.3% and the national rate of 10.6%.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of St. Louis County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to St. Louis County, MO, Division of Fiscal Management, 41 South Central Avenue, Clayton, MO, 63105.

**BASIC
FINANCIAL
STATEMENTS**

Basic Financial Statements

This section is comprised of the following: government-wide financial statements, fund financial statements and note disclosures.



ST. LOUIS COUNTY, MISSOURI
STATEMENT OF NET ASSETS
DECEMBER 31, 2009

	Primary Government			Component Units	
	Governmental Activities	Business-type Activity	Total	Economic Council	Productive Living Board
ASSETS					
Current assets:					
Equity in pooled cash and investments	\$130,154,467	\$7,309,158	\$137,463,625	\$10,497,815	\$21,245,740
Cash and investments	60,050,154	200	60,050,354		250,731
Receivables, net of allowance for uncollectibles:					
Taxes	74,720,631		74,720,631		
Notes and loans	65,753		65,753	426,198	23,525
Interest	1,193,152	77,641	1,270,793	25,249	323,773
Intergovernmental	7,004,114	276,119	7,280,233	445,839	
Other	5,739,928	1,773,018	7,512,946	375,255	66,836
Net receivables	88,723,578	2,126,778	90,850,356	1,272,541	414,134
Internal balances	254,352	(254,352)			
Inventories	1,687,065	317,915	2,004,980		
Prepaid assets		11,111	11,111		
Restricted cash and investments				6,957,500	149,897
Total current assets	280,869,616	9,510,810	290,380,426	18,727,856	22,085,776
Noncurrent assets:					
Equity in pooled cash and investments	146,587,088	8,245,524	154,832,612		18,158,445
Notes and loans	339,198		339,198	1,266,488	4,569,976
Capital assets:					
Land and improvements	136,104,318	14,019,076	150,123,394	5,532,920	
Construction in progress	57,595,830	669,129	58,264,959		
Infrastructure	924,474,668	35,680,604	960,155,272		
Building and other structures	290,368,839	12,619,128	302,987,967	12,681,740	57,384
Equipment and vehicles	113,590,180	2,288,026	115,878,206	1,209,759	556,232
Less accumulated depreciation	(641,088,443)	(21,301,844)	(662,390,287)	(4,546,986)	(501,378)
Net capital assets	881,045,392	43,974,119	925,019,511	14,877,433	112,238
Deferred charges and other	1,226,431		1,226,431	108,474	4,794
Total noncurrent assets	1,029,198,109	52,219,643	1,081,417,752	16,252,395	22,845,453
Total assets	1,310,067,725	61,730,453	1,371,798,178	34,980,251	44,931,229
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	19,796,875	618,003	20,414,878	856,569	2,403,855
Accrued salaries	10,664,184	48,050	10,712,234		
Accrued interest	4,210,289	17,558	4,227,847		
Due to other taxing units	11,546,010		11,546,010	51,585	
Note payable	45,190,800		45,190,800		
Compensated absences	21,715,547	82,933	21,798,480		
Claims payable	7,404,021		7,404,021		
Current portion of long-term obligations	23,560,367	279,566	23,839,933		
Unearned revenue	792,295		792,295	8,348,890	
Total current liabilities	144,880,388	1,046,110	145,926,498	9,257,044	2,403,855
Noncurrent liabilities:					
Compensated absences	17,869,026	10,164	17,879,190	177,902	
Claims payable	569,816		569,816		
Noncurrent portion of long-term obligations	255,681,445	2,142,224	257,823,669	128,987	
Total noncurrent liabilities	274,120,287	2,152,388	276,272,675	306,889	
Total liabilities	419,000,675	3,198,498	422,199,173	9,563,933	2,403,855
NET ASSETS					
Invested in capital assets, net of related debt	788,407,737	41,552,329	829,960,066		
Invested in capital assets Restricted for:				14,877,433	112,238
Debt service	21,727,755		21,727,755		
Health	4,809,488		4,809,488		
Highway road improvements	64,933,287		64,933,287		
Human services	28,762,416		28,762,416		
Transportation	6,577,585		6,577,585		
Water and sewer repair	12,660,422		12,660,422		
Other statutory purposes	9,096,987		9,096,987	3,141,488	85,386
Unrestricted (deficit)	(45,908,627)	16,979,626	(28,929,001)	7,397,397	42,329,750
Total net assets	\$891,067,050	\$58,531,955	\$949,599,005	\$25,416,318	\$42,527,374

ST. LOUIS COUNTY, MISSOURI
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2009

Functions/Programs	Program Revenues				Net (Expense) Revenues and Changes in Net Assets				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Governmental Activities	Business-type Activity	Total	Economic Council	Productive Living Board
Primary government:									
Governmental activities:									
General government	\$113,890,407	53,722,762	\$18,024,220		(\$42,143,425)		(\$42,143,425)		
Public safety	151,612,681	34,742,976	12,233,162	\$20,975	(104,615,568)		(104,615,568)		
Human services	23,771,490	698,278	17,078,910		(5,994,302)		(5,994,302)		
Highways and traffic	78,425,565	1,655,551	23,354,961	33,610,889	(19,804,164)		(19,804,164)		
Health	50,518,234	11,055,403	7,410,756	3,000	(32,049,075)		(32,049,075)		
Parks and recreation	23,382,622	2,273,953	632,680		(20,475,989)		(20,475,989)		
Transportation	73,652,211				(73,652,211)		(73,652,211)		
Convention and recreation	1,216,201				(1,216,201)		(1,216,201)		
Interest and fiscal charges	14,566,913				(14,566,913)		(14,566,913)		
Total governmental activities	531,036,324	104,148,923	78,734,689	33,634,864	(314,517,848)		(314,517,848)		
Business-type activity:									
Spirit of St. Louis Airport	15,857,918	14,962,838	403,404	846,467		\$354,791	354,791		
Total business-type activity	15,857,918	14,962,838	403,404	846,467		354,791	354,791		
Total primary government	\$546,894,242	\$119,111,761	\$79,138,093	\$34,481,331	(\$314,517,848)	\$354,791	(\$314,163,057)		
Component units:									
Economic Council	\$6,178,254	\$943,235	\$1,346,183	\$142,521				(\$3,746,315)	
Productive Living Board	17,488,200	47,769	10,200						(\$17,430,231)
Total component units	\$23,666,454	\$991,004	\$1,356,383	\$142,521				(\$3,746,315)	(\$17,430,231)
General revenues:									
Taxes:									
Property taxes, levied for general purposes					\$106,625,255		\$106,625,255		\$18,616,424
Property taxes, levied for debt service					9,915,705		9,915,705		
Property taxes, levied for redevelopment					573,289		573,289		
Sales tax					180,612,115		180,612,115		790,000
Utilities gross receipts					33,495,198		33,495,198		
Convention and recreation taxes					8,323,632		8,323,632		
Emergency telephone tax					873,226		873,226		
Cable TV franchise					1,869,392		1,869,392		
Penalties and interest on delinquent taxes					3,990,358		3,990,358		
Investment earnings					2,693,668	\$156,800	2,850,468	\$442,562	1,466,318
Other revenues					4,364,659		4,364,659	735,629	
Support provided by St. Louis County								2,692,164	
Special item - OPEB obligation elimination					12,030,531	53,154	12,083,685		
Total general revenues and special item					365,367,028	209,954	365,576,982	3,870,355	20,872,742
Change in net assets					50,849,180	564,745	51,413,925	124,040	3,442,511
Net assets - beginning of year					840,217,870	57,967,210	898,185,080	25,292,278	39,084,863
Net assets - end of year					\$891,067,050	\$58,531,955	\$949,599,005	\$25,416,318	\$42,527,374

See accompanying notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2009

ASSETS	MAJOR FUNDS								
	General Fund	Highway Improvement	Transportation Trust	Public Mass Transit	Community Children's Services Fund	Convention & Recreation Trust	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
EQUITY IN POOLED CASH AND INVESTMENTS	\$84,203,830	\$49,961,591	\$2,740,550		\$20,266,532	\$5,152,322	\$15,108,502	\$77,734,135	\$255,167,462
CASH AND INVESTMENTS	51,430,855						3,688,638	4,878,069	59,997,562
RECEIVABLES, net of allowance for uncollectibles:									
Taxes:									
Property	31,117,856						3,894,858	136,053	35,148,767
Sales	6,845,912		12,405,624	\$6,423,289	6,418,353			24,402	32,117,580
Utilities gross receipts	5,323,676								5,323,676
Convention and recreation						1,889,418			1,889,418
Emergency telephone								241,190	241,190
Notes and loans								404,951	404,951
Interest	338,612	239,413	56,721		67,093	26,287	81,554	327,467	1,137,147
Intergovernmental	2,003,708							5,000,406	7,004,114
Other	4,050,073					2,236		1,674,591	5,726,900
Net receivables	49,679,837	239,413	12,462,345	6,423,289	6,485,446	1,917,941	3,976,412	7,809,060	88,993,743
DUE FROM OTHER FUNDS	2,195,995	15,025,047						98,494	17,319,536
INVENTORIES	1,687,065								1,687,065
Total assets	\$189,197,582	\$65,226,051	\$15,202,895	\$6,423,289	\$26,751,978	\$7,070,263	\$22,773,552	\$90,519,758	\$423,165,368
LIABILITIES AND FUND BALANCES									
LIABILITIES:									
Accounts payable and accrued liabilities	\$5,637,197	\$1,358,625			\$832	\$75,000		\$6,497,806	\$13,569,460
Accrued salaries	9,829,150				5,048			829,986	10,664,184
Accrued interest	71,568								71,568
Due to other taxing units	11,546,010								11,546,010
Note payable	25,106,000							20,084,800	45,190,800
Due to other funds			\$15,048,599					2,120,297	17,168,896
Deferred revenue:									
Property taxes	24,232,004						\$3,706,387	41,926	27,980,317
Other	2,804,884							731,175	3,536,059
Total liabilities	79,226,813	1,358,625	15,048,599		5,880	75,000	3,706,387	30,305,990	129,727,294
FUND BALANCES:									
Reserved for:									
Encumbrances	12,489,981	15,539,172			29,366			8,321,674	36,380,193
Debt service							19,067,165		19,067,165
Notes receivable								404,951	404,951
Inventories	1,687,065								1,687,065
Unreserved:									
Designated for subsequent years expenditures - General Fund	34,622,895								34,622,895
- Special Revenue Funds		48,328,254	154,296	\$6,423,289	26,716,732	6,995,263		50,495,463	139,113,297
- Capital Projects Funds								2,376,910	2,376,910
Undesignated - General Fund	61,170,828								61,170,828
- Special Revenue Funds								(3,215)	(3,215)
- Capital Projects Funds								(1,382,015)	(1,382,015)
Total fund balances	109,970,769	63,867,426	154,296	6,423,289	26,746,098	6,995,263	19,067,165	60,213,768	293,438,074
Total liabilities and fund balances	\$189,197,582	\$65,226,051	\$15,202,895	\$6,423,289	\$26,751,978	\$7,070,263	\$22,773,552	\$90,519,758	\$423,165,368

See accompanying notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS
YEAR ENDED DECEMBER 31, 2009

Total fund balances for governmental funds		\$293,438,074
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund financial statements. Those assets consist of:		
Land	136,104,318	
Construction in progress	57,595,830	
Infrastructure	924,474,668	
Buildings and other structures	290,368,839	
Equipment and vehicles	113,590,180	
Accumulated depreciation	<u>(641,088,443)</u>	
Total capital assets		881,045,392
Costs of debt issuance are capitalized and reported in the government-wide statement of net assets as a deferred charge and are amortized over the life of the issue.		
		1,226,431
The internal service fund is used by the County to charge the cost of liability and workers's compensation insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets. A portion of the assets and liabilities of the internal service fund is recorded in governmental activities as an internal balance due from business-type activities.		
		7,598,178
Some of the County's revenues, including taxes, will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred revenue in the fund financial statements.		
		30,724,081
Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities--both current and long-term--are reported in the statement of net assets. Balances that relate to long-term debt at December 31, 2009 are:		
Accrued interest on long-term debt	(4,138,721)	
Compensated absences	(39,584,573)	
General obligation bonds	(49,050,000)	
Contractual obligations	(103,990,000)	
Bond payable - Tax increment financing	(14,750,000)	
Notes payable	(64,190,400)	
Capital leases	(255,498)	
Master leases	(11,067,314)	
Special obligation-Refunding COPs	(26,975,000)	
Bond payable - Special obligation - Hazelwood	(7,210,000)	
Bond payable - Neighborhood improvement	(480,000)	
Unamortized bond premium	<u>(1,273,600)</u>	
Total long-term liabilities		<u>(322,965,106)</u>
Total net assets of governmental activities		<u><u>\$891,067,050</u></u>

See notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2009

MAJOR FUNDS									
	General Fund	Highway Improvement	Transportation Trust	Public Mass Transit	Community Children's Services Fund	Convention & Recreation Trust	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:									
Taxes:									
Property	\$104,750,338						\$10,423,798	\$587,294	\$115,761,430
Sales	45,005,743		\$71,353,574	\$37,155,796	\$26,707,228			389,774	180,612,115
Utilities gross receipts	33,495,198								33,495,198
Convention and recreation						\$8,323,632			8,323,632
Emergency telephone								873,226	873,226
	183,251,279		71,353,574	37,155,796	26,707,228	8,323,632	10,423,798	1,850,294	339,065,601
Licenses and permits	11,950,197								11,950,197
Assessment and tax collection fees	22,471,564							9,025,865	31,497,429
Fines and forfeitures	3,997,618								3,997,618
Investment earnings	1,019,236	\$466,703	143,722	2,135	73,857	58,584	194,543	624,270	2,583,050
Rents and concessions	2,912,383								2,912,383
Intergovernmental	16,136,294							57,731,192	73,867,486
Charges for services	39,729,698							2,980,722	42,710,420
Fees	5,564,175							10,223,411	15,787,586
Other	5,642,755	340,518					51,631	3,441,216	9,476,120
Total revenues	292,675,199	807,221	71,497,296	37,157,931	26,781,085	8,382,216	10,669,972	85,876,970	533,847,890
EXPENDITURES:									
Current:									
General government	70,141,345							37,783,241	107,924,586
Public safety	139,985,093							7,704,102	147,689,195
Human services	5,999,911				33,355			17,538,590	23,571,856
Highways and traffic	40,999,591	23,581,224						12,441,264	77,022,079
Health	41,513,439							8,032,553	49,545,992
Parks and recreation	21,736,921							426,852	22,163,773
Transportation			36,819,777	36,832,434					73,652,211
Convention and recreation						7,215,000			7,215,000
Debt service:									
Principal retired	2,290,576					460,000	17,660,000	850,011	21,260,587
Interest and fiscal charges	1,366,313					2,708,071	3,227,136	5,082,044	12,383,564
Capital outlay	7,372,662	231,712			1,632			5,893,172	13,499,178
Total expenditures	331,405,851	23,812,936	36,819,777	36,832,434	34,987	10,383,071	20,887,136	95,751,829	555,928,021
Excess of revenues over (under) expenditures	(38,730,652)	(23,005,715)	34,677,519	325,497	26,746,098	(2,000,855)	(10,217,164)	(9,874,859)	(22,080,131)
OTHER FINANCING SOURCES (USES):									
Transfers in	21,089,144	18,525,047						861,360	40,475,551
Transfers out	(861,360)		(39,397,997)					(216,194)	(40,475,551)
Refunded certificates of participation	(26,980,000)								(26,980,000)
Bond issuance	34,185,000								34,185,000
Note payable issuance		6,492,658							6,492,658
Premium on bond issuance	749,232								749,232
Tax increment financing notes and neighborhood improvement bonds issuance								5,836,017	5,836,017
Net change in fund balances	(10,548,636)	2,011,990	(4,720,478)	325,497	26,746,098	(2,000,855)	(10,217,164)	(3,393,676)	(1,797,224)
FUND BALANCES:									
Beginning of year	120,519,405	61,855,436	4,874,774	6,097,792		8,996,118	29,284,329	63,607,444	295,235,298
End of year	\$109,970,769	\$63,867,426	\$154,296	\$6,423,289	\$26,746,098	\$6,995,263	\$19,067,165	\$60,213,768	\$293,438,074

See accompanying notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2009

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

Net change in fund balances - total governmental funds		(\$1,797,224)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which purchases and the construction of capital assets (\$44,338,387) less than depreciation expense (\$44,566,611)		(228,224)
Contributions of capital assets are recorded as capital contributions in the statement of activities. Contributions primarily represent road and bridge infrastructure assets. The net effect of various transactions involving capital assets (i.e., contributions, sales, and trade-ins) is to increase net assets.		32,788,259
Revenues in the statement of activities that do not provide current financial resources are reported as deferred revenue in the fund financial statements since they will be collected several months after the fiscal year ends:		
Property taxes	1,352,818	
Charges for services	1,784,122	
Operating grants and contributions	<u>(28,734)</u>	
		3,108,206
The issuance of long-term debt (e.g., bonds, 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 assets. This activity for the current year is as follows:		
Proceeds from bonds issuance	(34,185,000)	
Bonds - Premium	(749,232)	
Bonds - Issuance cost	493,902	
Note payable	(6,492,658)	
Note payable - tax increment financing	(5,836,017)	
Repayment - debt service	24,955,587	
- refunded certificates of participation	<u>26,980,000</u>	
		5,166,582
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 financial statements, as follows:		
Accrued compensated absences	285,542	
Special item - OPEB obligation elimination	12,030,531	
Interest accruals on long-term debt	109,190	
Amortization of issuance cost and bond premium	<u>11,260</u>	
		12,436,523
The internal service fund is used by management to charge the costs of the risk management activity to individual funds. The adjustments for the internal service fund "close" the fund by charging additional amounts to participating activities to completely cover the internal service fund's costs for the year.		
Total net increase for the internal service fund	(634,958)	
Portion of change attributable to business-type activity	<u>10,016</u>	
		<u>(624,942)</u>
Change in net assets of governmental activities		<u><u>\$50,849,180</u></u>

See notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2009

	Business-type Activity <u>Enterprise Fund</u>	Governmental Activities <u>Internal Service Fund</u>
ASSETS:		
Current assets:		
Equity in pooled cash and investments	\$7,309,158	\$10,141,893
Cash and investments	200	52,592
Receivables, net of allowance for uncollectibles:		
Interest	77,641	56,005
Intergovernmental	276,119	
Other	1,773,018	\$13,028
Net receivables	2,126,778	69,033
Inventories	317,915	
Prepaid assets	11,111	
Total current assets	9,765,162	10,263,518
Noncurrent assets:		
Equity in pooled cash and investments	8,245,524	11,432,200
Capital assets:		
Land and improvements	14,019,076	
Construction in progress	669,129	
Infrastructure	35,680,604	
Building and other structures	12,619,128	
Equipment and vehicles	2,288,026	
Less accumulated depreciation	(21,301,844)	
Net capital assets	43,974,119	
Total assets	61,984,805	21,695,718
LIABILITIES:		
Current liabilities:		
Accounts payable and accrued liabilities	618,003	6,227,415
Accrued salaries	48,050	
Accrued interest	17,558	
Due to other funds	150,640	
Compensated absences	82,933	
Claims payable		7,404,021
Current portion of long-term obligations	279,566	
Unearned revenue		
Total current liabilities	1,196,750	13,631,436
Noncurrent liabilities:		
Compensated absences	10,164	
Claims payable		569,816
Non-current portion of long-term obligations	2,142,224	
Total noncurrent liabilities	2,152,388	569,816
Total liabilities	3,349,138	14,201,252
NET ASSETS:		
Invested in capital assets, net of related debt	41,552,329	
Unrestricted	17,083,338	7,494,466
Total net assets	58,635,667	\$7,494,466

Net assets - end of year as reported for the business-type activity in the government-wide statement of net assets are different because:

Certain internal service fund assets are included within the business-type activity	(103,712)
Net assets of the business-type activity-government-wide statement of net assets	\$58,531,955

See accompanying notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2009

	Business-type Activity Enterprise Fund	Governmental Activities Internal Service Fund
OPERATING REVENUES:		
Fuel sales	\$12,523,009	
Charges for services	2,439,829	\$6,363,735
Other	258,634	
Total operating revenues	15,221,472	6,363,735
OPERATING EXPENSES:		
Salaries, employee benefits and administration	1,164,954	
Fuel cost	11,048,828	
Depreciation	1,762,778	
Claims		5,472,455
Supplies	141,306	
Other	1,473,092	1,636,855
Total operating expenses	15,590,958	7,109,310
Operating income	(369,486)	(745,575)
NONOPERATING REVENUES (EXPENSES):		
Investment earnings	156,800	110,618
Interest expense	(112,174)	
Intergovernmental revenue	144,770	
Nonrecurring grant project expenses	(144,770)	
Income before contributions and special item	(324,860)	(634,957)
CAPITAL CONTRIBUTIONS AND SPECIAL ITEM:		
Capital contributions	846,467	
Special item - OPEB obligation	53,154	
Change in net assets	574,761	(634,957)
NET ASSETS:		
Beginning of year	58,060,906	8,129,423
End of year	\$58,635,667	\$7,494,466

Change in net assets as reported for the business-type activity in the government-wide statement of activities is different because:

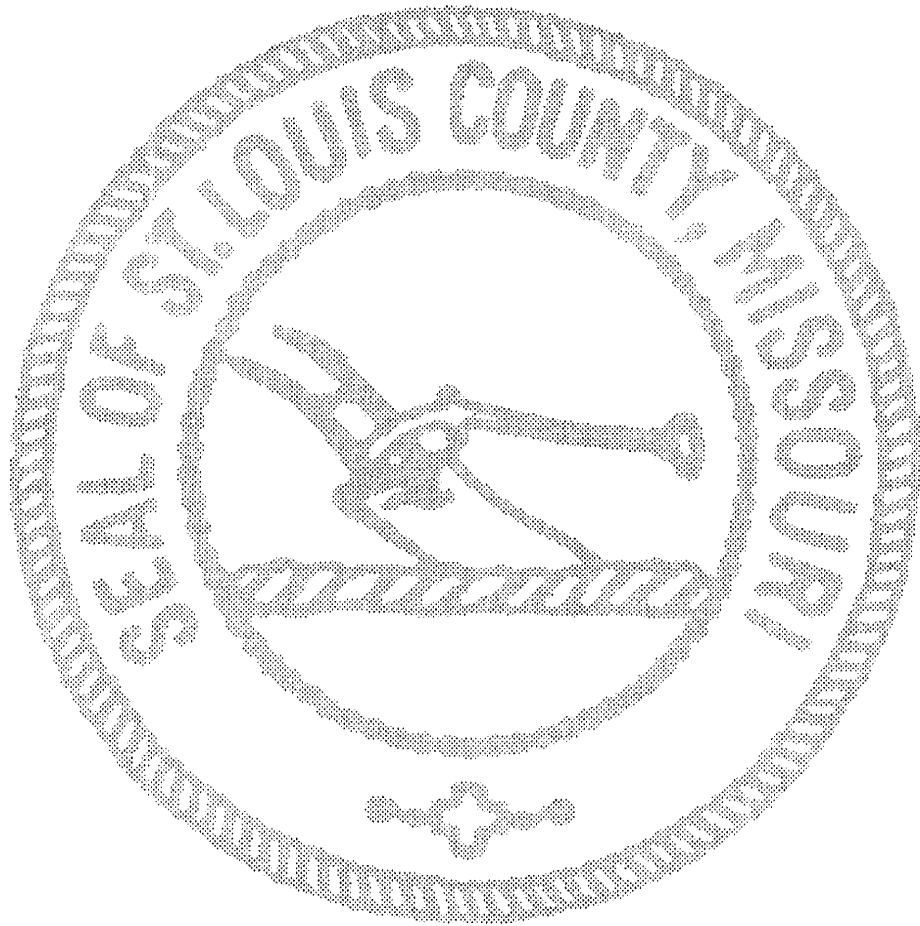
Change in net assets	\$574,761
Certain internal service fund expenses are included within the business-type activity	(10,016)
Change in net assets of the business-type activity-government-wide statement of activities	\$564,745

See accompanying notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2009

	Business-type Activity Enterprise Fund	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	\$14,576,868	
Payments to suppliers	(11,367,758)	
Payments to employees	(1,172,037)	(\$2,762,614)
Receipts from interfund services provided		6,363,735
Other receipts (payments)	(1,386,662)	(1,826,899)
Net cash provided by operating activities	650,411	1,774,222
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Intergovernmental receipts	144,770	
Net cash provided by noncapital financing activities	144,770	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Capital contributions received	971,991	
Purchases and construction of capital assets	(1,199,952)	
Principal paid on capital debt	(267,791)	
Interest paid on capital debt	(114,115)	
Net cash used by capital and related financing activities	(609,867)	
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends	210,873	113,630
Net increase in cash and cash equivalents	396,187	1,887,852
Balances--beginning of the year	15,158,695	19,738,833
Balances--end of the year	\$15,554,882	\$21,626,685
Cash and cash equivalents:		
Equity in pooled cash and investments	\$15,554,682	\$21,574,093
Cash and investments	200	52,592
	\$15,554,882	\$21,626,685
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	(\$369,486)	(\$745,575)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	1,762,778	
Change in assets and liabilities:		
Receivables, net	(384,810)	(13,028)
Prepaid assets and inventories	(125,395)	
Due to other funds	(30,898)	
Accounts and other payables	(55,848)	2,532,825
Unearned revenue	(1,160)	
Other nonoperating cash outflows	(144,770)	
Net cash provided by operating activities	\$650,411	\$1,774,222
Supplemental disclosure of noncash items:		
Special item-OPEB obligation	53,154	

See accompanying notes to basic financial statements.



ST. LOUIS COUNTY, MISSOURI
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2009

	<u>Pension</u> <u>Trust Fund</u>	<u>Agency Funds</u>
ASSETS		
EQUITY IN POOLED CASH AND INVESTMENTS	\$4,643,168	\$24,859,402
COLLECTOR CASH		753,071,390
RECEIVABLES, net of allowance for uncollectibles:		
Taxes		401,539,242
Interest and dividends	891,725	193,533
Other	1,616,052	
Net receivables	<u>2,507,777</u>	<u>401,732,775</u>
INVESTMENTS, at fair value:		
U.S. Government securities	18,199,635	
Municipal bonds	1,504,807	
Corporate bonds and debentures	29,796,180	
Common stocks	271,186,596	
Short-term investment funds	8,621,214	
Mortgage-backed securities	42,474,635	
Real estate investment trusts	29,122,641	
Total investments	<u>400,905,708</u>	
Total assets	<u>408,056,653</u>	<u>1,179,663,567</u>
LIABILITIES		
Accounts payable and accrued liabilities	2,167,545	
Due to other taxing units		1,150,816,197
Other obligations		28,847,370
Total liabilities	<u>2,167,545</u>	<u>1,179,663,567</u>
NET ASSETS	<u><u>\$405,889,108</u></u>	

See accompanying notes to basic financial statements.

ST. LOUIS COUNTY, MISSOURI
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION TRUST FUND
YEAR ENDED DECEMBER 31, 2009

	Pension Trust Fund
ADDITIONS:	
Employer contributions	\$32,848,970
Investment income:	
Interest and dividends	10,418,632
Net appreciation in the fair value of plan investments	66,463,612
Total investment income	76,882,244
Less investment expense	1,599,582
Net investment income	75,282,662
Total additions	108,131,632
DEDUCTIONS:	
Retirement benefits	35,410,854
Death benefits	456,000
Total deductions	35,866,854
Net increase	72,264,778
Net assets held in trust for pension benefits:	
Beginning of year	333,624,330
End of year	\$405,889,108

See accompanying notes to basic financial statements.

ST LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

St. Louis County, Missouri (the County) was established by proclamation of the Governor in 1812, nine years before Missouri became a state. It currently operates as a first-class county of the State of Missouri governed by the County Charter originally adopted in 1950 and most recently revised in 1979. The County provides the full range of services contemplated by statute or charter. These include public safety, highways and traffic, community health and social services, culture-recreation, public improvements, planning and zoning, and general administrative. The County also owns and operates Spirit of St. Louis Airport as a self-supporting enterprise.

The accounting policies of the County conform to accounting principles generally accepted in the United States of America (GAAP) applicable to governmental entities. The following is a summary of the more significant accounting policies:

A. **Reporting Entity**

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

1) **Blended Component Unit:**

The following component unit is legally separate from the County, however, the activities are so intertwined with the County as the primary government that they are, in substance, the same as the primary government. As such, the balances and transactions of the component unit are blended into the accompanying basic financial statements and reported in a manner similar to the balances and transactions of the County itself.

St. Louis County Public Facilities Corporation (PFC)

The PFC is a not-for-profit corporation created by County Council resolution, organized and existing under the laws of the State of Missouri. By-laws provide for a Board of Directors consisting of the County Executive, County Counselor, and three citizens appointed by the County Executive for a three-year term. The PFC's purpose is to facilitate the issuance of tax-exempt bonds to provide financing for the purchase or construction of certain projects and to lease or sell such projects solely to the County. The PFC is accounted for as a part of the County's primary operations, because it was established to provide services exclusively to the County.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

2) Discretely Presented Component Units:

The component unit columns in the statement of net assets and statement of activities include the financial data of the County's two discretely presented component units. They are reported in separate columns to emphasize that they are legally separate from the County.

Change in Reporting Entity

The County included the Transport Museum Association (TMA) as a discretely presented component unit as of December 31, 2008. During 2009, the County determined that the economic resources held by the TMA for the direct benefit of the County are not significant to the County and, hence, the County has recorded a change in their reporting entity and the TMA is not presented as a discretely presented component unit as of and for the year ended December 31, 2009.

The following entities are discretely presented in the basic financial statements:

Economic Council of St. Louis County (CEC)

The CEC is a not-for-profit corporation organized to advance the social welfare, health, and economic interests of St. Louis County and its residents. The CEC further provides administration and management to the following affiliated entities; Industrial Development Authority of the County of St. Louis, Missouri, St. Louis County Port Authority, Business Finance Corporation of St. Louis County, Land Clearance for Redevelopment Authority of St. Louis County, and World Trade Center St. Louis. The County Executive has the authority to appoint the Board members for the CEC and all affiliated entities. However, the Boards function autonomously. The CEC and affiliated entities described above receive varying levels of support for administrative and programmatic functions from the County.

Productive Living Board for St. Louis County Citizens With Developmental Disabilities (PLB)

The PLB is a not-for profit organization established by the voters of St. Louis County for the purpose of providing services for St. Louis County citizens with developmental disabilities. The PLB directly provides and/or contracts for services for housing, employment, transportation, training, recreation, and other individual and family support services. The PLB's nine member Board of Directors is appointed by the County Executive and approved by the County Council. The County annually levies a dedicated tax on behalf of the PLB and a public hearing is held before the County Council on the PLB's budget.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

Financial information for the CEC and PLB is as of September 30, 2009 and June 30, 2009, respectively, the most recent fiscal year ends for the discretely presented component units. Complete financial statements of the individual discretely presented component units can be obtained from their respective administrative offices as follows:

Economic Council of St. Louis County
121 South Meramec, Suite 900
St. Louis, Missouri 63105

Productive Living Board for St. Louis County
Citizens With Developmental Disabilities
121 Hunter Avenue, Suite 200
St. Louis, Missouri 63124

3) Joint Ventures:

The County has entered into three multigovernmental arrangements creating organizations that are owned, operated, or governed by two or more participants as separate and specific activities subject to joint control, in which the County retains an ongoing financial interest or an ongoing financial responsibility, as follows:

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

The Authority, established in 1990 as a separate legal entity by an act of the Missouri State legislature, is governed by an eleven member Board of Commissioners (Commissioners), three each of whom are appointed by the County Executive of St. Louis County and the Mayor of the City of St. Louis. The Governor of the State of Missouri appoints the remaining five commissioners. The County has no decision-making authority over the Commissioners. However, the County retains an ongoing financial responsibility related to the Authority's debts and facility maintenance. Accordingly, the Authority is considered a joint venture of the County, City and State. Additional information regarding the Authority is provided in Note 12.

St. Louis Cardinal Ballpark Site and Ballpark Project (the Ballpark Project)

The Ballpark Project is a collaborative effort between the Land Clearance Redevelopment Authority (LCRA) of the City of St. Louis, the Missouri Development Finance Board (the Board), the County and the Project Developer. The Board was created as a separate legal entity within the Department of Economic Development of the State of Missouri pursuant to RSMo 100.265, in August 1994. Through the authority granted it from the Missouri State Legislature, the Board has the right to issue

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

revenue bonds as well as other powers for the purpose of assisting infrastructure and development projects throughout the state. The County has no decision-making authority over the Ballpark Project or the Board. However, the County retains an ongoing financial responsibility in that it has agreed to make the Bond Payments and Additional Payments under the indenture, subject to annual appropriation of funds by the County Council. The County debt service payments shall be made from the Special Revenue – Convention & Recreation Trust Fund. Accordingly, the Ballpark Project is considered a joint venture of the County, City and other third parties. Additional information regarding the Ballpark Project is provided in Note 12.

Bi-State Development Agency of the Missouri-Illinois Metropolitan District (Bi-State)

Bi-State was established in 1949 by a compact between the States of Missouri and Illinois. Bi-State is administered by a Board of Commissioners consisting of ten members. The Governors of the States of Missouri and Illinois each appoint five commissioners for staggered five-year terms. Missouri State Statute requires the governor to select appointees from a panel of nominees submitted alternately by the County Executive and the Mayor of the City of St. Louis as vacancies occur. The County has no decision-making authority over Bi-State and no responsibility for its debts or deficits. However, the County retains an ongoing financial responsibility in that it appropriates funds out of its Transportation Trust and Public Mass Transit Special Revenue Funds for Bi-State each year. The amounts are determined by contract or ordinance for support of the transit system and generally are derived from sales taxes earmarked for transportation purposes. Bi-State is dependent upon continued state, county and local operating subsidies and is therefore considered a joint venture of the County, City and State. Additional information regarding Bi-State is provided in Note 12.

4) Related Organizations:

The County's officials are also responsible for appointing members to the boards of other organizations, but the County's accountability for these organizations does not extend beyond making such appointments. The County Executive or County Council appoints a majority of the governing members of the Housing Authority of St. Louis County, St. Louis County Library District, and Regional Cultural and Performing Arts Development Commission. These related organizations do not meet the criteria for inclusion as component units, therefore, they are not included as component units within the County's financial reporting entity.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

5) Jointly Governed Organizations:

The County has entered into several multigovernmental arrangements creating entities that are governed by representatives from each of the participating governments. These organizations are not considered to be joint ventures, as the County does not retain an ongoing financial interest or responsibility in the organizations. Additionally, these entities do not meet the criteria for inclusion as component units in the primary government's financial reporting entity. Accordingly, the Metropolitan St. Louis Sewer District, St. Louis Regional Convention and Visitors Commission, REJIS Commission, Metropolitan Zoological Park and Museum District, Mid-East Area Agency on Aging, St. Louis-Jefferson Solid Waste Management District, Missouri-St. Louis Metropolitan Airport Authority, and East-West Gateway Coordinating Council are considered jointly governed organizations.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the County is reported separately from certain legally separate *component units* for which the County is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes, unrestricted interest earnings, gains, and other miscellaneous revenues not properly included among program revenues are reported instead as general revenue.

Following the government-wide financial statements are separate financial statements for governmental funds, proprietary funds, and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The County has determined that the General Fund, Highway Improvement, Transportation Trust, Public Mass Transit, Community Children's Services, Convention and Recreation Trust, and the Debt Service Fund are major governmental funds. All other governmental funds are reported in one column labeled "Nonmajor Governmental Funds". The total fund balances for all governmental funds is reconciled to total net assets for governmental activities as shown on the statement of net assets. The net change in fund

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

balance for all governmental funds is reconciled to the total change in net assets as shown on the statement of activities in the government-wide financial statements. The County has one enterprise fund (business-type activity), Spirit of St. Louis Airport (Airport), which is shown as a separate column within the proprietary fund financial statements. Additionally, the County has an internal service fund (governmental activities), which is reported in a separate column on the proprietary fund financial statements.

The fund financial statements of the County are organized on the basis of funds, each of which is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, fund balances/net assets, revenues and expenditures, or expenses. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the basic financial statements. The following fund types are used by the County:

Governmental Fund Types

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

The following are the County's governmental major funds:

General Fund - The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is divided into four separate departments under the captions General Government, Department of Highways and Traffic, Department of Health, and Department of Parks and Recreation in order to reflect the County's financial administration and organization as currently required by ordinance. Certain transactions between the General Fund departments have been eliminated for presentation in the financial statements.

Highway Improvement Fund - A Special Revenue Fund used to account for receipts of special source funds and transfers from the Transportation Trust Fund to be used for specific road improvement projects.

Transportation Trust Fund - A Special Revenue Fund used to record the County-wide one half percent transportation sales tax receipts and related expenditures for transportation purposes.

Public Mass Transit Fund - A Special Revenue Fund used to record the County-wide one quarter percent sales tax receipts and related expenditures for public mass transportation purposes.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

Community Children's Services Fund – A Special Revenue Fund used to record the County-wide one quarter percent sales tax receipts and related expenditures for support of children services.

Convention and Recreation Trust Fund - A Special Revenue Fund used to record revenue received from a three and one half percent Hotel Motel tax used to fund the County's share of the debt service payments and preservation payments of the St. Louis Regional Convention and Sports Complex Authority and debt service payments for the St. Louis Cardinals Ballpark Site and Ballpark Project.

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

The other governmental funds of the County are considered nonmajor funds. They include special revenue funds, which account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, and capital projects funds, which are used to account for financial resources used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

Proprietary Fund Types

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

The following are the County's proprietary fund types:

Enterprise - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (including depreciation) of operations are financed primarily through user charges. An enterprise fund has been established for the Spirit of St. Louis Airport (the Airport). The Airport fund is defined as a major fund and is used to account for activities of the County's airport operation financed primarily from fuel sales and facility leases.

Internal Service – The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost reimbursement basis. An internal service fund has been established to account for payment of workers' compensation and various other risk management services.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

In the government-wide and proprietary fund financial statements, the County applies all applicable Governmental Accounting Standards Board (GASB) pronouncements as well as the following private-sector pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedure. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

Fiduciary Fund Types

Trust and Agency - Trust and agency funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, or other governmental units. These include pension trust funds and agency funds. Pension trust funds are accounted for and reported similar to proprietary funds. The pension trust fund accounts for the County's Employee Retirement Plan that covers civilian employees and commissioned officers of the County Police Department. Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These funds account for activities of collections for other taxing units by the Collector of Revenue and Circuit Clerk and other agency operations.

C. Measurement Focus and Basis of Accounting

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and pension trust fund financial statements. Agency fund financial statements are reported using the accrual basis of accounting, however, they do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when both measurable and available. The term "available" is defined as collectible within the current period or soon enough thereafter to be used to pay the liabilities of the current period. For the County, available is defined as expected to be received within sixty days of fiscal year-end. 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

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

and claims and judgments, are recorded only when payment is due (i.e. matured).

GASB Statement No. 33 groups nonexchange transactions into the following four classes, based upon their principal characteristics: derived tax revenues, imposed nonexchange revenues, government mandated nonexchange transactions, and voluntary nonexchange transactions.

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

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

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the airport enterprise fund are fuel sales and facilities leases. Transactions which are capital, financing, or investing related are reported as non-operating revenues. All expenses related to operating the airport enterprise fund are reported as operating expenses. Interest expense, financing costs, and miscellaneous expenses are reported as non-operating expenses.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

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

Component Units - CEC and PLB

In accordance with GASB No. 34, the government-wide financial statements of CEC are prepared using the economic resources measurement focus. PLB is accounted for similar to proprietary fund types.

D. **Encumbrances**

Within the governmental fund financial statements, fund balance is reserved for outstanding encumbrances, which serves as authorization for expenditures in the subsequent year. Encumbrances will remain in force and will be liquidated under the current year's budget.

E. **Cash and Investments**

The County Treasurer maintains a cash and investment pool that is available for use by all funds, except certain restricted Special Revenue and Agency Funds. Each fund's portion of pooled cash and investments is reflected on the fund financial statements as "equity in pooled cash and investments." Investment income earned on pooled cash and investments is distributed to the appropriate funds based on the average daily balance of the cash and investments of each fund. In addition, cash and investments are separately maintained by other County officials, several of the County's departments, and third-party trustees and fiscal agents.

Investments are recorded at fair value. Fair values for investments are determined by closing market prices at year-end as reported by the investment custodian. Mortgages are valued on the basis of future principal and interest payments and are discounted at prevailing interest rates for similar instruments. Alternative investments are carried at estimated fair value provided by the management of the alternative investment partnerships or funds. Alternative investments in real estate investment trusts are valued by external appraisals on a quarterly basis incorporating assumptions reflective of current pricing. Other alternative investment funds are classified as equities or are classified as certain fixed income investments due to the nature of the underlying fund securities, and are recorded at the net asset value as reported by the underlying fund. Because alternative investments are not readily marketable, the estimated value is subject to uncertainty and therefore may differ materially from the value that would have been used had a ready market for the investments existed.

F. **Property Taxes**

Property taxes are levied annually in September based on the assessed valuation of all real and personal property located in the County as of the previous January 1. The County tax rate was levied at \$.523 per \$100 of

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

assessed valuation, of which \$.495 was for the General Fund and \$.028 was for the Debt Service Fund. Taxes are billed in October and are due and collectible on December 31. All unpaid taxes become delinquent on January 1 of the following year and attach as an enforceable lien on the property at that date.

G. Inventories

Inventories within the government wide statement of net assets consist of salt held for application to County roads and fuel. This inventory is stated at the lower of cost, determined on the first-in, first-out method, or market.

Purchases of materials and supplies in the Governmental Fund Types are charged to expenditures, under the purchases method, as incurred. Material year-end inventories are recorded within the Governmental Fund Types.

Inventories of the Enterprise Fund consist of fuel held for consumption and resale. This inventory is stated at the lower of cost, determined on the first-in, first-out method, or market, and the expense is recognized when the fuel is consumed in operations or sold.

H. Capital Assets

Capital assets, which include buildings, improvements, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the government-wide financial statements and proprietary fund types in the fund financial statements, net of accumulated depreciation. Capital assets are defined by the County as assets with an estimated useful life in excess of one year with an initial, individual cost of \$500 or more; land improvements with a cost of \$5,000 or more; infrastructure (other than roads or bridges) with a cost of \$50,000 or more; roads, bridges, and improvements to roads and bridges with a cost of \$500,000 or more; and all land.

Capital assets are recorded at historical cost, or estimated historical cost if actual cost information is not available. Donated capital assets are recorded at their estimated fair market value at the date of donation. General infrastructure assets acquired prior to January 1, 2002, consist of roads, bridges, and park utilities and similar improvements, and are reported at estimated historical cost using deflated replacement cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets lives are not capitalized. For retirements or other dispositions of assets, the asset and related accumulated depreciation account are eliminated and the difference between the net carrying value and any proceeds received is included in income or expense.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009

(Continued)

The County has determined that all works of art and historical treasures, other than certain sculptures, meet the definition of a collection, and accordingly has not capitalized these assets. A collection is defined as items which are:

- Held for public exhibition and education;
- Protected, cared for, and preserved; and
- Subject to an organizational policy that requires the proceeds from the sale to be used to acquire other items for the collection.

The County has adopted a policy related to the sale of these assets, stating that the proceeds from the sale of any County-owned collections, in part or in its entirety, will be used for the acquisition of collection items.

Depreciation, including depreciation recognized on assets acquired through government grants and other aid, is computed on the straight-line method over the estimated useful lives of the various classes of assets, except for roads; which is computed using the composite method. The estimated useful lives of depreciable capital assets are as follows:

Roads	15	to	50 years
Bridges			45 years
Other Infrastructure	10	to	50 years
Buildings and Other Structures	6	to	45 years
Land Improvements	20	to	45 years
Communication Equipment	5	to	20 years
Medical Equipment	3	to	20 years
Motor Vehicle Equipment	3	to	20 years
Office Furniture and Fixtures	3	to	20 years
Other Equipment	3	to	20 years

Discretely Presented Component Units

Capital assets consisting of buildings, leasehold improvements, and furniture and equipment are recorded at historical cost. Land is recorded at cost or at approximate fair market value at date of gift in the case of donated property, plus the cost of land improvements. The capital assets are depreciated on a straight-line basis over their estimated useful lives of 5 to 40 years.

I. Long-term Liabilities

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activity, or proprietary fund type statement of net assets/statement of fund net assets. Premiums applicable to debt issued in excess of par value are amortized as a reduction of interest expense over the life of the debt issuance. Similarly, discounts applicable to debt issued at amounts less than the face (par) value are amortized as an increase to interest expense over the life of the debt issued.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

In the fund financial statements, governmental fund types recognize interest and principal on long-term debt when due and payable, additionally, bond premiums and discounts, as well as bond issuance costs, are also recognized 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.

J. Compensated Absences

The County grants vacation and sick leave benefits to all full-time employees based on years of continuous service. Compensatory time is granted to certain employees for hours worked in excess of a normal work week which are not taken within the current biweekly pay period. The accrued benefit liability related to the County's compensated absences has been recorded in the government-wide financial statements and in the proprietary funds in the fund financial statements. Certain amounts related to termination payments have been recorded in the governmental fund financial statements as part of accrued salaries since such amounts came due (i.e. matured) during the fiscal year.

The County's sick leave policy provides that, upon retirement, County employees are paid for one-half of their total unused sick leave accumulation. The employees' rights to all other accumulated sick leave is not vested. As an estimate of the portion of sick leave that will result in termination payments, a liability has been recorded on the government-wide financial statements and the proprietary funds in the fund financial statements representing one-half of the accumulated sick leave balances for those employees who will be eligible to retire within five years.

K. Capital Contributions

Capital contributions within the airport enterprise fund represent government grants and other aid used to fund capital projects. Capital contributions are recognized as revenue when the expenditure is made and amounts become subject to claim for reimbursement. Amounts received from other governments which are not restricted for capital purposes are reflected as nonoperating intergovernmental revenue.

L. Interfund Transactions

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

Transfers

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

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Interfund Services Provided/Used

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

Within the accompanying activity from the statement of activities, administrative overhead is included as direct expense and is not eliminated from the various functional categories.

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

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

M. Net Assets

In the government-wide financial statements net assets are classified as follows:

Invested in Capital Assets, net of Related Debt – the component of net assets that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

Restricted for Other Statutory Purposes – the components of net assets that reports the difference between assets and liabilities of the certain programs that consist of assets with constraints placed on their use by either external parties and/or enabling legislation. Net assets restricted for other statutory purposes represent various resources that are to be expended only for specific purposes as required by enabling legislation of the County or state statute. These resources include the net assets of Solid Waste Management, Federal Asset Sharing, Record Preservation and others.

Restricted for Debt Service – the component of net assets that reports the difference between assets and liabilities of the Debt Service Fund that consists of assets with constraints placed on their use by creditors.

Unrestricted – the difference between the assets and liabilities that are not reported in Net Assets Invested in Capital Assets, Net of Related Debt, Net Assets Restricted for Specific Purposes or Net Assets Restricted for Debt Service.

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N. Reserved Fund Balance

Reserved fund balance represents the portion of fund balance that is not available for subsequent year appropriations or is legally segregated for a specific future use. Reserved fund balances at December 31, 2009, are comprised of encumbrances, notes receivable and inventories. Additionally, amounts available to be used for debt service requirements have been reserved.

O. Fund Balance Designated for Subsequent Year Expenditures

Unreserved fund balances at December 31, 2009 are allocated between designated and undesignated amounts for fund financial statement purposes. Designated amounts represent the excess of 2010 appropriations over estimated revenues for 2010.

P. Statement of Cash Flows

For purposes of the statement of cash flows, cash and cash equivalents is defined as equity in pooled cash and investments and other cash and investments maintained by the proprietary funds since all investments included therein have a maturity of three months or less at the date of purchase.

Q. Use of Estimates

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

2. DEPOSITS AND INVESTMENTS

The following is a reconciliation of the County's deposit and investment balances at December 31, 2009:

Deposit and Investment Balances	Government -	Statement of Fiduciary Net		Discretely Presented Component		Total
	Wide Statement of Net Assets	Assets		Units		
	Primary Government	Agency Funds	Pension Trust Fund	CEC (9/30/09)	PLB (6/30/09)	
Equity in pooled cash and investments	\$ 292,296,237	\$ 24,859,402	\$ 4,643,168	\$ 10,497,815	\$ 39,404,185	\$ 371,700,807
Cash and investments	60,050,354	753,071,390	400,905,708		250,731	1,214,278,183
Restricted cash and investments				6,957,500	149,897	7,107,397
Total Deposit and Investments	\$ 352,346,591	\$ 777,930,792	\$ 405,548,876	\$ 17,455,315	\$ 39,804,813	\$ 1,593,086,387

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The investments of the CEC and PLB that are listed above as part of the "equity in pooled cash and investments" are included in the deposit and investment disclosures of the County, as applicable. Separate identification of the deposit and investment amounts for the CEC and PLB are not possible due to their inclusion in the "equity in pooled cash and investments" of the County.

Since the investment strategies and associated risks for the County's Pension Investment portfolio are substantially different than those of the remainder of the primary government, the deposit and investment disclosures for the Pension Investment portfolio are presented separately from those of the remainder of the primary government.

Primary Government – Excluding Pension Trust Fund

A summary of deposits and investments as of December 31, 2009 is as follows:

	Fair Value
Cash	\$ 856,861,864
Money Market Securities	561,456
Certificate of Deposit	2,013,171
U.S. Treasuries	176,017,225
Federal National Mortgage Association	16,675,625
Federal Home Loan Mortgage Corporation	9,225,900
Federal Home Loan Bank	69,160,438
Federal Farm Credit Bank	65,195,750
Less equity in pooled cash and investments:	
Held for Pension Trust Fund	(4,643,168)
Held for discretely presented component units (as of December 31, 2009)	(60,790,878)
Total Primary Government (Excluding Pension Trust Fund)	\$ 1,130,277,383

The County Treasurer's investment policy (the County's policy) was derived pursuant to Missouri Statute 30.260, which allows them to invest in United States Treasury Securities, United States Agency Securities, Collateralized Repurchase Agreements, Collateralized Certificates of Deposit, Bankers Acceptances, and Commercial Paper. The County's policy presides over investments in the County's pooled cash and investments and any other investments perfected in the name of the County Treasurer. The County's policy excludes investments of the Circuit Clerk, the Collector of Revenue and pension funds but does apply to investments of bond proceeds. The Circuit Clerk and Collector of Revenue have not adopted a formal investment policy. The Circuit Clerk follows some informal guidelines developed internally using general practices followed by the County and the State of Missouri. The Circuit Clerk must also adhere to any court orders to invest monies in securities. The Collector of Revenue invests excess funds in overnight repurchase agreements as a general practice. The funds held by the Collector of Revenue need to be liquid in order to disburse them on a timely basis, therefore, all of

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the Collector of Revenue's investments are in repurchase agreements. The objectives of the County's policy, as adopted by the St. Louis County Fund Investment Advisory Committee, are the following:

Safety: The foremost objective of the County's policy is the safety of principal. Investments of the County shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio.

Liquidity: The County's investment portfolio will remain sufficiently liquid to enable the County to meet all operating requirements that might be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). A portion of the portfolio also may be placed in collateralized repurchase agreements that offer same-day liquid funds.

Yield: The County's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the County's investment risk constraints and the cash flow characteristics of the portfolio. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

1. A security with declining credit may be sold early to minimize loss of principal.
2. A security swap that would improve the quality, yield, or target duration in the portfolio.
3. Liquidity needs of the portfolio require that the security be sold.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. The investment policy states that the County seeks to minimize the risk that the fair value of securities in the portfolio will fall due to changes in general interest rates by:

1. Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
2. Maintaining a sufficient balance in liquid funds to adequately cover forecasted cash requirements.

The County's goal is to match its investments with its anticipated cash flow requirements. The weighted average days to maturity shall not exceed 2.5 years. No investments shall mature and become payable more than five years from the date of purchase.

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The investments of the primary government (excluding the pension trust fund) had the following maturities as of December 31, 2009:

Primary Government (Excluding Pension Trust Fund)	Fair Value	Investment Maturities (in years)	
		Less Than 1	1 to 5
Money Market	\$ 561,456	\$ 561,456	-
U.S. Treasuries	176,017,225	128,062,698	\$ 47,954,527
Federal National Mortgage Association	16,675,625	3,018,750	13,656,875
Federal Home Loan Mortgage Corporation	9,225,900	-	9,225,900
Federal Home Loan Bank	69,160,438	3,018,750	66,141,688
Federal Farm Credit Bank	65,195,750	3,007,500	62,188,250
	<u>\$ 336,836,394</u>	<u>\$ 137,669,154</u>	<u>\$ 199,167,240</u>

Credit Risk

Credit risk is the risk that an investor or other counterparty to an investment will not fulfill its obligations. The investment policy states that the County seeks to minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:

1. Pre-qualifying the financial institutions, securities dealers, intermediaries, and advisors with which the County will do business.
2. Diversifying the portfolio so that potential losses on individual securities will be minimized.
3. Settling all purchase/sale transactions delivery versus payment.

According to the investment policy, any agency security purchased must be senior debt and rated with the highest debt rating by Moody's Investor Services, Inc. (Moody's) and Standard and Poor's Corporation (S&P). The following table provides information on the credit ratings associated with the County's investments as of December 31, 2009, excluding obligations of the United States government or obligations explicitly guaranteed by the United States government.

Primary Government (Excluding Pension Trust Fund)	Fair Value	Average Credit Quality (Moody's)
Federal National Mortgage Association	\$ 16,675,625	Aaa
Federal Home Loan Mortgage Corporation	9,225,900	Aaa
Federal Home Loan Bank	69,160,438	Aaa
Federal Farm Credit Bank	65,195,750	Aaa
Money Market	561,456	Unrated

Concentration Of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer. The investment policy states that the County will diversify by security type and institution. Security types shall be diversified to minimize the risk of loss resulting from over concentration of assets in a specific maturity, specific issuer, or specific class of securities.

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Diversification strategies are periodically reviewed and have been established as follows:

- U.S. Treasury Securities – up to 100% of total investments
- U.S. Agency Securities – no more than 60% of total investments.
- Collateralized Certificates of Deposit – no more than 50% of total investments.
- Collateralized Repurchase Agreements – no more than 50% of total investments
- U.S. Agency Callable Securities – no more than 35% of total investments
- Commercial Paper – no more than 10% of total investments.
- Bankers Acceptances – no more than 10% of total investments.

In addition, investment in any single issuer of United States Agency Securities is limited to 40% of the total amount of all United States Agency Securities in the portfolio. Investment transactions with a single institution will be limited to 35% of the total portfolio.

At December 31, 2009, the County had the following investment concentrations with one issuer:

Primary Government (Excluding Pension Trust Fund)	Fair Value	Percent of total Fair Value
Money Market	\$ 561,456	0.17%
U.S. Treasuries	176,017,225	52.26%
Federal National Mortgage Association	16,675,625	4.95%
Federal Home Loan Mortgage Association	9,225,900	2.74%
Federal Home Loan Bank	69,160,438	20.53%
Federal Farm Credit Bank	65,195,750	19.35%

Custodial Credit Risk

For deposits, custodial credit risk is the risk that in the event of bank failure, the County's deposits may not be returned to it. Protection of the County's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution, or by a single collateral pool established by the financial institution.

For investments, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the County 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 County addresses custodial risk by pre-qualifying institutions with which the County places investments, diversifying the investment portfolio, and maintaining a standard of quality for investments.

Primary Government – Pension Trust Fund

General

As outlined in the St. Louis County Retirement Plan Ordinance, the Employees' Retirement Plan (the Plan) is under the management and control of the Board of Trustees. The Plan is authorized to invest in U.S. Government obligations, other

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marketable equity and nonequity securities, deposit administration contracts, and other investments as outlined in the investment portfolio guidelines issued by the Board of Trustees to each investment manager.

As of December 31, 2009, the Employees' Retirement Plan had the following cash deposits and investments:

	<u>Fair Value</u>
Equity in pooled cash and investments	\$ 4,643,168
U.S. Government securities	18,199,635
Municipal bonds	1,504,807
Corporate bonds and debentures	29,796,180
Common stocks	271,186,596
Short-term investment funds	8,621,214
Mortgage-backed securities	42,474,635
Real estate investment trusts	<u>29,122,641</u>
Total deposits and investments - Pension Trust Fund	<u>\$405,548,876</u>

The Plan's investments are continuously exposed to various types of inherent risks. These risks are mitigated by the Plan's development and continual monitoring of sound investment policies. The following information addresses the exposure to certain common risks.

Interest Rate Risk

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Plan's portfolio is allotted among specialist managers for equity only, real estate only and fixed income only management. The Plan requires each manager to diversify by issue and manage the effective duration of their portfolio type relative to specific indices outlined in the Plan's policy. Specifically, the Plan requires fixed income managers to diversify by issue and manage the effective duration of fixed income securities relative to the Barclays index.

The Plan also invests in mortgage-backed securities, such as collateralized mortgage obligations. These securities are reported at fair value and are based on the cash flows from interest payments by the underlying mortgages. As a result, they are sensitive to prepayments by mortgagees, which may result from a decline in interest rates. For example, if interest rates decline and homeowners refinance mortgages, thereby prepaying the mortgages underlying these securities, the cash flow from interest payments is reduced and the value of these securities declines. Likewise, if homeowners pay on mortgages longer than anticipated, the cash flows are greater and the return on the initial investment would be higher than anticipated.

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The following schedule provides a summary of the investment maturities by investment type, which helps demonstrate the current level of interest rate risk assumed by the Plan:

	Fair Value	No maturity	Investment Maturities (in years)			
			Less than 1	1-5	6-10	More than 10
US Government securities	\$ 18,199,635			\$ 5,858,715	\$ 7,000,459	\$ 5,340,461
Municipal bonds	1,504,807			923,046		581,761
Corporate bonds	29,796,180		\$ 725,769	9,679,603	13,016,280	6,374,528
Common stocks	271,186,596	\$ 271,186,596				
Short-term investment funds	8,621,214		8,044,425	566,302	10,487	
Mortgage-backed securities	42,474,635		815,062	16,464,680	24,852,077	342,816
Real estate investment trusts	29,122,641	29,075,449		41,948	5,244	
	\$ 400,905,708	\$ 300,262,045	\$ 9,585,256	\$ 33,534,294	\$ 44,884,547	\$ 12,639,566

Credit Risk

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Plan's policy is that fixed income securities not issued by the U.S. Government or explicitly guaranteed by the U.S. Government must have a rating in the first four quality grades as established by one or more of the nationally recognized bond rating services. Up to 15% of the portfolio may be invested in "Baa/BBB" at the time of purchase. The portfolio in aggregate should maintain a minimum average quality of "A" on a market value weighted basis.

The Plan's current level of exposure to credit risk is demonstrated by the following table:

Credit Rating (S&P Rating)	US Government Securities	Municipal bonds	Corporate bonds	Common stocks	Short-term Investment funds	Mortgage-backed securities	Real estate Investment Trusts	Total
AAA	\$ 18,199,635	\$ 381,980	\$ 353,452		\$ 5,383,889	\$ 31,512,723		\$ 55,831,679
AA		323,520	4,614,444		173,037			5,111,001
A		248,640	10,430,792		57,679	1,921,195		12,658,306
BBB			9,852,692		681,659	707,890	\$ 41,948	11,284,189
BB			2,132,244			1,109,868		3,242,112
B			1,305,639			999,637	5,244	2,310,520
CCC			131,088			2,880,373		3,011,461
CC			31,462			141,575		173,037
C			83,897			36,705		120,602
NR		550,667	860,470	271,186,596	2,324,950	3,164,669	29,075,449	307,162,801
Grand Total	\$ 18,199,635	\$ 1,504,807	\$ 29,796,180	\$ 271,186,596	\$ 8,621,214	\$ 42,474,635	\$ 29,122,641	\$ 400,905,708

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(Continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a financial institution's failure, the Plan would not be able to recover its deposits. Deposits are exposed to custodial credit risk if they are not insured or not collateralized. Protection of the Plan's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution, or by a single collateral pool established by the financial institution in accordance with state statutes.

Custodial credit risk for investments is the risk that, in the event of the failure of a counterparty, the Plan will not be able to recover the value of the investments that are in the possession of the counterparty. The Plan does not have a general policy addressing custodial credit risk, but it is the practice that all investments are held by the Plan's agent in the Plan's name. The Plan retains investment managers that specialize in the investment of a particular asset class. Investment managers are subject to the guidelines and controls established in the investment policy and contracts executed with the Board. The Plan utilizes a third party as custodian over the plan assets.

Concentration of Credit Risk

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the Plan's investment in a single issuer. The Plan's policy does not allow the concentration per issuer to exceed 5% of the investment manager's portfolio except for U.S. Treasuries and Agencies. It is the Plan's policy to establish asset class allocation guidelines based on market values.

The Plan's target asset allocation and the acceptable degree of variation in the portfolio is shown below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Permissible Range</u>
Equities:		
Domestic Large Cap	32.5%	
Domestic Small-Mid Cap	13.0	
International Developed Country Core	19.5	

	65.0	60% - 70%
Fixed Income	25.0	20% - 30%
Real Estate	10.0	5% - 15%

Total	100.0%	
	=====	

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Foreign Currency Risk

Foreign Currency Risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The Plan has six international investment fund portfolios. The Plan's policy is to allow the individual investment managers to decide what action to take regarding their respective portfolio's foreign currency exposure management and measure results relative to other managers with similar characteristics and the EAFE index. As of December 31, 2009 the fair value of the non-U.S. equity value oriented portfolio is \$40,133,774, the non-U.S. equity growth oriented portfolios is \$45,797,017, the non-U.S. small cap oriented portfolios is \$9,389,907 and the non-U.S. emerging markets oriented portfolios is \$9,592,746.

The following table demonstrates the Plan's current level of foreign currency exposure:

	<u>Equities</u>
Australian Dollar	\$ 2,606,715
Brazilian Real	1,439,552
British Pound	13,883,818
Canadian Dollar	296,299
Chinese Yuan	1,396,809
Czech Koruna	316,032
Danish Krone	618,260
Euro	31,939,937
Hong Kong Dollar	6,192,033
Indian Rupiah	589,796
Israeli Shekel	116,700
Japanese Yen	20,488,580
Malaysian Ringgit	1,167,256
Mexican Peso	905,547
New Zealand Dollar	287,958
Polish Zloty	187,548
Singapore Dollar	3,672,749
South African Rand	432,726
South Korean Won	2,361,958
Swedish Krona	2,910,675
Swiss Franc	4,349,249
Taiwan Dollar	1,412,577
Thai Baht	1,401,581
Turkish Lira	458,330
Various foreign currency denominations	424,768
Total Foreign Currency	<u>99,857,453</u>
US Dollar	5,055,991
	<u><u>\$ 104,913,444</u></u>

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3. RECEIVABLES

Receivables, net of related allowance, as of December 31, 2009, consist of the following:

Governmental activities:	<u>Taxes</u>	<u>Notes and loans</u>	<u>Interest</u>	<u>Intergovernmental</u>	<u>Other</u>	<u>Total</u>
General Fund	\$ 43,287,444		\$ 338,612	\$ 2,003,708	\$ 4,050,073	\$ 49,679,837
Highway Improvement Fund			239,413			239,413
Transportation Trust Fund	12,405,624		56,721			12,462,345
Public Mass Transit Fund	6,423,289					6,423,289
Community Children's Services Fund	6,418,353		67,093			6,485,446
Convention and Recreation Trust Fund	1,889,418		26,287		2,236	1,917,941
Debt Service Fund	3,894,858		81,554			3,976,412
Nonmajor Governmental Funds	401,645	404,951	327,467	5,000,406	1,674,591	7,809,060
Internal Service Fund			56,005		13,028	69,033
Total governmental activities	<u>\$ 74,720,631</u>	<u>\$ 404,951</u>	<u>\$ 1,193,152</u>	<u>\$ 7,004,114</u>	<u>\$ 5,739,928</u>	<u>\$ 89,062,776</u>
Business-type activity:	<u>Taxes</u>	<u>Notes and loans</u>	<u>Interest</u>	<u>Intergovernmental</u>	<u>Other</u>	<u>Total</u>
Enterprise Fund			\$ 77,641	\$ 276,119	\$ 1,773,018	\$ 2,126,778
Total business-type activity			<u>\$ 77,641</u>	<u>\$ 276,119</u>	<u>\$ 1,773,018</u>	<u>\$ 2,126,778</u>

All items are scheduled for collection during the subsequent fiscal year except for the notes and loans receivable as discussed in Note 5.

4. ALLOWANCE FOR UNCOLLECTIBLE RECEIVABLES

The allowance for uncollectible receivables, which has been deducted from the related receivable balance in the government-wide statement of net assets and fund financial statements, consists of the following balance:

Governmental Activities:	
General Fund	\$ 1,877,000
Debt Service Fund	177,000
Total governmental activities	<u>\$ 2,054,000</u>
Fiduciary Fund:	
Agency Fund	28,465,000
Total	<u>\$ 30,519,000</u>

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5. NOTES AND LOANS RECEIVABLE

Notes receivable in the Nonmajor Governmental Funds include a loan granted by the Department of Health, Solid Waste Management Office, and Recycling Market Development Loan Program. The loan is secured by corporate assets and personal guarantees. This loan's term ends in 2013, with an interest rate of 6.0%.

Additionally, notes receivable in the Nonmajor Governmental Funds consist primarily of home improvement loans funded by the Department of Planning Office of Community Development. The program provides low interest rate loans to moderate and low-income homeowners. The loans have scheduled payments over various terms and are secured by deeds of trust. If the scheduled payments stop, the loan is deferred and becomes due upon sale of the property. Loan repayments are received by the County for placement back into the revolving loan program.

Discretely Presented Component Unit- Economic Council of St. Louis County (CEC):

The CEC notes receivable consist primarily of certain Revolving Loan Funds. These loans have remaining terms of one to twelve years with interest rates of 0% to 7%. The balance at September 30, 2009, net of allowance of doubtful accounts is \$1,692,686.

Discretely Presented Component Unit – Productive Living Board For St. Louis County Citizens With Developmental Disabilities (PLB)

The PLB loans funds for certain projects, with repayment generally to begin at the completion of the project. The loans are generally secured by a first deed of trust. The terms of the loans range from 20 to 30 years. All of these loans are non-interest bearing. The PLB has established allowances for forgiveness of loans as a result of agreements entered into with certain sheltered workshops and a service organization located in the County. These agreements provide for the forgiveness of loan payments based on attaining certain program goals and agreed-upon criteria. As a result, principal payments of \$16,408 due on the workshops' and the service organization's \$46,457 loans receivable balance at June 30, 2009, have been recorded as allowance for forgiveness of loans expense for the year ended June 30, 2009.

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6. CAPITAL ASSETS

The following is a summary of changes in capital assets of the primary government for the year ended December 31, 2009:

	Balance January 1, 2009	Increases	Decreases	Balance December 31, 2009
Governmental Activities:				
<i>Capital assets not being depreciated:</i>				
Land and Improvements	\$ 134,115,667	\$ 2,142,085	\$ (153,434)	\$ 136,104,318
Construction in Progress	42,291,331	34,357,945	(19,053,446)	57,595,830
Total capital assets not being depreciated	<u>176,406,998</u>	<u>36,500,030</u>	<u>(19,206,880)</u>	<u>193,700,148</u>
<i>Capital assets being depreciated:</i>				
Roads	811,436,238	46,380,446	(4,257,290)	853,559,394
Bridges	62,151,156	1,852,150	(74,585)	63,928,721
Other Infrastructure	6,986,553			6,986,553
Buildings and Other Structures	264,562,658			264,562,658
Land Improvements	25,425,285	380,896		25,806,181
Communication Equipment	11,930,914	824,809	(105,680)	12,650,043
Medical Equipment	2,925,118	212,994	(47,762)	3,090,350
Motor Vehicle Equipment	28,550,913	4,913,216	(2,682,026)	30,782,103
Office Furniture and Fixtures	23,185,101	3,497,426	(1,615,733)	25,066,794
Other Equipment	40,949,892	2,199,352	(1,148,354)	42,000,890
Total capital assets being depreciated	<u>1,278,103,828</u>	<u>60,261,289</u>	<u>(9,931,430)</u>	<u>1,328,433,687</u>
Less accumulated depreciation for:				
Roads	(406,938,576)	(23,957,066)	4,257,290	(426,638,352)
Bridges	(14,794,550)	(1,539,610)	74,585	(16,259,575)
Other Infrastructure	(3,554,247)	(219,804)		(3,774,051)
Buildings and Other Structures	(104,997,636)	(6,981,235)		(111,978,871)
Land Improvements	(10,719,196)	(814,858)		(11,534,054)
Communication Equipment	(8,304,922)	(667,575)	86,321	(8,886,176)
Medical Equipment	(1,917,859)	(173,210)	46,465	(2,044,604)
Motor Vehicle Equipment	(19,775,579)	(3,625,313)	2,572,696	(20,828,197)
Office Furniture and Fixtures	(11,914,232)	(3,247,822)	1,387,039	(13,775,014)
Other Equipment	(23,108,671)	(3,340,118)	1,079,240	(25,369,549)
Total accumulated depreciation	<u>(606,025,468)</u>	<u>(44,566,611)</u>	<u>9,503,636</u>	<u>(641,088,443)</u>
Total capital assets being depreciated, net	<u>672,078,360</u>	<u>15,694,678</u>	<u>(427,795)</u>	<u>687,345,244</u>
Governmental activities capital assets, net	<u>\$ 848,485,358</u>	<u>\$ 52,194,708</u>	<u>\$ (19,634,675)</u>	<u>\$ 881,045,392</u>

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

	Balance January 1, 2009	Increases	Decreases	Balance December 31, 2009
Business-type activity:				
Spirit Airport:				
<i>Capital assets not being depreciated:</i>				
Land	\$ 13,845,726	\$ 173,350		\$ 14,019,076
Construction in Progress	5,181,653	904,108	\$ (5,416,632)	669,129
Total capital assets not being depreciated	<u>19,027,379</u>	<u>1,077,458</u>	<u>(5,416,632)</u>	<u>14,688,205</u>
<i>Capital assets being depreciated:</i>				
Other Infrastructure	30,467,001	5,213,603		35,680,604
Buildings and Other Structures	8,399,474			8,399,474
Land Improvements	4,016,625	203,029		4,219,654
Communication Equipment	83,659	1,772		85,431
Motor Vehicle Equipment	913,957	38,800	(30,646)	922,111
Office Furniture and Fixtures	60,653			60,653
Other Equipment	1,167,723	81,921	(29,813)	1,219,831
Total capital assets being depreciated	<u>45,109,092</u>	<u>5,539,125</u>	<u>(60,459)</u>	<u>50,587,758</u>
Less accumulated depreciation for:				
Other Infrastructure	(13,027,574)	(1,184,290)		(14,211,864)
Buildings and Other Structures	(3,574,504)	(259,790)		(3,834,294)
Land Improvements	(1,409,097)	(144,730)		(1,553,827)
Communication Equipment	(34,496)	(6,353)		(40,849)
Motor Vehicle Equipment	(725,373)	(69,074)	30,646	(763,801)
Office Furniture and Fixtures	(45,193)	(4,410)		(49,603)
Other Equipment	(783,288)	(94,131)	29,813	(847,606)
Total accumulated depreciation	<u>(19,599,525)</u>	<u>(1,762,778)</u>	<u>60,459</u>	<u>(21,301,844)</u>
Total capital assets being depreciated, net	<u>25,509,567</u>	<u>3,776,347</u>		<u>29,285,914</u>
Business-type activity capital assets, net	<u>\$ 44,536,946</u>	<u>\$ 4,853,805</u>	<u>\$ (5,416,632)</u>	<u>\$ 43,974,119</u>

Construction in progress of governmental activities at December 31, 2009, consist primarily of County road and bridge infrastructure projects as well as certain Park's capital projects.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

Within the statement of activities, depreciation expense was charged to functions of the primary government as follows:

Governmental activities:	
General government	\$ 7,928,910
Public safety	4,232,536
Human services	208,244
Highways and traffic	28,314,802
Health	1,072,688
Parks and recreation	2,809,431
Total governmental activities depreciation expense	<u>\$ 44,566,611</u>
Business-type activity:	
Spirit Airport	<u>\$ 1,762,778</u>

Discretely Presented Component Unit – Economic Council of St. Louis County:

The following is a summary of changes in capital assets of the CEC for the year ended September 30, 2009:

	Balance October 1, 2008	Increases	Decreases	Balance September 30, 2009
<i>Capital assets not being depreciated:</i>				
Land	\$ 6,334,264	\$	\$ (801,344)	\$ 5,532,920
Total capital assets not being depreciated	<u>6,334,264</u>	<u></u>	<u>(801,344)</u>	<u>5,532,920</u>
<i>Capital assets being depreciated:</i>				
Buildings and Building Improvements	12,672,059	9,681		12,681,740
Manufacturing Training Facility Equipment	532,460			532,460
Office Equipment	498,093	16,540	(25,057)	489,576
Enterprise Center Furnishings and Equipment	192,035		(4,312)	187,723
Total capital assets being depreciated	<u>13,894,647</u>	<u>26,221</u>	<u>(29,369)</u>	<u>13,891,499</u>
Less accumulated depreciation for:				
Buildings and Building Improvements	(3,125,947)	(332,411)		(3,458,358)
Manufacturing Training Facility Equipment	(532,459)	(1)		(532,460)
Office Equipment	(353,577)	(39,106)	23,320	(369,363)
Enterprise Center Furnishings and Equipment	(190,438)	(703)	4,336	(186,805)
Total accumulated depreciation	<u>(4,202,421)</u>	<u>(372,221)</u>	<u>27,656</u>	<u>(4,546,986)</u>
Total capital assets being depreciated, net	<u>9,692,226</u>	<u>(346,000)</u>	<u>(1,713)</u>	<u>9,344,513</u>
CEC capital assets, net	<u>\$ 16,026,490</u>	<u>\$ (346,000)</u>	<u>\$ (803,057)</u>	<u>\$ 14,877,433</u>

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities as of December 31, 2009, consist of the following:

Governmental activities:	<u>Vendors</u>	<u>Construction Retainage Payable</u>	<u>Total</u>
General Fund	\$ 5,463,500	\$ 173,697	\$ 5,637,197
Highway Improvement Fund	288,225	1,070,400	1,358,625
Community Children's Services Fund	832		832
Convention and Recreation Trust	75,000		75,000
Nonmajor Governmental Funds	6,067,158	430,648	6,497,806
Internal Service Fund	6,227,415		6,227,415
Total governmental activities	<u>\$ 18,122,130</u>	<u>\$ 1,674,745</u>	<u>\$ 19,796,875</u>

Business-type activity:	<u>Vendors</u>	<u>Construction Retainage Payable</u>	<u>Total</u>
Enterprise Fund	\$ 612,580	\$ 5,423	\$ 618,003
Total business-type activity	<u>\$ 612,580</u>	<u>\$ 5,423</u>	<u>\$ 618,003</u>

8. INTERFUND BALANCES AND TRANSFERS

Individual fund interfund receivable and payable balances as of December 31, 2009, are as follows:

<u>Receivable Fund</u>	<u>Payable fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 2,021,803
	Enterprise Fund	150,640
	Transportation Trust Fund	23,552
		<u>2,195,995</u>
Highway Improvement Fund	Transportation Trust Fund	15,025,047
Nonmajor Governmental Funds	Nonmajor Governmental Funds	<u>98,494</u>
		<u>\$ 17,319,536</u>

All interfund balances are due either to timing differences or to the elimination of negative cash balances within the various funds. All interfund balances are expected to be repaid during the fiscal year ending December 31, 2010.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

Individual fund transfers for the year ended December 31, 2009 are as follows:

		<u>Transfer From</u>		
		<u>General Fund</u>	<u>Trans- portation Trust Fund</u>	<u>Nonmajor Governmental Funds</u>
			<u>Grants</u>	
Transfer To	General Fund		\$ 216,194	\$ 21,089,144
	Highway Improvement Fund	\$ 20,872,950		18,525,047
	Nonmajor Governmental Funds:			
	Grant	\$ 861,360		861,360
		<u>\$ 861,360</u>	<u>\$ 216,194</u>	<u>\$ 40,475,551</u>

Interfund transfers were used to move revenues from the fund that ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them.

9. OPERATING LEASE AGREEMENTS

The County leases office facilities and airport land under various noncancelable operating leases. Total expenditures under the terms of such leases were \$2,671,825 for the year ended December 31, 2009. The following is a schedule, by year, of minimum future lease payments on cancellable and noncancelable operating leases as of December 31, 2009:

<u>Year Ending December 31:</u>	<u>Amount</u>
2010	\$2,555,554
2011	1,961,918
2012	1,529,068
2013	1,255,702
2014	809,670
2015-2019	1,654,246
2020-2024	222,215
2025-2029	222,215
2030-2034	222,215
2035-2039	222,215
2040-2044	222,214
2045-2049	222,214
2050-2054	222,214
2055-2059	222,214
2060-2061	88,886
Total	<u>\$11,632,760</u>

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

The County leases a portion of a parking facility to a municipality under a noncancelable operating lease. Total revenues under the terms of the lease were \$324,280 for the year ended December 31, 2009. The following is a schedule, by year, of minimum future rental income under the noncancelable operating lease as of December 31, 2009:

<u>Year Ending December 31:</u>	<u>Amount</u>
2010	\$ 324,280
2011	324,280
2012	324,280
2013	324,280
2014	324,280
2015-2018	1,080,928
Total	<u>\$ 2,702,328</u>

Spirit of St. Louis Airport leases facilities and land with varying renewal privileges to organizations under various noncancelable operating leases. Total revenues under the terms of such leases were \$2,429,474 for the year ended December 31, 2009. The following is a schedule, by year, of minimum future rental income under noncancelable operating leases as of December 31, 2009:

<u>Year Ending December 31:</u>	<u>Amount</u>
2010	\$ 1,942,520
2011	1,790,757
2012	1,717,151
2013	1,453,516
2014	1,321,452
2015-2019	5,367,901
2020-2024	2,917,096
2025-2029	1,173,530
2030-2034	360,000
Total	<u>\$ 18,043,923</u>

Discretely Presented Component Unit – Economic Council of St. Louis County (CEC):

The Port Authority leased facilities to Jefferson Barracks Marine Service, Inc. for 25 years beginning April 1, 2002. Income for the lease facilities totaled \$147,831 in 2009. Future minimum rental payments as of September 30, 2009 total \$2,439,212 for the years ending September 30, 2010 through September 30, 2027.

Discretely Presented Component Unit – Productive Living Board For St. Louis County Citizens With Developmental Disabilities (PLB):

The PLB is lessee under operating leases for office facilities and office equipment. Total rental expense for PLB's fiscal year ended June 30, 2009, was \$109,198. The future base minimum lease payments for these leases as of June 30, 2009, total \$604,290 for the years ending June 30, 2010, through June 30, 2014 and thereafter.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

10. LONG-TERM LIABILITIES

Following is a summary of the changes in long-term liabilities for the year ended December 31, 2009:

	Balance January 1, 2009	Increases	Decreases	Balance December 31, 2009	Amount Due Within One Year
Governmental Activities:					
Compensated absences	\$ 39,870,114	\$ 24,082,441	\$ (24,367,982)	\$ 39,584,573	\$ 21,715,547
Claims payable	5,263,996	8,182,296	(5,472,455)	7,973,837	7,404,021
Other post employment benefits	12,030,531		(12,030,531)		
Long-term obligations:					
General obligation bonds payable	66,710,000		(17,660,000)	49,050,000	11,060,000
Certificates of Participation	26,980,000		(26,980,000)		
Contractual obligations-Sports Authority	62,830,000		(3,695,000)	59,135,000	3,775,000
Contractual obligations-Cardinal Ballpark	45,315,000		(460,000)	44,855,000	480,000
Bond payable - Special obligation					
Refunding Series 2009A		26,975,000		26,975,000	2,735,000
Hazelwood Commerce Center 2009B		7,210,000		7,210,000	245,000
Bond payable – Neighborhood improvement					
Neighborhood Improvement 2009A		430,000		430,000	
Neighborhood Improvement 2009B		50,000		50,000	25,000
Bond payable – Tax increment financing					
Lambert Airport East Perimeter Redevelopment Series 2006A	14,750,000			14,750,000	
Note payable – Tax increment financing					
Lambert Airport East Perimeter Redevelopment Series 2006B-1	11,451,618	770,285		12,221,903	
Lambert Airport East Perimeter Redevelopment Series 2006B-2	29,898,578	2,737,729		32,636,307	
Lambert Airport East Perimeter Redevelopment Series 2009C		1,006,962	(95,446)	911,516	
Lemay Plaza Redevelopment Series 2007B	1,753,964	144,734	(107,213)	1,791,485	
Grasso Plaza Redevelopment Series 2005B	3,694,502	266,263	(148,875)	3,811,890	
Mayfair Plaza Redevelopment Series 2008A	51,973	2,900	(20,335)	34,538	
Mayfair Plaza Redevelopment Series 2008B	6,037,588	427,144	(174,629)	6,290,103	
Note payable-MO Transportation Finance					
Dorsett Road and I-270 Interchange		5,100,000		5,100,000	1,209,440
Spirit St Louis Blvd and I-64 Interchange		1,392,658		1,392,658	1,392,658
Capital Leases					
Digital mini-lab system	38,385		(35,307)	3,078	3,078
Printshop copier	75,610		(42,412)	33,198	33,198
Master permit system	427,509		(208,287)	219,222	219,222

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

Master Leases National City/Chase					
Lakeside Center	67,836		(7,868)	59,968	8,203
Elections secure storage	266,842		(55,101)	211,741	57,417
Court building renovations	592,282		(68,695)	523,587	71,618
Various capital improvements	2,347,944		(254,454)	2,093,490	264,734
Enterprise Resource Planning	6,000,000		(1,121,163)	4,878,837	1,159,264
Integrated Property Tax Assessment System	972,793		(205,058)	767,735	211,253
Municipal Court Operations Management System	1,714,000		(326,072)	1,387,928	334,230
Enterprise Resource Planning (Additional)	900,000		(171,217)	728,783	175,500
Justice Services Renovation to Security System	513,700		(98,455)	415,245	100,552
Total Long-term obligations before issuance premium	<u>\$ 283,390,124</u>	<u>\$ 46,513,675</u>	<u>\$ (51,935,587)</u>	<u>\$ 277,968,212</u>	<u>\$ 23,560,367</u>
Unamortized issuance premium	<u>592,401</u>	<u>749,232</u>	<u>(68,033)</u>	<u>1,273,600</u>	
Total long-term obligations, net	<u>283,982,525</u>	<u>47,262,907</u>	<u>(52,003,620)</u>	<u>279,241,812</u>	<u>23,560,367</u>
Governmental activities long-term liabilities	<u>\$ 341,147,166</u>	<u>\$ 79,527,644</u>	<u>\$ (93,874,588)</u>	<u>\$ 326,800,222</u>	<u>\$ 52,679,935</u>
Business-type Activities:					
Compensated absences	<u>\$ 97,928</u>	<u>\$ 99,054</u>	<u>\$ (103,885)</u>	<u>\$ 93,097</u>	<u>\$ 82,933</u>
Other postemployment benefits	<u>53,154</u>		<u>(53,154)</u>		
Long-term obligations:					
Master lease-Spirit Airport- Taxiway	<u>2,689,581</u>		<u>(267,791)</u>	<u>2,421,790</u>	<u>279,566</u>
Business-type activity long-term Liabilities	<u>\$ 2,840,663</u>	<u>\$ 99,054</u>	<u>\$ (424,830)</u>	<u>\$ 2,514,887</u>	<u>\$ 362,499</u>

The internal service fund predominantly serves the governmental funds. Accordingly, long-term liabilities for the internal service fund are included as part of the above totals for governmental activities. Also, for the governmental activities, compensated absences are generally liquidated by the general fund.

Governmental Activities:

General Obligation Bonds

In December 2009, the County appropriated \$5,638,791 from the unappropriated balance of the Debt Service Fund to redeem \$5,585,000 plus interest of the then outstanding Series 1997 Public Improvement Bonds, through an all cash defeasance.

General obligation bonds payable consist of Public Improvement Bonds, Series 1998. These bonds will be repaid from property tax revenue of the debt service fund.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

The Series 1998 bonds bear interest at rates ranging from 5.00% to 5.25 % and mature through 2013 as follows:

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$11,060,000	\$ 2,219,588	\$ 13,279,588
2011	11,905,000	1,616,756	13,521,756
2012	12,660,000	987,750	13,647,750
2013	13,425,000	335,625	13,760,625
Totals	<u>\$49,050,000</u>	<u>\$ 5,159,719</u>	<u>\$ 54,209,719</u>

Certificates of Participation

On January 6, 1999, the County issued \$44,265,000 in Capital Improvement Projects Certificates of Participation, Series 1999. The Certificates evidence proportionate ownership interest in the right to receive rental payments to be paid by the County under a lease/purchase agreement dated as of January 1, 1999, between UMB Bank, as lessor, and the County, as lessee.

A portion of the proceeds were used to construct a 1,000 to 1,250 car County parking garage, and various Government Complex capital improvements. The remaining proceeds were used to advance refund \$17,805,000 of outstanding St. Louis County Public Facilities Corporation Leasehold Revenue Bonds, Series 1993A.

In May 2009, the Certificates of Participation are refunded by the issuance of Special Obligation Refunding Bonds, Series 2009A.

Contractual Obligations

Contractual obligations consist of the County's share of long-term debt and preservation payments related to the St. Louis Regional Convention and Sports Complex Authority and the County's debt service payments related to the St. Louis Cardinals Ballpark Site and Ballpark Project (See Note 12).

Bond Payable

Special Obligation Refunding Bonds -- Series 2009A

In May 2009 the County issued \$26,975,000 of Special Obligation Refunding Bonds, Series 2009-A. The proceeds of the bonds are used, together with other available funds of the County to refund the \$44,265,000 Certificates of Participation, Series 1999, Capital Improvement Projects, outstanding principal amount of \$26,980,000 and pay costs incident to the issuance of the bonds. The County refunded the bonds to reduce its total debt service payments over the next nine years by \$2,627,460 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$2,609,532.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

The bonds are serial bonds and have interest rates ranging from 2.00% to 3.00% and mature through May 15, 2018 as follows:

<u>Maturity in Year Indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 2,735,000	\$ 639,025	\$ 3,374,025
2011	2,795,000	583,725	3,378,725
2012	2,845,000	527,325	3,372,325
2013	2,905,000	469,825	3,374,825
2014	2,970,000	403,650	3,373,650
2015-2018	12,725,000	769,913	13,494,913
Totals	<u>\$ 26,975,000</u>	<u>\$ 3,393,463</u>	<u>\$ 30,368,463</u>

Special Obligation Bonds – Hazelwood Commerce Center Road Improvements – Series 2009B

In November 2009, the County issued \$7,210,000 of Special Obligation Refunding Bonds, Series 2009-B. The proceeds of the bonds are used, together with other available funds of the County, to finance and refinance certain road improvements in the Community Improvement District and pay costs incident to the issuance of the bonds.

Principal on the bonds will be paid on May 15 in each year with interest payable semiannually on May 15 and November 15. The bonds are serial bonds and have interest rates ranging from 2.00% to 5.00% and mature through 2030 as follows:

<u>Maturity in Year Indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 245,000	\$ 279,562	\$ 524,562
2011	245,000	276,238	521,238
2012	250,000	271,287	521,287
2013	255,000	265,600	520,600
2014	265,000	258,438	523,438
2015-2019	1,455,000	1,153,162	2,608,162
2020-2024	1,780,000	835,931	2,615,931
2025-2029	2,205,000	407,400	2,612,400
2030	510,000	12,750	522,750
Totals	<u>\$ 7,210,000</u>	<u>\$ 3,760,368</u>	<u>\$ 10,970,368</u>

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

Neighborhood Improvement District Bonds – Northpointe Forest Water Project Series 2009A

In December 2009, the County issued General Obligation Neighborhood Improvement District Bonds in the aggregate principal amount of \$430,000. The Bonds were issued for the purpose of paying a portion of the costs of the Northpointe Forest Water Project for the Northpointe Forest Subdivision Neighborhood Improvement District and for funding a debt service reserve fund for the 2009A Bonds and paying the costs of issuing the 2009B Bonds (see below). The bonds constitute general obligation bonds of the County payable as to both principal and interest from special assessments that are levied upon real property benefitted by the project.

The Bonds bear interest at rates ranging from 2.125% to 4.7% and mature through 2029 as follows:

<u>Maturity in Year</u> <u>Indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010		\$ 14,334	\$ 14,334
2011		19,695	19,695
2012	\$ 5,000	19,695	24,695
2013	15,000	19,589	34,589
2014	15,000	19,270	34,270
2015-2019	95,000	84,365	179,365
2020-2024	115,000	60,395	175,395
2025-2029	185,000	30,315	215,315
Totals	<u>\$ 430,000</u>	<u>\$ 267,658</u>	<u>\$ 697,658</u>

Taxable Neighborhood Improvement District Bonds – Northpointe Forest Water Project Series 2009B

In December 2009, the County issued Taxable General Obligation Neighborhood Improvement District Bonds in the aggregate principal amount of \$50,000. The Bonds were issued for the purpose of paying a portion of the costs of the Northpointe Forest Water Project for the Northpointe Forest Subdivision Neighborhood Improvement District and paying the costs of issuing the 2009B Bonds. The bonds constitute general obligation bonds of the County payable as to both principal and interest from special assessments that are levied upon real property benefitted by the project.

ST. LOUIS COUNTY, MISSOURI
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(Continued)

The Bonds bear interest at rates ranging from 1.5% to 2.5% and mature through 2012 as follows:

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 25,000	\$ 673	\$ 25,673
2011	15,000	550	15,550
2012	10,000	250	10,250
Totals	<u>\$ 50,000</u>	<u>\$ 1,473</u>	<u>\$ 51,473</u>

Bonds and Notes Payable – Tax Increment Financing – Lambert Airport Eastern Perimeter Redevelopment Project

The County has approved a redevelopment plan known as the Lambert Airport Eastern Perimeter Tax Increment Financing Redevelopment Plan for the redevelopment of three distinct project areas. With respect to the total redevelopment area, the Plan proposes that the County initially authorize and issue one or more tax increment financing bonds, notes or other obligations in an amount necessary to fund up to \$110,613,530 in Redevelopment Project Costs, plus issuance costs, interest and reserves.

Pursuant to the Redevelopment Plan and Agreement, the County may issue Bonds (series A), and may issue tax-exempt and/or taxable obligations in one or more series in the aggregate principal amount sufficient to reimburse up to \$42,750,000 of reimbursable project costs (series B), and in addition, may issue other tax-exempt and/or taxable obligations in one or more series in the aggregate principal amount sufficient to reimburse up to \$50,000,000 of reimbursable project costs (series C).

Bonds and Notes Payable issued by the County are as follows:

Bonds Payable – Tax Increment Financing – Lambert Airport Eastern Perimeter Redevelopment Project – Series 2006A

In October 2006, the County issued \$14,750,000 in Annual Appropriation-Supported Tax Increment Financing Revenue Bonds, Series 2006A, for the purpose of financing a portion of the redevelopment project costs in connection with the Lambert Airport Eastern Perimeter Joint Development Commission Redevelopment Plan.

The Bonds are special, limited obligations of the County, payable solely from Payments in Lieu of Taxes and Economic Activity Tax Revenues generated within the redevelopment area and certain moneys on deposit under the Indenture. Pursuant to the Indenture, the County has agreed to include in each annual budget during the term of the Bonds, a request for an appropriation of such additional general funds as are necessary to cover the principal and interest due on the Bonds during the next fiscal year of the County, but the County is not legally obligated to make any such appropriation. In addition, the County has

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agreed to request an annual appropriation of Economic Activity Tax Revenue for deposit in the Revenue Fund, but the County is not legally obligated to make any such appropriation. The bonds do not constitute a general obligation or indebtedness of the County.

Principal on the Bonds will be paid on February 15 in each year with interest payable semiannually on February 15 and August 15. The Bonds bear interest at rates ranging from 4.00% to 5.00%, and mature through 2026 as follows:

Maturity in Year Indicated	Principal	Interest	Total
2010		\$ 688,013	\$ 688,013
2011		688,013	688,013
2012	\$ 705,000	673,913	1,378,913
2013	735,000	645,113	1,380,113
2014	760,000	615,213	1,375,213
2015-2019	4,475,000	2,555,963	7,030,963
2020-2024	5,485,000	1,352,031	6,837,031
2025-2026	2,590,000	130,997	2,720,997
TOTAL	\$ 14,750,000	\$ 7,349,256	\$ 22,099,256

Note Payable – Tax Increment Financing – Lambert Airport Eastern Perimeter
Redevelopment Project – Series 2006B-1

In October 2006, the County issued Tax-exempt Tax Increment Revenue Notes, Series 2006B-1, in the amount of \$1,688,000 as part of the authorized series B notes with an aggregate principal amount of up to \$42,750,000. The notes were issued for the purpose of paying a portion of the redevelopment project costs in connection with the Lambert Airport Eastern Perimeter Redevelopment Plan. The notes are a special, limited obligation of the County payable solely from payments in lieu of taxes attributable to the increase in assessed value of real property and from incremental increases in economic activity taxes generated within the redevelopment area. The notes do not constitute a general obligation or indebtedness of the County.

In 2007, the County authorized additions to principal in the amount of \$4,952,000 for additional reimbursable project costs.

In 2008, the County authorized additions to principal in the amount of \$4,054,000 for additional reimbursable project costs.

These notes bear interest at 7.0% payable semiannually on April 1 and October 1 and mature July 13, 2027 unless sooner paid. Interest which remains unpaid on any interest payment date shall be compounded semiannually. At December 31, 2009, \$12,221,903 of these notes, including accrued interest, remain outstanding.

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(Continued)

The obligations of the County with respect to these notes terminate on the maturity date, whether or not the principal amount or interest thereon has been paid in full.

Note Payable – Tax Increment Financing – Lambert Airport Eastern Perimeter Redevelopment Project – Series 2006B-2

In October 2006, the County issued Taxable Tax Increment Revenue Notes, Series 2006B-2, in the amount of \$14,020,000 as part of the authorized series B notes with an aggregate principal amount of up to \$42,750,000. The notes were issued for the purpose of paying a portion of the redevelopment project costs in connection with the Lambert Airport Eastern Perimeter Redevelopment Plan. The notes are a special, limited obligation of the County payable solely from payments in lieu of taxes attributable to the increase in assessed value of real property and from incremental increases in economic activity taxes generated within the redevelopment area. The notes do not constitute a general obligation or indebtedness of the County.

In 2007, the County authorized additions to principal in the amount of \$106,000 for additional reimbursable project costs.

In 2008, the County authorized additions to principal in the amount of \$12,932,000 for additional reimbursable project costs.

The notes bear interest at 9.0% payable semiannually on April 1 and October 1 and mature July 13, 2027 unless sooner paid. Interest which remains unpaid on any interest payment date shall be compounded semiannually. At December 31, 2009, \$32,636,307 of these notes, including accrued interest, remain outstanding.

The obligations of the County with respect to these notes terminate on the maturity date, whether or not the principal amount or interest thereon has been paid in full.

Note Payable – Tax Increment Financing – Lambert Airport Eastern Perimeter Redevelopment Project – Series 2009C

In August 2009, the County issued Tax-exempt Tax Increment Revenue Notes, Series 2009C, in the amount of \$702,000 as part of the authorized series C notes with an aggregate principal amount of up to \$40,138,601. The notes were issued for the purpose of paying a portion of the redevelopment project costs in connection with the Lambert Airport Eastern Perimeter Redevelopment Plan. The notes are a special, limited obligation of the County payable solely from payments in lieu of taxes attributable to the increase in assessed value of real property and from incremental increases in economic activity taxes generated within the redevelopment area. The notes do not constitute a general obligation or indebtedness of the County.

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(Continued)

These notes bear interest at 7.0% payable semiannually on April 1 and October 1 and mature July 13, 2027 unless sooner paid. Interest which remains unpaid on any interest payment date shall be compounded semiannually. At December 31, 2009, \$911,516 of these notes, including accrued interest, remain outstanding.

The obligations of the County with respect to these notes terminate on the maturity date whether or not the principal amount or interest thereon has been paid in full.

Note Payable – Tax Increment Financing – Lemay Plaza Redevelopment

In October 2007, the County issued a Taxable Tax Increment Revenue Note, Series 2007 B, in the amount of \$1,700,000 as part of an authorized series of notes with an aggregate principal amount not to exceed \$1,700,000. The note was issued for the purpose of paying a portion of the redevelopment project costs in connection with the Lemay Plaza Redevelopment Plan. The note is a special, limited obligation of the County payable solely from payments in lieu of taxes attributable to the increase in assessed value of real property and from incremental increases in economic activity taxes within the redevelopment area. The note does not constitute a general obligation of the County.

The note bears interest at 8.25% payable semiannually on April 1 and October 1 and matures September 14, 2027 unless sooner paid. Interest which remains unpaid on any interest payment date shall be compounded semiannually. At December 31, 2009, \$1,791,485 of this note, including accrued interest, remains outstanding.

The obligations of the County with respect to this note terminate on the maturity date, whether or not the principal amount or interest thereon has been paid in full.

Note Payable – Tax Increment Financing – Grasso Plaza Redevelopment

In December 2005, the County issued a Taxable Tax Increment Revenue Note, Series 2006 B, in the amount of \$3,291,000 as part of an authorized series of notes with an aggregate principal amount not to exceed \$3,600,000. The note was issued for the purpose of paying a portion of the redevelopment project costs in connection with the Grasso Plaza Redevelopment Plan. The note is a special, limited obligation of the County payable solely from payments in lieu of taxes attributable to the increase in assessed value of real property and from incremental increases in economic activity taxes within the redevelopment area. The note does not constitute a general obligation of the County.

The note bears interest at 7.25% payable semiannually on April 1 and October 1 and matures April 20, 2027 unless sooner paid. Interest which remains unpaid on any interest payment date shall be compounded semiannually. At December 31, 2009, \$3,811,890 of this note, including accrued interest, remains outstanding.

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The obligations of the County with respect to this note terminate on the maturity date, whether or not the principal amount or interest thereon has been paid in full.

Note Payable-Tax Increment Financing- Mayfair Plaza Redevelopment Series 2008A

Pursuant to the Redevelopment Plan and Agreement, the County may issue tax-exempt (series A), and/or taxable obligations (series B), in one or more series in the aggregate principal amount sufficient to reimburse up to \$6,590,000 of reimbursable project costs.

In September 2008, the County issued a Tax-exempt Tax Increment Revenue Note, Series 2008A, in the amount of \$ 51,885 as part of an authorized series of notes with an aggregate principal amount not to exceed \$ 6,590,000. The note was issued for the purpose of paying a portion of the redevelopment project costs in connection with the Mayfair Plaza Redevelopment Plan. The note is a special, limited obligation of the County, payable solely from payments in lieu of taxes attributable to the increase in assessed value of real property and from incremental increases in economic activity taxes within the redevelopment area. The note does not constitute a general obligation of the County.

The note bears interest at 6.0% payable semiannually on April 1 and October 1 and matures August 16, 2029 unless sooner paid. Interest which remains unpaid on any interest payment date shall be compounded semiannually. At December 31, 2009, \$34,538 of this note, including accrued interest, remains outstanding.

The obligations of the County with respect to this note terminate on the maturity date, whether or not the principal amount or interest thereon has been paid in full.

Note Payable-Tax Increment Financing- Mayfair Plaza Redevelopment Series 2008B

Pursuant to the Redevelopment Plan and Agreement, the County may issue tax-exempt (series A), and/or taxable obligations (series B), in one or more series in the aggregate principal amount sufficient to reimburse up to \$6,590,000 of reimbursable project costs.

In September 2008, the County issued a Taxable Tax Increment Revenue Note, Series 2008B, in the amount of \$ 6,030,000 as part of an authorized series of notes with an aggregate principal amount not to exceed \$6,590,000. The note was issued for the purpose of paying a portion of the redevelopment project costs in connection with the Mayfair Plaza Redevelopment Plan. This note is a special, limited obligation of the County payable solely from payments in lieu of taxes attributable to the increase in assessed value of real property and from incremental increases in economic activity taxes within the redevelopment area. The note does not constitute a general obligation of the County.

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The note bears interest at 7.0% payable semiannually on April 1 and October 1 and matures August 16, 2029 unless sooner paid. Interest which remains unpaid on any interest payment date shall be compounded semiannually. At December 31, 2009, \$6,290,103 of this note, including accrued interest, remains outstanding.

The obligations of the County with respect to this note terminate on the maturity date whether or not the principal amount or interest thereon has been paid in full.

Note Payable – Missouri Transportation Finance – Dorsett Road and I-270 Interchange Project

In March 2009, the County issued a promissory note in the amount of \$5,100,000 as part of an agreement with the Missouri Department of Transportation, the Missouri Department of Economic Development, the City of Maryland Heights and the Edward Jones Company to fund improvements to the Dorsett Road and I-270 interchange. The annual note payments are through 2013 and include interest at a nominal annual rate of 3.53%.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 1,209,440	\$ 180,030	\$ 1,389,470
2011	1,252,133	137,337	1,389,470
2012	1,296,333	93,136	1,389,469
2013	1,342,094	47,376	1,389,470
Totals	<u>\$ 5,100,000</u>	<u>\$ 457,879</u>	<u>\$ 5,557,879</u>

Note Payable – Missouri Transportation Finance – Spirit of St. Louis and I-64 Interchange Project

In March 2009, the County issued a promissory note in the amount of \$1,392,658 as part of an agreement entered into with the Missouri Transportation Finance Corporation to fund construction of the Spirit of St. Louis Boulevard I-64 interchange. Pursuant to the Agreement, the County is responsible for the payment of the interest portion of the loan. The County will pay interest through August 2010 at a nominal annual rate of 3.91%. In August 2010, the County expects to be reimbursed by the Missouri Highways and Transportation Commission should future funding for payment be secured.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 1,392,658	\$ 77,229	\$ 1,469,887
Totals	<u>\$ 1,392,658</u>	<u>\$ 77,229</u>	<u>\$ 1,469,887</u>

ST. LOUIS COUNTY, MISSOURI
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(Continued)

Capital Leases

In January 2005, the County (as the lessee) entered into a lease-purchase agreement with First State Bank (as the lessor) to acquire a digital mini-photo lab system for the Police Department at a cost of \$151,963. The annual lease payments are through 2010 and include interest at a nominal rate of 8.249%. The County has the option to purchase the equipment on any payment date during the lease agreement.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 3,078	\$ 18	\$ 3,096
Totals	<u>\$ 3,078</u>	<u>\$ 18</u>	<u>\$ 3,096</u>

In September 2005, the County (as the lessee) entered into a lease-purchase agreement with Xerox Corporation (as the lessor) to acquire a production publisher system for the Health Department's print shop at a cost of \$200,002. The annual lease payments are through 2010 and include interest at a nominal rate of 4.9%. The County has the option to purchase the equipment at any time during the lease agreement.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 33,198	\$ 682	\$ 33,880
Totals	<u>\$ 33,198</u>	<u>\$ 682</u>	<u>\$ 33,880</u>

In June 2006, the County (as the lessee) entered into a lease-purchase agreement with Government Capital Corporation (as the lessor) to acquire a master permit and inspection system for the Department of Public Works at a cost of \$1,044,164. The annual lease payments are through 2010 and include interest at an effective interest rate of 5.128%. The County has the option to purchase the equipment on any remaining payment date during the remainder of the lease term.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 219,222	\$ 11,509	\$ 230,731
Totals	<u>\$ 219,222</u>	<u>\$ 11,509</u>	<u>\$ 230,731</u>

ST. LOUIS COUNTY, MISSOURI
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(Continued)

Master Lease Agreements

In August 2006, the County (as the lessee) entered into a lease-purchase financing agreement with National City Commercial Capital Corporation (as the lessor) to provide \$87,219 for certain Lakeside Center capital improvements. Semi-annual lease payments are through 2016 and include interest at an effective adjusted rate of 4.21%.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 8,203	\$ 2,439	\$ 10,642
2011	8,552	2,090	10,642
2012	8,915	1,727	10,642
2013	9,295	1,347	10,642
2014	9,690	952	10,642
2015-2016	15,313	650	15,963
Totals	<u>\$ 59,968</u>	<u>\$ 9,205</u>	<u>\$ 69,173</u>

In August 2006, the County (as the lessee) entered into a lease-purchase financing agreement with National City Commercial Capital Corporation (as the lessor) to provide \$400,000 for secure storage facility improvements for the Board of Elections' electronic voting machines. The semi-annual lease payments are through 2013 and include interest at an effective adjusted rate of 4.16%.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 57,417	\$ 8,217	\$ 65,634
2011	59,830	5,804	65,634
2012	62,345	3,289	65,634
2013	32,149	670	32,819
Totals	<u>\$ 211,741</u>	<u>\$ 17,980</u>	<u>\$ 229,721</u>

In August 2006, the County (as the lessee) entered into a lease-purchase financing agreement with National City Commercial Capital Corporation (as the lessor) to provide \$761,510 for capital improvements for the Court Building. The semi-annual lease payments are through 2016 and include interest at an effective adjusted rate of 4.21%.

<u>Maturity in Year Indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 71,618	\$ 21,297	\$ 92,915
2011	74,665	18,250	92,915
2012	77,841	15,074	92,915
2013	81,153	11,762	92,915
2014	84,605	8,310	92,915
2015-2016	133,705	5,667	139,372
Totals	<u>\$ 523,587</u>	<u>\$ 80,360</u>	<u>\$ 603,947</u>

ST. LOUIS COUNTY, MISSOURI
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In January 2007, the County (as lessee) entered into a lease/purchase financing agreement with National City Commercial Capital Corporation (as lessor) to provide \$2,850,100 for funding capital improvement projects at various County facilities. Projects include roof replacement, sprinkler system installation, and elevator system upgrades. The semi-annual lease payments are through 2016 and include interest at an effective adjusted rate of 4.0%.

<u>Maturity in Year Indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 264,734	\$ 81,119	\$ 345,853
2011	275,430	70,423	345,853
2012	286,557	59,296	345,853
2013	298,134	47,719	345,853
2014	310,178	35,675	345,853
2015-2016	658,457	33,249	691,706
Totals	<u>\$ 2,093,490</u>	<u>\$ 327,481</u>	<u>\$ 2,420,971</u>

In December 2007, the County (as the lessee) entered into a lease-purchase financing agreement with National City Commercial Capital Corporation (as the lessor) to provide \$6,000,000 to fund the acquisition and implementation of an enterprise resource planning system. Semi-annual lease payments are through 2013 and include interest at an effective adjusted rate of 3.37%.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 1,159,264	\$ 154,732	\$ 1,313,996
2011	1,198,661	115,335	1,313,996
2012	1,239,396	74,600	1,313,996
2013	1,281,516	32,480	1,313,996
Totals	<u>\$ 4,878,837</u>	<u>\$ 377,147</u>	<u>\$ 5,255,984</u>

In April 2008, the County (as the lessee) entered into a lease-purchase financing agreement with Chase Equipment Leasing, Inc., (as the lessor) to provide \$1,187,035 to fund a computer software upgrade to the integrated property tax assessment system. Semi-annual lease payments are through 2013 and include interest at an effective adjusted rate of 3.00%.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 211,253	\$ 21,452	\$ 232,705
2011	217,636	15,069	232,705
2012	224,212	8,493	232,705
2013	114,634	1,719	116,353
Totals	<u>\$ 767,735</u>	<u>\$ 46,733</u>	<u>\$ 814,468</u>

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
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In December 2008, the County (as the lessee) entered into a lease-purchase financing agreement with Chase Equipment Leasing Inc., (as the lessor) to provide \$1,714,000 for funding to acquire a Municipal Court Case Management System. Semi-annual lease payments are through 2013 and include interest at an effective adjusted rate of 2.49%.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 334,230	\$ 32,442	\$ 366,672
2011	342,591	24,081	366,672
2012	351,161	15,511	366,672
2013	<u>359,946</u>	<u>6,726</u>	<u>366,672</u>
Total	<u>\$ 1,387,928</u>	<u>\$ 78,760</u>	<u>\$ 1,466,688</u>

In December 2008, the County (as the lessee) entered into a lease-purchase financing agreement with Chase Equipment Leasing Inc., (as the lessor) to provide \$900,000 for funding to acquire additional modules of the ERP system. Semi-annual lease payments are through 2013 and include interest at an effective adjusted rate of 2.49%.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 175,500	\$ 17,035	\$ 192,535
2011	179,890	12,645	192,535
2012	184,390	8,145	192,535
2013	<u>189,003</u>	<u>3,532</u>	<u>192,535</u>
Total	<u>\$ 728,783</u>	<u>\$ 41,357</u>	<u>\$ 770,140</u>

In December 2008, the County (as the lessee) entered into a lease-purchase financing agreement with Chase Equipment Leasing Inc., (as the lessor) to provide \$513,700 to fund PLC Electronic Control Touch Screen Security System. Semi-annual lease payments are through 2013 and include interest at an effective adjusted rate of 2.12%.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 100,552	\$ 8,270	\$ 108,822
2011	102,694	6,128	108,822
2012	104,882	3,940	108,822
2013	<u>107,117</u>	<u>1,705</u>	<u>108,822</u>
Total	<u>\$ 415,245</u>	<u>\$ 20,043</u>	<u>\$ 435,288</u>

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
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(Continued)

Business-type Activities:

Master Lease Agreements

In June 2007, the County (as lessee) entered into a lease-purchase financing agreement with National City Commercial Capital Corporation (as the lessor) to provide \$3,090,000 for certain aviation use development infrastructure improvements. Semi-annual lease payments are through 2017 and include interest at an effective adjusted rate of 4.35%.

<u>Maturity in year indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 279,567	\$ 102,340	\$ 381,907
2011	291,860	90,047	381,907
2012	304,693	77,214	381,907
2013	318,092	63,815	381,907
2014	332,080	49,827	381,907
2015-2017	895,498	59,269	954,767
Total	<u>\$2,421,790</u>	<u>\$ 442,512</u>	<u>\$ 2,864,302</u>

11. UNRESTRICTED NET ASSET/FUND BALANCE (DEFICIT)

The government-wide, governmental activities statement of net assets reflects an unrestricted net asset deficit of (\$45,908,627). This total is comprised of \$124,520,849 in unrestricted net assets from operations and (\$170,429,476) in unrestricted net assets resulting from the County's TIF note obligations and the contractual obligations to repay debt related to the St. Louis Regional Convention and Sports Complex Authority joint venture and the St. Louis Cardinals Ballpark Site and Ballpark Project joint venture.

The Election Board Revolving Special Revenue Fund Balance deficit of \$3,215 represents an unreserved, undesignated deficit balance which has been incurred due to the expenditure of funds for the administration of various elections. This deficit will be funded with subsequent reimbursements.

The Page-Olive Connector Capital Projects Fund deficit of \$1,285,123 represents a fund balance deficit balance which has been incurred in connection with constructing highway improvements. The deficit will be funded with subsequent reimbursements and long-term financing in the following year.

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12. JOINT VENTURES

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

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

On August 15, 1991, the County sponsored the issuance of \$65,685,000 in Convention and Sports Facility Project Bonds, Series B 1991 (Series B Bonds). The Series B Bonds were issued by the Authority for the purpose of providing funds, together with the proceeds of the Authority's State sponsored Series A Bonds and City of St. Louis sponsored Series C Bonds (collectively, the Project Bonds), to finance the costs of acquiring land and constructing thereon an eastward expansion of the Cervantes Convention Center to be used as a multipurpose convention and indoor sports facility (Project).

On December 15, 1993, the Authority issued \$60,180,000 in Series B refunding bonds to advance refund the callable portions of the outstanding bonds issued in August 1991 and to pay the costs of additions and enhancements to the project. The outstanding principal amounts refunded were \$50,275,000. Consequently, total Series B bonds outstanding were \$74,335,000 at the time of the refunding. This refunding had no effect on the County's aggregate annual debt service payments to the Authority.

On July 30, 2003, the Authority issued \$55,865,000 in Tax-Exempt Convention and Sports Facility Project and Refunding Bonds Series B-1 2003 and \$2,925,000 in Taxable Convention and Sports Facility Project and Refunding Bonds Series B-2 2003 to advance refund the Series B 1991 Bonds maturing on August 15, 2003, in the principal amount of \$1,390,000, to advance refund all the outstanding Series B 1993 Bonds in the aggregate principal amount of \$56,020,000, and to pay the costs of additions and enhancements to the project. This refunding had no effect on the County's aggregate annual debt service payments to the Authority.

The Authority has also entered into a Project Financing, Construction, and Operation Agreement dated August 1, 1991 (Financing Agreement), with the County, City, and State, (collectively, the Sponsors) providing for the application of the proceeds of the Project Bonds, for the repayment of the project Bonds, and for the operation and maintenance of the Project. Pursuant to the Financing Agreement, the Authority will lease the Project to the Sponsors who will sublease the project back to the Authority. The rental payments made by the Sponsors under the Financing Agreement are designed to be sufficient to pay the principal and interest on the Project Bonds. Annual preservation payments to be made by the Sponsors under the Financing Agreement will be used to pay for repairs and replacement of major Project components and renovation necessary to maintain the Project.

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(Continued)

The County's debt service payments and preservation payments under the Financing Agreement are to be made from the Special Revenue – Convention & Recreation Trust Fund subject to annual appropriation. Amounts expended during 2009 totaled \$6,000,000 to the Authority and are reflected as convention and recreation expenditures. Such expenditures included principal, interest, and preservation payments.

The Series B Bonds mature through August 15, 2021, and bear interest at rates ranging from 1.42% to 5.375%. Preservation payments continue through 2024 pursuant to contractual agreement. The principal portion of the Series B Bonds and required preservation payments are considered contractual obligations of the County.

At December 31, 2009, contractual obligation payments to maturity (including interest on the Series B Bonds) are as follows:

Maturity in Year Indicated:	Series B Bonds		Preservation Payments	Total
	Principal	Interest		
2010	\$ 2,775,000	\$ 2,225,000	\$ 1,000,000	\$ 6,000,000
2011	2,905,000	2,095,000	1,000,000	6,000,000
2012	3,055,000	1,945,000	1,000,000	6,000,000
2013	3,220,000	1,780,000	1,000,000	6,000,000
2014	3,345,000	1,655,000	1,000,000	6,000,000
2015-2019	19,520,000	5,480,000	5,000,000	30,000,000
2020-2024	9,315,000	685,000	5,000,000	15,000,000
Totals	\$ 44,135,000	\$ 15,865,000	\$ 15,000,000	\$ 75,000,000

The Authority is considered a joint venture of the Sponsors because it constitutes a contractual agreement for public benefit, subject to joint control, in which the Sponsors retain an ongoing financial responsibility as discussed above.

Complete financial statements for the Authority are available from its administrative offices at 901 North Broadway, St. Louis, MO 63101.

St. Louis Cardinal Ballpark Site and Ballpark Project

In September 2002, a Redevelopment Plan was approved by the Board of Aldermen of the City of St. Louis (the City). In November 2002, the Land Clearance for Redevelopment Authority of the City of St. Louis (LCRA) and the Project Developer entered into a Redevelopment Agreement for the redevelopment of the South Downtown Redevelopment Area for a new ballpark suited for Major League Baseball. The new ballpark would replace Busch Stadium and serve as the home of the St. Louis Cardinals baseball team. The plan also calls for the development and construction of certain mixed-use facilities adjacent to the ballpark (Ballpark Site and the Ballpark Project).

The St. Louis Cardinal Ballpark Site and Ballpark Project is a collaborative effort between the LCRA, the Missouri Development Finance Board (the Board), the County and the Project Developer. The Board was created as a separate legal entity within the

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
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(Continued)

Department of Economic Development of the State of Missouri pursuant to RSMo 100.265, in August 1994. Through the authority granted it from the Missouri State Legislature, the Board has the right to issue revenue bonds as well as other powers for the purpose of assisting infrastructure and development projects throughout the state.

As part of a Cooperation Agreement dated December 1, 2003, between the LCRA, the Board and the County, and as part of a Project Financing, Construction and Operation Agreement (Financing Agreement) dated December 1, 2003, between the Board and the County, the County requested the Board to issue \$45,760,000 in Taxable St. Louis Cardinals Ballpark Project Bonds (St. Louis County, Missouri – Annual Appropriation), Series 2003 (the Bonds). The County has agreed to make the Bond Payments and Additional Payments under the indenture, subject to annual appropriation of funds by the County Council. The County debt service payments shall be made from the Special Revenue – Convention & Recreation Trust Fund. Amounts expended during 2009 totaled \$3,166,870 and are reflected as convention and recreation expenditures. Such expenditures included principal and interest payments.

Pursuant to the terms of the Cooperation Agreement, the County agreed to make \$45,000,000 of the proceeds of the Bonds available to LCRA for use in the development of the Ballpark Project. LCRA used the funds to make a loan (the LCRA Loan) to be used to pay a portion of the costs of the Ballpark project. Repayment of the loan may be in cash or by surrendering the Ballpark Site and the Ballpark Project. The LCRA loan is nonrecourse and subordinate to other financing and contributors in connection with the Ballpark Project and is secured by subordinate liens on the Ballpark Site and the Ballpark Project. The loan matures in 2046. In connection with the repayment of the LCRA loan, the County retained the right to exercise control over the Ballpark Site and the Ballpark Project, including the negotiation of lease agreements, until the County receives cash equal to, on an aggregate basis, the aggregate amount of the Bond Payments paid by the County, reduced by any amounts received by LCRA or the County in cash in repayment of the LCRA loan, or from the sale or lease of the Ballpark Site or Ballpark Project, increased on a daily basis as if such outstanding balance bore interest at a rate equal to the annual percentage increase in the Consumer Price Index, compounded annually. The County is hopeful that the LCRA loan will be repaid following the maturity of the bonds. However, the County has not recorded a receivable in connection with its priority rights to amounts received upon repayment of the loan due to the longevity and uncertainty that exists in connection with that repayment.

The Bonds mature through November 1, 2033, and bear interest at rates ranging from 4.45% to 6.19%. The debt service payments of the Bonds are considered contractual obligations of the County.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

At December 31, 2009, contractual obligation payments to maturity (including interest on the St. Louis Cardinal Ballpark Project Bonds) are as follows:

St. Louis Cardinal Ballpark Project Bonds – Series 2003

<u>Maturity in Year Indicated</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 480,000	\$ 2,687,550	\$ 3,167,550
2011	500,000	2,666,190	3,166,190
2012	525,000	2,642,240	3,167,240
2013	550,000	2,615,885	3,165,885
2014	580,000	2,587,395	3,167,395
2015-2019	3,405,000	12,433,251	15,838,251
2020-2024	8,640,000	11,101,877	19,741,877
2025-2029	14,755,000	7,592,966	22,347,966
2030-2033	15,420,000	2,458,049	17,878,049
TOTAL	\$ 44,855,000	\$ 46,785,403	\$ 91,640,403

The St. Louis Cardinal Ballpark Site and Ballpark Project is considered a joint venture of the participants of the Cooperation Agreement because it constitutes a contractual agreement for public benefit, subject to joint control, in which the participants retain an ongoing financial responsibility as discussed above.

No financial statements are available for the St. Louis Cardinal Ballpark Site and Ballpark Project joint venture.

Bi-State Development Agency of the Missouri-Illinois Metropolitan District (Bi-State):

Bi-State serves the City of St. Louis, Missouri, the Missouri counties of St. Louis, St. Charles, and Jefferson, and the Illinois counties of Madison, St. Clair and Monroe. In addition to its various development activities, Bi-State is involved in the following operations: operating the transportation system within the Gateway Arch in accordance with a cooperative agreement with the United States Government; operating and maintaining the parking garage at the Gateway Arch in accordance with a cooperative agreement with the United States Government; owning and operating the St. Louis Downtown Parks Airport and an adjacent business park located in Cahokia, Illinois; and owning and operating the St. Louis metropolitan area mass transportation system.

The Missouri Legislature has authorized certain cities and counties to levy a sales tax to be used for transportation purposes. The legislation does not require that revenue be paid directly to Bi-State, but authorizes the collecting agencies to appropriate and expend such revenue for public mass transportation. During 2009, the County expended \$36,673,497 for various service agreements with Bi-State, from its County-wide one half percent transportation sales tax receipts which are accounted for in the Transportation Trust Fund. During 2009, the County also expended \$36,832,434 for support of the Metrolink light rail system from its County-wide one quarter of one percent transportation sales tax receipts which are accounted for in the Public Mass Transit Fund.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

As disclosed in Bi-States' separately issued financial statements, continued operation of Bi-State is dependent on obtaining ongoing financial assistance from the County and other state and local governmental entities. Accordingly, Bi-State is considered a joint venture because it constitutes a contractual agreement for public benefit, subject to joint control, in which the County retains an ongoing financial responsibility as discussed above.

Complete financial statements for Bi-State are available from its administrative offices at 707 North First Street, St. Louis, MO 63102.

13. CONDUIT DEBT

From time to time, the County and CEC have 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. Neither the County, the CEC, the State of Missouri, nor any political subdivision thereof are obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements.

As of December 31, 2009, there were thirty series of industrial revenue bonds outstanding. The amount of the industrial revenue bonds aggregate principal outstanding at December 31, 2009, could not be determined; however, the original issue amounts totaled approximately \$1.9 billion.

On March 13, 2001, the County approved the issuance of up to \$80,000,000 in Taxable Industrial Revenue Bonds to finance the cost of certain facilities for an office industrial project within the County. At December 31, 2009, \$27,050,692 of these Taxable Industrial Revenue Bonds have been issued and remain outstanding.

On July, 3, 2002, the County approved the issuance of up to \$31,000,000 in Taxable Industrial Revenue Bonds to finance the cost of acquiring, constructing and furnishing a facility for an office industrial project within the County. At December 31, 2009, \$19,414,918 of these Taxable Industrial Revenue Bonds have been issued and remain outstanding.

On August 27, 2003, the County approved the issuance of up to \$50,700,000 in Taxable Industrial Revenue Bonds to finance a portion of the costs of acquiring, constructing and equipping an office industrial project within the County. At December 31, 2009, \$31,237,460 of these Taxable Industrial Revenue Bonds have been issued and remain outstanding.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

During 2004, the County approved the aggregate issuance of up to \$307,100,000 for five separate issues of Taxable Industrial Revenue Bonds. These bonds were used to finance a portion of the costs of acquiring, constructing and equipping various office industrial projects within the County. During the year ended December 31, 2008, additional principal was issued related to this issue. At December 31, 2009, \$71,534,348 of these Taxable Industrial Revenue Bonds have been issued and remain outstanding.

During 2005, the County approved the aggregate issuance of up to \$273,500,000 for six separate issues of Taxable Industrial Revenue Bonds. These bonds were used to finance a portion of the costs of acquiring, constructing and equipping various office industrial projects within the County. During the year ended December 31, 2009, additional principal was issued related to this issue. At December 31, 2009, \$152,773,999 of these Taxable Industrial Revenue Bonds have been issued and remain outstanding.

During 2006, and through subsequent approval, the County has approved the aggregate issuance of up to \$217,000,000 for three separate issues of Taxable Industrial Revenue Bonds. These bonds were used to finance a portion of the costs of acquiring, constructing and equipping various office industrial projects within the County. During the year ended December 31, 2008, additional principal was issued related to this issue. At December 31, 2009, \$91,103,112 of these Taxable Industrial Revenue Bonds have been issued and remain outstanding.

During 2007, and through subsequent approval, the County has approved the aggregate issuance of up to \$89,700,000 for five separate issues of Taxable Industrial Revenue Bonds. These bonds were used to finance a portion of the costs of acquiring, constructing and equipping various office industrial projects within the County. During the year ended December 31, 2008, additional principal was issued related to this issue. At December 31, 2009, \$30,663,320 of these Taxable Industrial Revenue Bonds have been issued and remain outstanding.

During 2008, the County approved the aggregate issuance of up to \$758,300,000 for fourteen separate issues of Taxable Industrial Revenue Bonds. These bonds were used to finance a portion of the costs of acquiring, constructing and equipping various office industrial projects within the County. During the year ended December 31, 2009, additional principal was issued related to this issue. At December 31, 2009, \$56,674,962 of these Taxable Industrial Revenue Bonds have been issued and remain outstanding.

During 2009, the County approved the aggregate issuance of up to \$112,900,300 for six separate issues of Taxable Industrial Revenue Bonds. These bonds were used to finance a portion of the costs of acquiring, constructing and equipping various office industrial projects within the County. At December 31, 2009, \$45,165,449 of these Taxable Industrial Revenue Bonds have been issued and remain outstanding.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

14. SHORT-TERM DEBT – NOTES PAYABLE

The County's annual operating cash flow needs require short-term borrowing from time to time since the current year's tax levy is not received until the end of the year. In August 2009, Special Obligation Notes Series 2009-1 (General Fund Tax Anticipation) have been issued to borrow funds in anticipation of these future tax receipts. All tax anticipation notes will be fully repaid on or before maturity, August 1, 2010.

In August 2009, the County issued Special Obligation Notes Series 2009-2 (Page-Olive Connector Project) to provide funds to finance highway improvements to certain portions of the Page-Olive Connector Project. These notes were issued in anticipation of future long-term financing to replace these notes and fund the remainder of the project. Long-term financing has not been secured as of the issuance date of these financial statements. All special obligation notes will be fully repaid on or before maturity, August 1, 2010.

Short-term debt activity for the year ended December 31, 2009, was as follows:

	<u>Balance January 1, 2009</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance December 31, 2009</u>
Series 2009-1 General Fund Tax anticipation notes	<u>\$ 20,000,000</u>	<u>\$ 25,106,000</u>	<u>\$ 20,000,000</u>	<u>\$ 25,106,000</u>
	<u>Balance January 1, 2009</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Balance December 31, 2009</u>
Series 2009-2 Page-Olive Connector Project notes	<u>\$</u>	<u>\$ 20,084,800</u>	<u>\$</u>	<u>\$ 20,084,800</u>

15. RISK MANAGEMENT

The County is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County utilizes the self-insurance internal service fund to account for and finance its uninsured risk of loss. The following types of insurance are provided by the self-insurance internal service fund: general liability, property damage, workers' compensation, and unemployment compensation. The County purchases commercial insurance for claims in excess of coverage provided by the internal service fund and for all other risks of loss. Settled claims have not exceeded this commercial insurance coverage in any of the past three years. The County Workers' Compensation Program retains the first \$500,000 of liability on any one occurrence, and purchases additional Workers' Compensation insurance to extend coverage up to statutory limits as it applies to any one occurrence.

All funds of the County participate in the program and make payments to the self-insurance internal service fund based on both exposure and experience factors. Charges for services include amounts needed to pay prior and current-year claims. Claim liabilities are established based on estimates of the ultimate costs of claims

ST. LOUIS COUNTY, MISSOURI
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YEAR ENDED DECEMBER 31, 2009
(Continued)

(including future expenses) that have been reported but not settled and of claims incurred but not reported. The outstanding claims liability recorded in the internal service fund was \$7,973,837 at December 31, 2009, and is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the basic financial statements indicates that it is probable that a liability has been incurred at the date of the basic financial statements and the amount of the loss can be reasonably estimated. Changes in the internal service fund claims liability for the past two years is as follows:

	<u>Beginning of Fiscal year Liability</u>	<u>Current Year Claims</u>	<u>Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year End</u>
2009	\$ 5,263,996	\$ 2,588,895	\$ 5,593,401	\$ (5,472,455)	\$ 7,973,837
2008	8,064,772	1,808,957	1,181,973	(5,791,706)	5,263,996

16. DEFERRED COMPENSATION PLAN

The County offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all County employees, permit 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.

In 1998, the deferred compensation plans were amended to comply with amendments to Section 457 of the Internal Revenue Code of 1986. Trust provisions were incorporated so that plan assets are held in trust for the exclusive benefit of participants and their beneficiaries under Section 1448 of the Small Business Job Protection Act of 1996. As a result, the County adopted the provisions of Government Accounting Standards Board Statement No. 32, *Accounting and Financial reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Therefore, the assets and liabilities of the deferred compensation plans are not included in the accompanying basic financial statements.

17. DEFINED BENEFIT PENSION PLAN

Plan Description:

The St. Louis County, Missouri County Employee Retirement Plan (Plan) covers substantially all salaried civilian employees (Civilian) and commissioned officers of the St. Louis County Police Department (Police). The Plan is a noncontributory, single-employer defined benefit plan, accounted for as a single pension trust fund, the assets of which are available for the payment of pension benefits to either class of members.

Under the Plan, all full-time employees are eligible for participation. Employees are considered vested when they have attained five years of credited service. The normal retirement benefit is calculated as 1.5% of average compensation for civilian employees

ST. LOUIS COUNTY, MISSOURI
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(Continued)

and 1.6% of average compensation for police employees during the highest consecutive 36 months of the last 120 months of service multiplied by the years of credited service. Additionally, the Plan provides early retirement, death benefits, and disability benefits.

The Plan is under the management and control of the Board of Trustees, as provided in the St. Louis County Retirement Plan Ordinance. The Plan covers all "regular, full-time" civilians and all commissioned police officers.

The Plan issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing: Division of Fiscal Management, St. Louis County Government, 41 South Central Avenue, Clayton, Missouri 63105-1719.

Funding Policy:

The County's civilian employees and commissioned police officers do not contribute to the Plan. Section 204.320 of the code of ordinances establishing the Plan provide for actuarially determined annual contributions, paid solely by the County, that are sufficient to pay benefits when due. The projected unit credit actuarial cost method is used to determine Plan contributions.

Funded Status:

The funded status of the County's plan for the actuarial valuation as of January 1, 2009, is as follows:

Civilian:

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Liability—Projected Unit Credit (b)	Unfunded Actuarial Liability (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
1/1/09	\$ 302,692,760	\$ 450,066,130	\$ 147,373,370	67.3%	\$ 141,470,278	104.2%

Police:

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Liability—Projected Unit Credit (b)	Unfunded Actuarial Liability (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c
1/1/09	\$ 97,656,436	\$ 152,179,275	\$ 54,522,839	64.2%	\$ 44,578,698	122.3%

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

The projection of future benefit payments for an ongoing plan involve estimates of the value of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as the actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Annual Pension Cost and Net Pension Obligation:

Contributions of \$24,655,639 were made to the Civilian portion of the Plan by the County for the Plan's year ended December 31, 2009. These contributions were made in accordance with actuarially determined contribution requirements based on an actuarial valuation performed on January 1, 2009, and consisted of \$12,534,530 of normal cost plus \$12,121,109 of amortization of the actuarial accrued liability in excess of actuarial accrued assets.

Contributions of \$8,193,331 were made to the Police portion of the Plan by the County for the Plan's year ended December 31, 2009. These contributions were made in accordance with actuarially determined contribution requirements based on an actuarial valuation performed on January 1, 2009, and consisted of \$3,708,957 of normal cost plus \$4,484,374 of amortization of the actuarial accrued liability in excess of actuarial accrued assets.

The County's annual pension cost and net pension obligation for the year ended December 31, 2009 are as follows:

	<u>Civilian</u>	<u>Police</u>
Annual required contribution	\$ 24,655,639	\$ 8,193,331
Interest on net pension obligation		
Adjustment to annual required contribution		
Annual pension cost	<u>24,655,639</u>	<u>8,193,331</u>
Contributions made	<u>24,655,639</u>	<u>8,193,331</u>
Increase in net pension obligation		
Net pension obligation, beginning of year	<u> </u>	<u> </u>
Net pension obligation, end of year	<u> </u>	<u> </u>

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

Historical trend information about the County's participation in the Plan is presented below.

Plan year	Civilian Annual Pension Cost (APC)	Police Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2009	\$ 24,655,639	\$ 8,193,331	100%	\$ --
2008	20,415,484	6,829,533	100%	--
2007	21,139,551	7,052,748	100%	--

Significant actuarial assumptions used in the valuation are as follows:

Date of Actuarial Valuation	January 1, 2009
Actuarial cost method	Projected unit credit
Amortization method	30 year level dollar amortization of the unfunded accrued liability
Remaining amortization period	30 years
Actuarial value of assets	4-year smoothed market, actual vs. expected
Inflation Rate	4.0% per year
Investment Rate of Return	8.0% per year
Projected Salary Increases	1.0% - 4.0% per year to 2011; for 2012 and thereafter, 5.0% per year, plus additional increases from 0% to 18% based upon date of employment
Post-retirement Benefit Increases	None assumed

Discretely Presented Component Units:

Productive Living Board for St. Louis County Citizens with Developmental Disabilities (PLB)

The PLB participates in a defined contribution pension plan for employees who meet certain eligibility requirements. Monthly amounts ranging from 6% to 15%, varying upon length of employment, of an employee's gross salary are contributed to a tax-sheltered annuity. For the year ended June 30, 2009, \$71,494 was expensed for retirement contributions.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

Economic Council of St. Louis County (CEC)

The CEC has a 401(k) safe harbor plan for its full-time employees. This defined contribution plan provides that the CEC contribute an annual amount equal to 7% of each eligible employee's annual salary into the plan. Pension expense for the year ended September 30, 2009, amounted to \$124,043.

In 2008, the CEC adopted a 457(b) non-qualified tax deferred compensation plan for designated employees. Contributions accrued in the CEC's financial statements for the plan for the year ended September 30, 2009, amounted to \$72,732.

18. SPECIAL ITEM - OTHER POST EMPLOYMENT BENEFITS

At the beginning of the year, the County had a net other post employment benefit (OPEB) obligation related to a plan with terms that provided a one time opportunity for continuation of medical insurance coverage to employees that retire under the plan at the same time they end their service to the County. Retirees who elected to participate must pay the premium in effect for the current plan year or any subsequent year at the premium rates in effect at that time. Since the retirees pay the premium for each year, the County share of any premium cost is determined on the basis of a blended rate or implicit rate subsidy calculation.

During the year, upon enrollment for the plan year beginning October 1, 2009, the health insurance premiums were rated separately for retirees and active employees. All current and future retirees are now required to contribute the entire premium to cover the full current cost of retiree coverage. As a result of this change, the beginning of year net OPEB obligation of approximately \$12 million related to the implicit rate subsidy has been eliminated. Therefore, at the end of the year, the net OPEB obligation associated with this plan has been reduced to zero. The effect of this adjustment is reflected as a Special Item in the Statement of Activities.

19. CONTINGENCIES AND COMMITMENTS

Grants:

In connection with various federal, state, and local grant programs, the County is obligated to administer related programs and spend the grant monies in accordance with regulatory restrictions, and is subject to audit by the grantor agencies. In cases of noncompliance, the agencies involved may require the County to refund program monies. In the opinion of County officials, settlement of these matters, if any, would not result in a material liability to the County.

Litigation:

The County has sovereign tort immunity from liability and suit for compensatory damages for negligent acts or omissions, except in the case of injuries arising out of the operation of County motor vehicles or caused by the condition of County property. The

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

County is self insured to cover claims related to these matters and administers such claims through the County's Internal Service Fund (see Note 15). The maximum claim settlement established by state statute for such claims is \$378,814 per person and \$2,525,423 per occurrence.

In the opinion of management, the outcome of various other claims and legal actions presently pending against the County for which it does not have sovereign immunity will not have a material effect on the basic financial statements.

Discretely Presented Component Unit – Economic Council of St. Louis County (CEC)

The CEC pledged cash collateral equal to 20% of the outstanding Federal National Mortgage Association's "Home Ownership Opportunity Initiative Program" loan balance, not to exceed \$200,000.

20. SUBSEQUENT EVENT

On April 15, 2010 the County issued \$119,235,000 of Special Obligation Bonds in two series. Series 2010A consists of \$60,560,000 of tax exempt bonds and Series 2010B consists of \$58,675,000 of taxable Build America Bonds. The proceeds of the bonds are used to finance the Countywide Emergency Communications System project and costs incident to the issuance of the bonds. The bonds are serial bonds and have interest rates ranging from 2.00% to 5.63% maturing December 1, 2035.

On April 29, 2010 the County issued \$7,095,000 of Special Obligation Bonds, Series 2010C and 2010D. The proceeds of the bonds are used to finance the St. Louis County Economic Council's Business Incubator project and costs incident to the issuance of the bonds. The bonds are serial bonds and have interest rates ranging from 2.50% to 5.88% maturing December 31, 2030.

21. CREDIT MARKET CONDITIONS

Recent market conditions have resulted in an unusually high degree of volatility and increased the risk associated with certain investments held by the County, which could impact the value of investments after the date of these financials.

22. NEW ACCOUNTING PRONOUNCEMENTS

In June 2007, GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, which establishes accounting and financial reporting requirements for intangible assets. All intangible assets not specifically excluded by the scope of this Statement should be classified as capital assets. All existing authoritative guidance for capital assets should be applied to these intangible assets, as applicable. The County is required to implement this Statement for the year ending December 31, 2010.

ST. LOUIS COUNTY, MISSOURI
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2009
(Continued)

In June 2008, GASB issued Statement No. 53, *Accounting and Reporting for Derivative Instruments*, which addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. The County is required to implement this Statement for the year ending December 31, 2010.

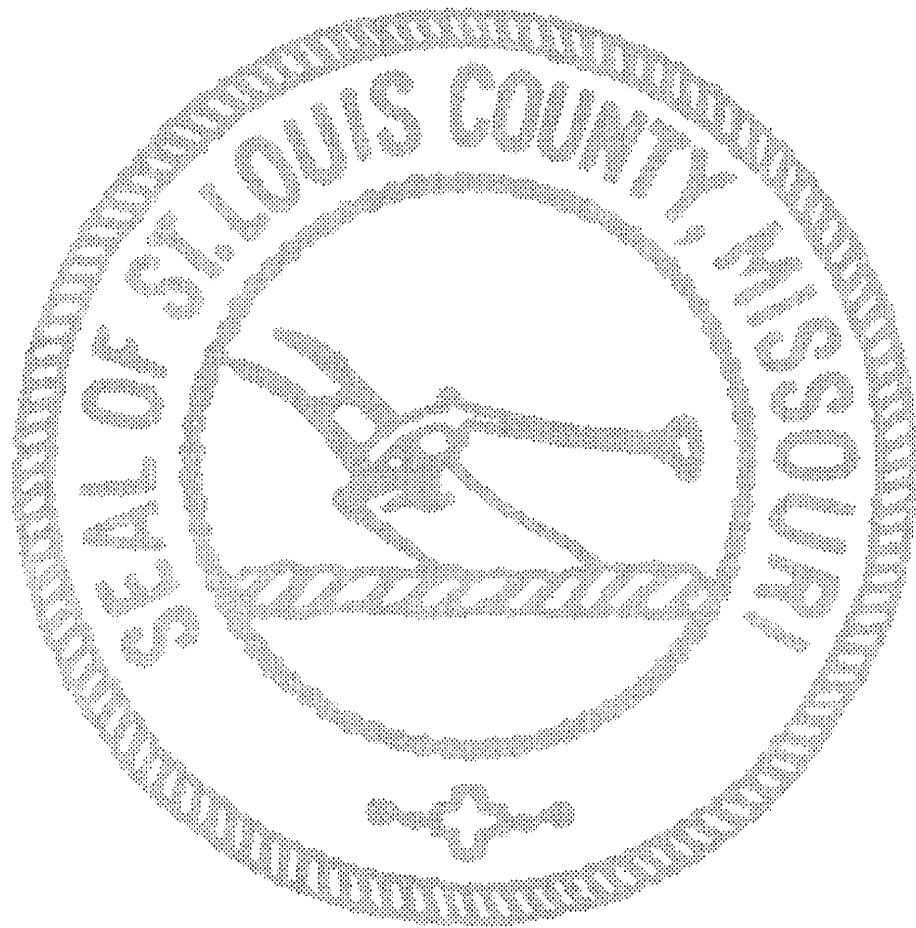
In February 2009, GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The County is required to implement this Statement for the year ending December 31, 2011.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

Required Supplementary Information

This section includes required information necessary to supplement the basic financial statements. Included are budgetary presentations of annually adopted budgets for major funds (General and Special Revenue Funds) plus the County's progress in funding for the pension obligation and other post employment benefits.





ST. LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET BASIS-BUDGET AND ACTUAL
GENERAL FUND
UNAUDITED
YEAR ENDED DECEMBER 31, 2009

	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Revised</u> <u>Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes:				
Property	\$105,481,051	\$108,062,715	\$104,750,338	(\$3,312,377)
Sales	47,546,100	44,096,900	45,005,743	908,843
Utilities gross receipts	30,000,000	34,105,672	33,495,198	(610,474)
	<u>183,027,151</u>	<u>186,265,287</u>	<u>183,251,279</u>	<u>(3,014,008)</u>
Licenses and permits	14,713,339	13,292,230	11,950,197	(1,342,033)
Assessment and tax collection fees	22,799,850	22,958,240	22,471,564	(486,676)
Fines and forfeitures	4,527,215	4,439,415	3,997,618	(441,797)
Investment earnings	3,484,872	1,501,932	1,019,236	(482,696)
Rents and concessions	2,842,169	2,720,114	2,912,383	192,269
Intergovernmental	16,878,880	16,563,616	16,136,294	(427,322)
Charges for services	41,322,527	40,722,768	39,729,698	(993,070)
Fees	5,213,960	5,719,438	5,564,175	(155,263)
Other	12,455,543	11,621,783	14,210,069	2,588,286
Total revenues	<u>307,265,506</u>	<u>305,804,823</u>	<u>301,242,513</u>	<u>(4,562,310)</u>
EXPENDITURES:				
General government	78,249,088	78,602,037	68,461,142	10,140,895
Public safety	146,582,082	149,075,166	143,374,412	5,700,754
Human services	6,628,309	6,657,809	6,098,645	559,164
Highways and traffic	48,773,337	49,112,137	45,474,782	3,637,355
Health	52,700,321	53,808,321	46,971,378	6,836,943
Parks and recreation	27,270,760	27,576,929	23,703,063	3,873,866
Total expenditures	<u>360,203,897</u>	<u>364,832,399</u>	<u>334,083,422</u>	<u>30,748,977</u>
Excess of revenues over (under) expenditures	(52,938,391)	(59,027,576)	(32,840,909)	26,186,667
OTHER FINANCING SOURCES (USES):				
Transfers in	20,872,950	20,875,389	20,875,389	
Transfers out				
Net change in fund balances	<u>(\$32,065,441)</u>	<u>(\$38,152,187)</u>	<u>(\$11,965,520)</u>	<u>\$26,186,667</u>

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
TRANSPORTATION TRUST FUND - SPECIAL REVENUE MAJOR FUND
UNAUDITED
YEAR ENDED DECEMBER 31, 2009

	<u>Original</u>	<u>Final</u>		<u>Variance with</u>
	<u>Budget</u>	<u>Revised</u>	<u>Actual</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES:				
Sales tax	\$77,534,800	\$73,088,700	\$71,353,574	(\$1,735,126)
Investment earnings	331,222	185,537	143,722	(41,815)
Total revenues	77,866,022	73,274,237	71,497,296	(1,776,941)
EXPENDITURES:				
Transportation	39,281,802	36,937,086	36,808,419	128,667
Total expenditures	39,281,802	36,937,086	36,808,419	128,667
 Excess of revenues over expenditures	 38,584,220	 36,337,151	 34,688,877	 (1,648,274)
OTHER FINANCING USES:				
Transfers out	(42,897,997)	(39,397,997)	(39,397,997)	
 Net change in fund balances	 (\$4,313,777)	 (\$3,060,846)	 (\$4,709,120)	 (\$1,648,274)

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
PUBLIC MASS TRANSIT FUND - SPECIAL REVENUE MAJOR FUND
UNAUDITED
YEAR ENDED DECEMBER 31, 2009

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES:				
Sales tax	\$41,240,300	\$37,900,500	\$37,155,796	(\$744,704)
Investment earnings	100,000	7,354	2,135	(5,219)
Total revenues	41,340,300	37,907,854	37,157,931	(749,923)
EXPENDITURES:				
Transportation	41,340,300	41,340,300	36,832,434	4,507,866
Total expenditures	41,340,300	41,340,300	36,832,434	4,507,866
Excess of revenues over (under) expenditures		(3,432,446)	325,497	3,757,943
Net change in fund balances		(\$3,432,446)	\$325,497	\$3,757,943

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
CONVENTION AND RECREATION TRUST FUND - SPECIAL REVENUE MAJOR FUND
UNAUDITED
YEAR ENDED DECEMBER 31, 2009

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES:				
Convention and recreation tax	\$9,856,615	\$9,046,926	\$8,323,632	(\$723,294)
Investment earnings	270,000	122,912	58,584	(64,328)
Total revenues	10,126,615	9,169,838	8,382,216	(787,622)
EXPENDITURES:				
Convention and recreation	9,168,370	10,383,370	10,383,071	299
Total expenditures	9,168,370	10,383,370	10,383,071	299
Excess of revenues over (under) expenditures	958,245	(1,213,532)	(2,000,855)	(787,323)
Net change in fund balances	\$958,245	(\$1,213,532)	(\$2,000,855)	(\$787,323)

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
NOTES TO SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
UNAUDITED
YEAR ENDED DECEMBER 31, 2009

1. EXPLANATION OF BUDGETARY PROCESS

The County prepares annual budgets for the general fund, the debt service fund and the following major special revenue funds: Transportation Trust Fund, Public Mass Transit Fund and the Convention and Recreation Trust Fund. Other nonmajor special revenue funds for which the County adopts annual budgets are the Police Air Support Program, the Assessment Fund, Sewer Lateral Fund, Water Service Line Fund and the Solid Waste Management Fund.

The County follows the procedures outlined below in accordance with Article VIII of the St. Louis County Charter in establishing the budgetary data reflected in the basic financial statements:

1. The County Executive submits to the County Council a proposed operating budget for the fiscal year commencing on the following January 1. The operating budget for each fund includes proposed expenditures which are not to exceed the lesser of: (1) the estimated income and revenue of the fund for the budget year or (2) the estimated income and revenue of the fund for the fiscal year immediately preceding the budget year, plus any unencumbered cash balance at the end of the fiscal year immediately preceding the budget year. Additionally, the County adopts project length budgets for major capital improvements.
2. Public hearings are conducted to afford taxpayers an opportunity to be heard on the proposed budget.
3. The budget is adopted with or without amendments by the County Council by the affirmative vote of a majority of the members of the County Council on or before the last day preceding the budget year. If the County Council does not adopt the budget by that date, the amounts appropriated for current operations for the current fiscal year will be considered appropriated for the budget year on a monthly pro rata basis until the County Council adopts a budget.
4. The legal level of control at which actual expenditures may not exceed budgeted expenditures is at the department level (General Government, Highways and Traffic, Health, and Parks and Recreation) within the general fund and at the fund level for all other budgeted fund types. If recommended by the County Executive, the County Council may, by ordinance during any fiscal year, make supplemental or emergency appropriations from available income, and transfer appropriations between departments at the general fund level and between funds for all other budgeted fund types. The County Executive may, by executive order, transfer appropriations within any department of the general fund or within any other budgeted fund types during the fiscal year. These transfers must be reported to, but do not require the approval of, the County Council.

Budgeted amounts as reflected in the schedule of revenues, expenditures and changes in fund balances - budget and actual are as originally adopted and as amended by County ordinances. Supplemental appropriations for 2009 amounted to \$48,744,810. Revised budgets, as approved, are presented in the schedule of revenues, expenditures and changes in fund balances - budget and actual - General Fund by fund and department. In addition, the County

ST. LOUIS COUNTY, MISSOURI
NOTES TO SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
UNAUDITED
YEAR ENDED DECEMBER 31, 2009
(Continued)

adopts budgets for each office and category (line item) level of expenditure for management control purposes only. There were no budget overages by fund or department of expenditures during the year ended December 31, 2009. The hierarchy of budgetary control for management purposes only is as follows:

Transfers within departments of the General fund or transfers within other budgeted fund types of:

- \$1,000 or less require approval by the Budget Director,
- more than \$1,000 require approval by the County Executive.

The County's budgetary process is based upon accounting for certain transactions on a basis other than GAAP. To provide a meaningful comparison of actual results with the budget, the actual results of operations are presented in the schedule of revenues, expenditures and changes in fund balances - budget and actual in accordance with the budget basis of accounting.

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

- a. Commitments for goods and services are encumbered (budget) and recorded as budgetary expenditures as opposed to when the liability is incurred (GAAP).
- b. Certain expenditures are recorded when paid (budget) rather than when the liability is incurred (GAAP). Expenditures budgeted on a cash basis are compensated absences, central service charges, certain debt service payments, and certain accounts payable. Other expenditures are budgeted on a modified accrual basis.

2. RECONCILIATION OF NET CHANGE IN FUND BALANCES - GAAP BASIS AND NET CHANGE IN FUND BALANCES - BUDGET BASIS

	General Fund	Transportation Trust	Public Mass Transit	Convention and Recreation Trust
Net change in fund balances - GAAP Basis	\$ (10,548,636)	\$ (4,720,478)	\$ 325,497	\$ (2,000,855)
Increase (decrease) due to:				
Current year encumbrances	(9,229,364)			
Payment of prior year encumbrances	7,327,697			
Refunded bond	26,980,000			
Payment on refunded bond	183,453			
Bond issuance	(34,185,000)			
Premium on bond issuance	(749,232)			
Bond issuance cost	384,664			
Payment to Community Improvement District	6,782,603			
Inventories	(500,552)			
Accrued liabilities	(181,721)			
Accrued central service charges	1,770,568	11,358		
Net change in fund balances - budget basis	<u>\$ (11,965,520)</u>	<u>\$ (4,709,120)</u>	<u>\$ 325,497</u>	<u>\$ (2,000,855)</u>

ST. LOUIS COUNTY, MISSOURI
SCHEDULE OF FUNDING PROGRESS
UNAUDITED
YEAR ENDED DECEMBER 31, 2009

COUNTY EMPLOYEE'S RETIREMENT PLAN

The following required supplementary information relates to the St. Louis County, Missouri County Employee Retirement defined benefit pension plan:

Civilian:

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability—Projected Unit Credit (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c)
1/1/09	\$ 302,692,760	\$ 450,066,130	\$147,373,370	67.3%	\$ 141,470,278	104.2%
1/1/08	362,463,111	437,420,517	74,957,406	82.9	134,444,417	55.8
1/1/07	332,767,729	415,922,455	83,154,728	80.0	130,243,712	63.8

Police:

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability—Projected Unit Credit (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a)/c)
1/1/09	\$ 97,656,436	\$ 152,179,275	\$ 54,522,839	64.2%	\$ 44,578,698	122.3%
1/1/08	118,137,181	147,960,547	29,823,366	79.8	40,802,269	73.1
1/1/07	109,752,101	142,213,016	32,460,915	77.2	38,989,297	83.3

During 2009, the County extended the amortization period for the amortization of unfunded liability from 15 to 30 years. A portion of the increase in the UAAL for the Civilian and Police plan reflected in the tables above can be attributed to this change.

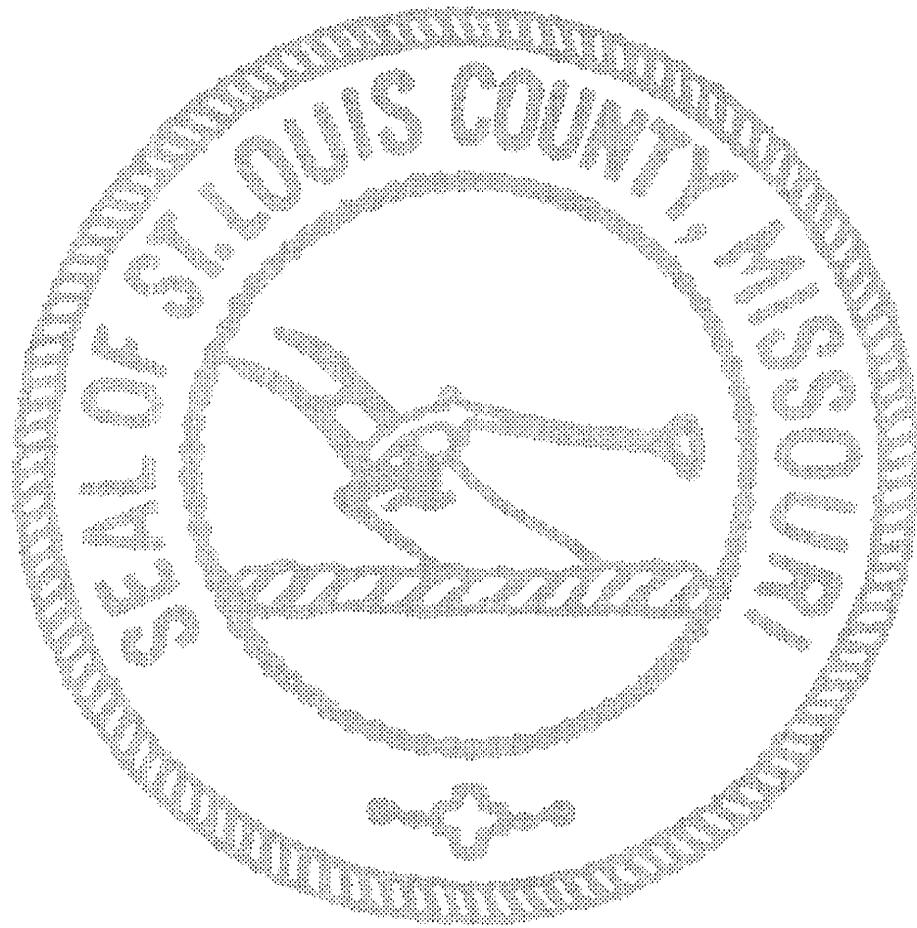
**ADDITIONAL
SUPPLEMENTARY
INFORMATION**

St. Louis County, Missouri

Additional Supplementary Information

This information includes combining financial statements as well as budgetary comparison schedules for those nonmajor funds with an annually adopted budget.

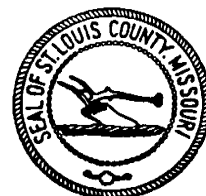




St. Louis County, Missouri

General Fund

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Four separate departments of this fund are used to reflect the operations of the County's financial administration and organization as currently required by ordinance.



ST. LOUIS COUNTY, MISSOURI
COMBINING BALANCE SHEET BY DEPARTMENT
GENERAL FUND
DECEMBER 31, 2009

<u>ASSETS</u>	<u>General Government</u>	<u>Department of Highways and Traffic</u>	<u>Department of Health</u>	<u>Department of Parks and Recreation</u>	<u>Eliminations</u>	<u>Total</u>
EQUITY IN POOLED CASH AND INVESTMENTS	\$42,688,644	\$8,286,793	\$29,354,164	\$3,874,229		\$84,203,830
CASH AND INVESTMENTS	24,127,755	9,384,180	13,646,435	4,272,485		51,430,855
RECEIVABLES, net of allowance for uncollectibles:						
Taxes:						
Property	12,237,001	6,363,801	9,901,327	2,615,727		31,117,856
Sales	5,172,344	296,816		1,376,752		6,845,912
Utilities gross receipts	5,323,676					5,323,676
Interest	162,398	41,823	120,044	14,347		338,612
Intergovernmental	165,423	1,838,285				2,003,708
Other	2,935,875	892,358	182,152	39,688		4,050,073
Net receivables	25,996,717	9,433,083	10,203,523	4,046,514		49,679,837
DUE FROM OTHER FUNDS	7,866,563	20,252	621,821	83,396	(\$6,396,037)	2,195,995
INVENTORIES		1,687,065				1,687,065
Total assets	<u>\$100,679,679</u>	<u>\$28,811,373</u>	<u>\$53,825,943</u>	<u>\$12,276,624</u>	<u>(\$6,396,037)</u>	<u>\$189,197,582</u>
<u>LIABILITIES AND FUND BALANCES</u>						
LIABILITIES:						
Accounts payable and accrued liabilities	\$2,491,536	\$979,718	\$1,356,882	\$809,061		\$5,637,197
Accrued salaries	7,004,552	1,188,463	1,072,252	563,883		9,829,150
Accrued interest	71,568					71,568
Due to other taxing units		11,546,010				11,546,010
Note payable	25,106,000					25,106,000
Due to other funds		2,587,079	2,421,134	1,387,824	(\$6,396,037)	
Deferred revenue:						
Property taxes	11,299,188	1,401,577	9,156,738	2,374,501		24,232,004
Other	2,684,559	120,325				2,804,884
Total liabilities	<u>48,657,403</u>	<u>17,823,172</u>	<u>14,007,006</u>	<u>5,135,269</u>	<u>(6,396,037)</u>	<u>79,226,813</u>
FUND BALANCES:						
Reserved for:						
Encumbrances	7,441,644	1,913,800	2,223,966	910,571		12,489,981
Inventories		1,687,065				1,687,065
Unreserved:						
Designated for subsequent years expenditures	13,337,898	3,874,200	13,662,183	3,748,614		34,622,895
Undesignated	31,242,734	3,513,136	23,932,788	2,482,170		61,170,828
Total fund balances	<u>52,022,276</u>	<u>10,988,201</u>	<u>39,818,937</u>	<u>7,141,355</u>		<u>109,970,769</u>
Total liabilities and fund balances	<u>\$100,679,679</u>	<u>\$28,811,373</u>	<u>\$53,825,943</u>	<u>\$12,276,624</u>	<u>(\$6,396,037)</u>	<u>\$189,197,582</u>

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BY DEPARTMENT
GENERAL FUND
YEAR ENDED DECEMBER 31, 2009

	<u>General Government</u>	<u>Department of High- ways and Traffic</u>	<u>Department of Health</u>	<u>Department of Parks and Recreation</u>	<u>Eliminations</u>	<u>Total</u>
REVENUES:						
Taxes:						
Property	\$47,258,873	\$7,991,391	\$37,576,928	\$11,923,146		\$104,750,338
Sales	34,434,326	1,976,019		8,595,398		45,005,743
Utilities gross receipts	33,495,198					33,495,198
	115,188,397	9,967,410	37,576,928	20,518,544		183,251,279
Licenses and permits	7,840,176	460,196	3,649,825			11,950,197
Assessment and tax collection fees	22,471,564					22,471,564
Fines and forfeitures	3,791,073	1,565	204,980			3,997,618
Investment earnings	586,326	76,682	300,045	56,183		1,019,236
Rents and concessions	1,316,308	70,584		1,525,491		2,912,383
Intergovernmental	5,878,263	9,459,506	798,525			16,136,294
Charges for services	32,744,141	94,634	6,148,021	742,902		39,729,698
Fees	3,002,149	2,562,026				5,564,175
Other	12,124,486	900,810	453,298	517,720	(\$8,353,559)	5,642,755
Total revenues	204,942,883	23,593,413	49,131,622	23,360,840	(8,353,559)	292,675,199
EXPENDITURES:						
	223,082,167	45,972,745	46,526,970	24,177,528	(8,353,559)	331,405,851
Excess of revenues over (under) expenditures	(18,139,284)	(22,379,332)	2,604,652	(816,688)		(38,730,652)
OTHER FINANCING SOURCES (USES):						
Transfers in	8,100	20,872,950	208,094			21,089,144
Transfers out	(761,360)			(100,000)		(861,360)
Refunded certificates of participation	(26,980,000)					(26,980,000)
Bond issuance	34,185,000					34,185,000
Premium on bond issuance	749,232					749,232
Net change in fund balances	(10,938,312)	(1,506,382)	2,812,746	(916,688)		(10,548,636)
FUND BALANCE:						
Beginning of year	62,960,588	12,494,583	37,006,191	8,058,043		120,519,405
End of year	\$52,022,276	\$10,988,201	\$39,818,937	\$7,141,355		\$109,970,769

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
 SCHEDULE OF DEPARTMENT EXPENDITURES BY
 CATEGORY - BUDGET BASIS
 GENERAL FUND
 UNAUDITED
 YEAR ENDED DECEMBER 31, 2009

	Original Budget	Revised Budget	Salaries and Fringe Benefits	Purchased Services and Other Charges	Capital Outlay	Total	Unexpended Budget
GENERAL GOVERNMENT:							
County Council:							
Administration	\$1,064,541	\$1,064,541	\$894,825	\$79,417	\$1,758	\$976,000	\$88,541
County Clerk	367,003	367,003	314,682	28,247		342,929	24,074
County Auditor	389,844	389,844	205,202	120,247		325,449	64,395
Total	1,821,388	1,821,388	1,414,709	227,911	1,758	1,644,378	177,010
Board of Election Commission:							
Administration	5,324,878	5,269,053	4,334,230	463,558	54,616	4,852,404	416,649
Expense Transfer and Reimbursement	(116,628)	(116,628)				(137,809)	21,181
Intermediate Registration	97,100	197,100		178,168		178,168	18,932
State Elections				(22,272)		(22,272)	22,272
County Elections	500,000	804,128		713,704		713,704	90,424
Total	5,805,350	6,153,653	4,334,230	1,333,158	54,616	5,584,195	569,458
Public Administrator:							
	854,600	854,600	702,107	42,422	3,948	748,477	106,123
County Executive - Administration:							
	2,115,766	1,994,997	1,495,580	446,365	3,398	1,945,343	49,655
Expense Transfer and Reimbursement	(120,770)	(1)					(1)
Total	1,994,996	1,994,996	1,495,580	446,365	3,398	1,945,343	49,654
County Counselor:							
Other Offices:							
University of Missouri Extension Center	163,805	163,805	105,660	38,396	2,894	146,950	16,855
Special Projects	390,685	390,685		383,875		383,875	6,810
Fire Standards Commission	149,681	160,681	139,780	7,094	7,796	154,670	6,011
Boundary Commission	188,222	188,222	67,786	43,370		111,156	77,066
Economic Council	2,754,664	2,754,664		2,754,664		2,754,664	
Total	3,647,057	3,658,057	313,226	3,227,399	10,690	3,551,315	106,742
Administration:							
Director of Administration	2,271,848	2,322,822	1,455,689	364,668	239,162	2,059,519	263,303
Expense Transfer and Reimbursement	(51,800)						
Fiscal Management	2,155,092	1,827,559	1,335,443	418,516	8,481	1,762,440	65,119
CAPS	1,772,161	2,054,142	277,577	1,641,373		1,918,950	135,192
Customer Service							
Information Technology	5,285,453	5,331,005	490,938	4,415,132	40,813	4,946,883	384,122
Expense Transfer and Reimbursement	(1,333,940)	(1,333,940)				(1,429,905)	95,965
Personnel	1,872,741	1,872,741	1,357,639	361,633	8,917	1,728,189	144,552
Procurement and Admin Services	2,674,850	2,674,850	1,669,975	806,324	39,416	2,515,715	159,135
Total	14,646,405	14,749,179	6,587,261	8,007,646	336,789	13,501,791	1,247,388
Planning:							
	2,169,844	2,169,844	1,608,460	181,829	8,614	1,798,903	370,941
Expense Transfer and Reimbursement	(138,942)	(138,942)					(138,942)
Total	2,030,902	2,030,902	1,608,460	181,829	8,614	1,798,903	231,999
Public Works:							
Administration	1,852,557	1,589,659	992,872	351,005	169,055	1,512,932	76,727
Expense Transfer and Reimbursement	(366,464)						
Facilities Management	16,589,220	16,585,654	4,769,104	11,339,300	68,453	16,176,857	408,797
Expense Transfer and Reimbursement	(57,000)	(57,000)				(24,340)	(32,660)
Design and Construction	1,717,704	1,772,704	599,387	905,476		1,504,863	267,841
Building Inspections	6,805,252	6,705,252	5,744,181	490,814		6,234,995	470,257
Building Permits	2,795,033	2,766,080	2,644,116	59,864	3,290	2,707,270	58,810
Expense Transfer and Reimbursement	(28,953)						
Business Assistance Center	214,649	214,649	59,483	2,144		61,627	153,022
Neighborhood Preservation	3,326,350	3,279,199	2,591,664	354,736	31,189	2,977,589	301,610
Expense Transfer and Reimbursement	(823,951)	(776,800)				(1,025,288)	248,488
Total	32,024,397	32,079,397	17,400,807	13,503,339	271,987	30,126,505	1,952,892

(Continued)

Expenditures by Category - Budget Basis

	Original Budget	Revised Budget	Salaries and Fringe Benefits	Purchased Services and Other Charges	Capital Outlay	Total	Unexpended Budget
Garage Operations:							
Garage Operations	2,589,657	2,729,657	382,955	2,256,927	4,130	2,644,012	85,645
Expense Transfer and Reimbursement	(1,607,112)	(1,607,112)				(1,605,436)	(1,676)
Total	982,545	1,122,545	382,955	2,256,927	4,130	1,038,576	83,969
Revenue:							
Collector of Revenue	3,426,590	3,358,640	2,055,371	1,067,878	27,960	3,151,209	207,431
Expense Transfer and Reimbursement	(67,950)						
Land Information Services	757,876	757,876	614,917	51,572	1,190	667,679	90,197
Expense Transfer and Reimbursement	(34,132)	(34,132)					(34,132)
Recorder of Deeds	1,584,879	1,584,879	1,333,725	74,438		1,408,163	176,716
Director of Revenue	632,437	632,437	598,765	22,423		621,188	11,249
Total	6,299,700	6,299,700	4,602,778	1,216,311	29,150	5,848,239	451,461
Emergency Fund:	5,395,282	5,091,154					5,091,154
Total General Government	78,249,088	78,602,037	41,358,913	30,598,365	726,642	68,461,142	10,140,896
Public Safety:							
County Municipal Courts	2,170,436	2,183,445	1,284,050	567,722	8,893	1,860,665	322,780
Judicial Administration:							
Court en Banc	2,830,531	2,830,531	1,086,912	917,650	119,558	2,124,120	706,411
Sheriff	5,033,245	5,033,245	4,370,844	364,256	35,279	4,770,379	262,866
Circuit Clerk	2,471,504	2,471,504	323,430	797,733	7,561	1,128,724	1,342,780
Family Court Administration	14,423,405	14,443,405	12,883,286	1,201,331	21,425	14,106,042	337,363
Total	24,758,685	24,778,685	18,664,472	3,280,970	183,823	22,129,265	2,649,420
Prosecuting Attorney:	8,537,959	8,537,959	7,787,850	363,554	16,586	8,167,990	369,969
Expense Transfer and Reimbursement	(49,216)	(49,216)					(49,216)
Total	8,488,743	8,488,743	7,787,850	363,554	16,586	8,167,990	320,753
Police:							
Administration	1,881,754	2,217,254	1,566,826	644,907		2,211,733	5,521
Emergency Management	920,307	1,038,107	838,706	167,602		1,006,308	31,799
Bureau of Security Services	4,238,728	4,101,166	4,007,040	37,413	5,383	4,049,836	51,330
Expense Transfer and Reimbursement	(437,462)						
Division of Patrol	45,026,565	46,232,565	38,312,335	5,869,406	2,027,925	46,209,666	22,899
Helicopter Operations	620,806	651,606	539,243	60,000		599,243	52,363
Division of Special Operations	5,846,029	5,844,604	5,253,430	278,671	3,129	5,535,230	309,374
Division of Criminal Investigations	9,316,812	9,470,098	8,693,150	538,356	1,022	9,232,528	237,570
Expense Transfer and Reimbursement	(186,614)						
Bureau Criminal ID	5,809,480	6,033,980	5,079,475	788,973	9,611	5,878,059	155,921
Expense Transfer and Reimbursement							
Division of Operational Support	13,185,138	12,983,958	9,696,401	2,750,159		12,446,560	537,398
Expense Transfer and Reimbursement	(50,691)	50,689					50,689
Police Academy	1,202,564	1,209,464	746,676	437,907		1,184,583	24,881
Total	87,373,416	89,833,491	74,733,282	11,573,394	2,047,070	88,353,746	1,479,745
Justice Services:							
Operations	3,857,684	3,904,084	1,768,031	2,023,976	65,082	3,857,089	46,995
Justice Services Security	17,104,169	17,064,169	15,911,604	368,249	500	16,280,353	783,816
Corrections	997,659	996,459	886,316	87,437		973,753	22,706
Administration	1,831,290	1,826,090	1,106,200	645,351		1,751,551	74,539
Total	23,790,802	23,790,802	19,672,151	3,125,013	65,582	22,862,746	928,056
Total Public Safety	146,582,082	149,075,166	122,141,805	18,910,653	2,321,954	143,374,412	5,700,754

(Continued)

ST. LOUIS COUNTY, MISSOURI
SCHEDULE OF DEPARTMENT EXPENDITURES BY
CATEGORY - BUDGET BASIS
GENERAL FUND
UNAUDITED
YEAR ENDED DECEMBER 31, 2009

Expenditures by Category - Budget Basis

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Salaries and Fringe Benefits</u>	<u>Purchased Services and Other Charges</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Unexpended Budget</u>
Human Services:							
County Older Residents	1,208,917	1,166,302	972,526	135,208	4,386	1,112,120	54,182
County Youth Programs	675,322	675,322	493,189	40,219	2,457	535,865	139,457
Expense Transfer and Reimbursement	(25,000)	(25,000)					(25,000)
Office of Veterans Services	255,045	213,275	197,576	8,023	1,759	207,358	5,917
Expense Transfer and Reimbursement	(41,771)	(1)					(1)
Lakeside Center	3,374,566	3,404,066	2,910,438	305,944	17,074	3,233,456	170,610
Program Development	76,454	76,454	57,579	1,266		58,845	17,609
Women and Children Services	966,791	966,791	698,105	160,534	898	859,537	107,254
Expense Transfer and Reimbursement	(610,880)	(610,880)				(606,246)	(4,634)
Homeless Services	290,149	290,149	174,760	12,842	1,746	189,348	100,801
Expense Transfer and Reimbursement	(62,274)	(62,274)					(62,274)
Administration	855,726	898,341	695,540	199,895	2,664	898,099	242
Expense Transfer and Reimbursement	(334,736)	(334,736)				(389,737)	55,001
Total Human Services	6,628,309	6,657,809	6,199,713	863,931	30,984	6,098,645	559,164
Total General Government Functions	231,459,479	234,335,012	169,700,431	50,372,949	3,079,580	217,934,199	16,400,814
HIGHWAYS AND TRAFFIC:							
General:							
Administration	\$5,326,768	\$4,911,169	\$1,387,255	\$2,804,670	\$162,736	\$4,354,661	\$556,508
Expense Transfer and Reimbursement	(428,331)	1					1
Planning	2,332,592	2,327,778	1,972,653	47,992		2,020,645	307,133
Expense Transfer and Reimbursement	(900,976)	(896,162)				(807,342)	(88,820)
Civil Plan Review	953,291	953,291	791,852	15,903		807,755	145,536
Expense Transfer and Reimbursement	(543,546)	(543,546)				(485,127)	(58,419)
Total	6,739,798	6,752,531	4,151,760	2,868,565	162,736	5,890,592	861,939
County Roads:							
Operations	17,369,264	17,630,979	9,143,006	6,728,570	555,712	16,427,288	1,203,691
Expense Transfer and Reimbursement	(23,600)	(23,600)				(2,719)	(20,881)
Construction	2,341,993	2,341,993	1,886,084	128,157	30,567	2,044,808	297,185
Design	486,160	486,160	372,882	15,030		387,912	98,248
Total	20,173,817	20,435,532	11,401,972	6,871,757	586,279	18,857,289	1,578,243
Arterial Roads:							
Operations	13,984,445	14,048,797	5,818,001	5,634,280	1,392,121	12,844,402	1,204,395
Expense Transfer and Reimbursement						(2,630)	2,630
Construction	4,958,424	4,958,424	4,283,097	163,852	72,027	4,518,976	439,448
Planning	896,163	839,663		807,342		807,342	32,321
Design	1,567,456	1,568,644	1,474,035	57,159		1,531,194	37,450
Expense Transfer and Reimbursement	(90,312)						
Civil Plan Review	543,546	508,546		485,127		485,127	23,419
Total	21,859,722	21,924,074	11,575,133	7,147,760	1,464,148	20,184,411	1,739,663
Fleet Management:							
Fleet Management			2,452,255	5,200,549	163,399	7,816,203	(7,816,203)
Expense Transfer and Reimbursement						(7,273,713)	7,273,713
Total			2,452,255	5,200,549	163,399	542,490	(542,490)
Total Highways and Traffic	48,773,337	49,112,137	29,581,120	22,088,631	2,376,562	45,474,782	3,637,355

(Continued)

Expenditures by Category - Budget Basis

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Salaries and Fringe Benefits</u>	<u>Purchased Services and Other Charges</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Unexpended Budget</u>
HEALTH:							
Health Administration:							
Executive Administration	6,555,896	6,242,690	925,244	4,326,915	25,166	5,277,325	965,365
Expense Transfer and Reimbursement	(200,000)	(200,000)				(338,663)	138,663
Fiscal Services	1,142,168	1,152,168	953,303	119,206		1,072,509	79,659
Personnel	387,056	387,056	223,002	84,809		307,811	79,245
Pharmacy	4,961,594	4,961,594	106,757	4,501,642		4,608,399	353,195
Medical Records	629,717	629,717	466,733	107,699	3,196	577,628	52,089
Total	13,476,431	13,173,225	2,675,039	9,140,271	28,362	11,505,009	1,668,216
Health Research							
Expense Transfer and Reimbursement	2,275,937	2,318,937	391,373	1,273,112	352,698	2,017,183	301,754
Nutrition						(1,338)	1,338
Vital Records	263,126	263,126	125,819	5,795		131,614	131,512
Dental Services	337,291	337,291	196,547	85,155	12,500	294,202	43,089
Communicable Disease Control	1,355,443	1,355,443	972,964	235,154	12,858	1,220,976	134,467
Expense Transfer and Reimbursement	1,421,512	1,871,512	861,957	64,824		926,781	944,731
Health Education	(271,386)	(271,386)					(271,386)
Expense Transfer and Reimbursement	670,838	670,838	569,449	40,316		609,765	61,073
Corrections Medicine	(30,000)	(30,000)					(30,000)
Total	5,324,949	5,324,949	4,002,900	975,260		4,978,160	346,789
Total	11,347,710	11,840,710	7,121,009	2,679,616	378,056	10,177,343	1,663,367
Environmental Protection:							
Administration	378,584	379,084	287,530	47,164		334,694	44,390
Air Pollution Control	529,062	529,062	233,287	34,804	50,332	318,423	210,639
Sanitation Services	2,183,718	2,184,218	1,779,835	68,691		1,848,526	335,692
Waste Management	907,557	1,359,507	733,508	474,660		1,208,168	151,339
Expense Transfer and Reimbursement	(500,000)	(500,000)				(438,901)	(61,099)
Milk Inspection	523,419	522,419	448,212	20,000	37,843	506,055	16,364
Veterinary Services	2,195,693	2,195,693	1,309,466	328,194	74,077	1,711,737	483,956
Vector Control	775,000	775,000	345,948	156,135	61,262	563,345	211,655
Environmental Health Lab	1,615,628	1,615,628	1,123,821	194,687		1,318,508	297,120
Expense Transfer and Reimbursement	(34,528)	(34,528)					(34,528)
Lead Poisoning Prevention	239,402	239,502	131,623	21,590		153,213	86,289
Expense Transfer and Reimbursement	(35,000)	(35,000)					(35,000)
Neighborhood Preservation	800,375	1,031,631		1,022,785		1,022,785	8,846
Total	9,578,910	10,262,216	6,393,230	2,368,710	223,514	8,546,553	1,715,663

(Continued)

ST. LOUIS COUNTY, MISSOURI
 SCHEDULE OF DEPARTMENT EXPENDITURES BY
 CATEGORY - BUDGET BASIS
 GENERAL FUND
 UNAUDITED
 YEAR ENDED DECEMBER 31, 2009

	Original Budget	Revised Budget	Salaries and Fringe Benefits	Purchased Services and Other Charges	Capital Outlay	Total	Unexpended Budget
Other Offices:							
County Print Shop	581,748	581,748	307,234	231,564		538,798	42,950
Expense Transfer and Reimbursement	(430,000)	(430,000)				(391,838)	(38,162)
Medical Examiner	1,690,148	1,690,148	1,391,933	257,186	4,883	1,654,002	36,146
Division of Health Services	7,180,478	7,180,378	288,290	6,721,473		7,009,763	170,615
Community Health Nursing	1,006,818	1,006,818	735,209	29,032		764,241	242,577
Total	10,029,192	10,029,092	2,722,666	7,239,255	4,883	9,574,966	454,126
Ambulatory Care:							
Murphy Health Center	2,475,022	2,594,522	1,796,932	301,602		2,098,534	495,988
South County Health Center	2,076,342	2,176,342	1,555,266	339,730	665	1,895,661	280,681
North Central Health Center	3,716,714	3,732,214	2,687,999	485,313		3,173,312	558,902
Total	8,268,078	8,503,078	6,040,197	1,126,645	665	7,167,507	1,335,571
Total Health	52,700,321	53,808,321	24,952,141	22,554,497	635,480	46,971,378	6,836,943
PARKS AND RECREATION:							
Administration	4,816,855	4,763,505	1,253,361	2,710,422	94,622	4,058,405	705,100
Operational Services	2,117,501	2,082,247	1,028,676	253,655	482,641	1,764,972	317,275
North Area	1,634,856	1,676,181	1,326,625	186,917		1,513,542	162,639
Central/West Area	1,834,373	1,831,925	1,492,022	198,157		1,690,179	141,746
South Area	2,380,732	2,461,720	2,015,296	340,918		2,356,214	105,506
Laumeier Sculpture Park	683,234	685,484	439,353	196,394		635,747	49,737
Program Services	3,199,734	3,199,734	2,219,838	327,540	114,089	2,661,467	538,267
Greensfelder Complex	863,553	863,553	534,077	186,686		720,763	142,790
Afton Community Center	463,276	463,276	329,023	88,407		417,430	45,846
North County Complex	953,612	953,612	467,157	172,338		639,495	314,117
W. C. Kennedy Complex	799,089	799,089	517,483	187,106		704,589	94,500
Museum of Transport	828,086	896,594	570,724	219,635		790,359	106,235
St. Vincent Community Center	653,509	653,509	388,601	91,328		479,929	173,580
Faust Park	905,560	910,710	744,668	120,361		865,029	45,681
Metro Parks Tax Projects	5,136,790	5,335,790	1,536,729	2,664,782	203,432	4,404,943	930,847
Total Parks and Recreation	27,270,760	27,576,929	14,863,633	7,944,646	894,784	23,703,063	3,873,866
Total General Fund by Function and Department	\$360,203,897	\$364,832,399	\$239,097,325	\$102,960,723	\$6,986,406	\$334,083,422	\$30,748,977

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
RECONCILIATION OF GENERAL FUND EXPENDITURES -
BUDGET BASIS TO MODIFIED ACCRUAL (GAAP) BASIS
YEAR ENDED DECEMBER 31, 2009

	<u>General Government</u>	<u>Department of High- ways and Traffic</u>	<u>Department of Health</u>	<u>Department of Parks and Recreation</u>	<u>Total Prior to Eliminations</u>	<u>Eliminations</u>	<u>Total</u>
Budget basis expenditures	217,934,199	45,474,782	46,971,378	23,703,063	\$334,083,422		\$334,083,422
Less current year encumbrances not outstanding at January 1, 2009	(3,949,355)	(1,978,597)	(2,123,423)	(1,177,989)	(9,229,364)		(9,229,364)
Less expenditures reclassified to operating transfers out	(761,360)			(100,000)	(861,360)		(861,360)
Plus payment of prior year encumbrances	2,983,070	2,564,365	397,869	1,382,393	7,327,697		7,327,697
Bond issuance costs	384,664				384,664		384,664
Payment to Community Improvement District	6,782,603				6,782,603		6,782,603
Payment on refunded bonds	183,453				183,453		183,453
(Increase) decrease in:							
Inventories		(500,552)			(500,552)		(500,552)
Increase (decrease) in:							
Accrued liabilities	(475,107)	128,299	281,437	(116,350)	(181,721)		(181,721)
Accrued central service charges		284,448	999,709	486,411	1,770,568		1,770,568
Eliminations						(\$8,353,559)	(8,353,559)
Modified accrual (GAAP) basis expenditures	\$223,082,167	\$45,972,745	\$46,526,970	\$24,177,528	\$339,759,410	(\$8,353,559)	\$331,405,851

See accompanying independent auditors' report.

Combining Statements – Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Grants – used to account for assistance from federal and state programs or agencies. These funds are operated by expending monies received from the granting agencies in accordance with the specific terms of the grant agreements. The fund titles indicate the nature of each grant program.

Other – Other Special Revenue Funds are comprised of the following:

Police Air Support Program – used to account for the activities of the Air Support Unit which provides helicopter aerial patrols and support for the St. Louis region.

Election Board Revolving Fund – used to account for advances to conduct local elections which are to be reimbursed by the participating political subdivision.

Election Service Fund – used for support of training programs and purchase of additional supplies or equipment to improve the conduct of elections in St. Louis County.

Road and Bridge FAU Fund – used to account for reimbursements of expenditures for improvements to roads and bridges under Federal Aid Urban.

Domestic Violence – used for financial assistance of shelters from designated fees collected by the Recorder of Deeds and from special court costs.

Emergency Telephone Tax – used for the financial management of the operation of the emergency telephone service in St. Louis County.

Health and Hospital Premises – used to account for sale proceeds of the County Hospital to be used for capital improvements for the Department of Health.

Assessment Fund – used to record the financial activity of the assessor as required by state statute.

Federal Asset Sharing Fund – used to record the proceeds from the equitable sharing of Federally forfeited property and the related eligible expenditures under the Federal Asset Forfeiture program.



Combining Statements – Nonmajor Governmental Funds

Records Preservation Fund – used for record storage, microfilming, and preservation from a portion of fees collected by the Recorder of Deeds on all recorded instruments pursuant to RSMo 59.319.

Prosecuting Attorney – used to account for revenues to provide additional training for the Prosecuting Attorney and staff as well as offset administrative costs for the collection of bad checks.

Sewer Lateral Fund – used for the recording of Sewer Lateral fees imposed on all residential property located within unincorporated St. Louis County having six or less dwelling units, to fund repairs of defective lateral sewer service lines.

Water Service Line Fund – used for recording of water service lines fees imposed on all residential water bills located within unincorporated St. Louis County having four or fewer dwelling units, to fund repairs of defective water lines from the water main to the residence.

Solid Waste Management – used for the recording of annual licensing fees and surcharges on waste deposited at sanitary and demolition landfills.

Homeless Families Fund – used for the financial assistance of agencies providing assistance to homeless families from designated fees (three dollars) collected by the Recorder of Deeds on all recorded instruments.

Police Academy – used to account for the activities of the Academy including specialized police training for County and municipal participants.

County Stormwater – used for the financial management of the stormwater funding agreements with municipalities in St. Louis County and the Metropolitan St. Louis Sewer District.

Family Service and Justice – used to account for revenue collected by increased court costs involving family matters for the support of the operation of Family Court divisions.

Other Taxing Districts – used to account for the revenues and expenditures of redevelopment project areas where tax increment financing was adopted to provide for redevelopment project costs.



Combining Statements – Nonmajor Governmental Funds

Other Funds – used to account for activities of other less significant revenue sources and related expenditures.

Capital Projects Funds

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

Page-Olive Connector – used to account for proceeds from the Special Obligation Notes Series 2009-2 issues for the purpose of providing funds to finance costs in connection with constructing highway improvements within the County. The Page-Olive Connector will link the southern extension of the Maryland Heights Expressway from Page to Highway 141 at Olive Boulevard.

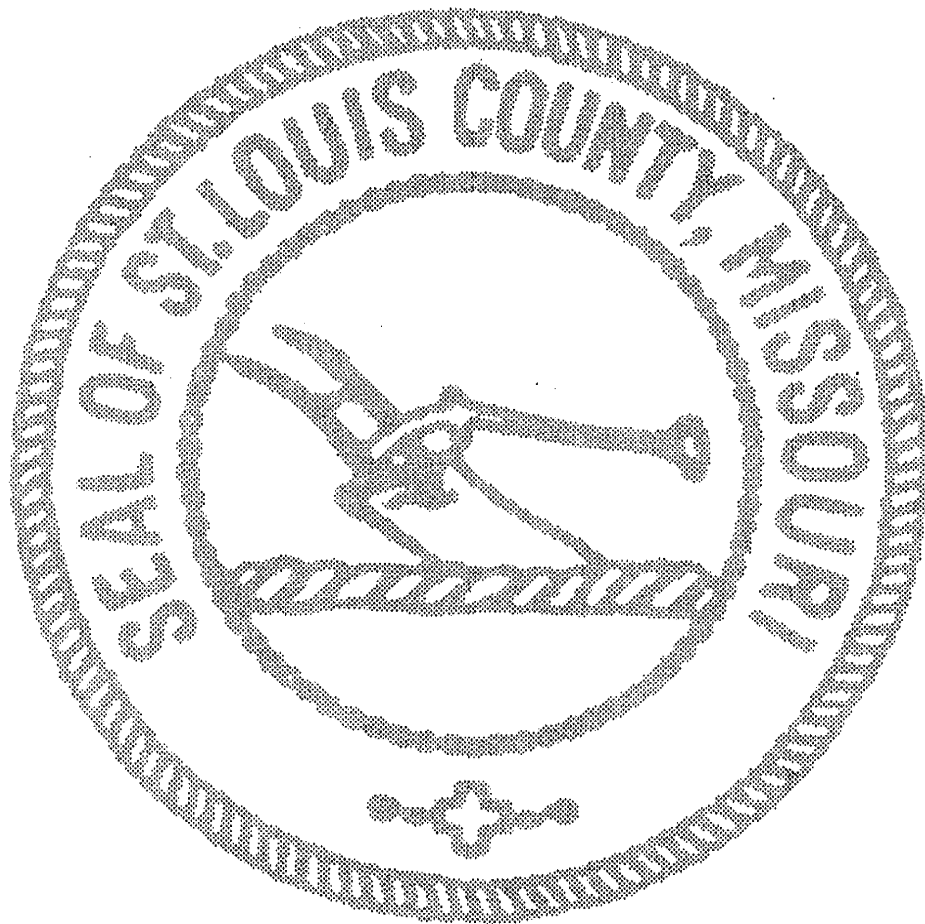
1986 Storm Water Control – used to account for proceeds from the 1986 General Obligation Bond Issue for the purpose of establishing drainage facilities for the control of storm water within the County.

General Government Projects – used to account for the proceeds from Master Lease financing to provide resources for general government projects.

Public Works Capital Renovations – used to account for the proceeds from the Master Lease financing for the purposes of constructing and renovating County properties.

Other Capital Projects – used to account for other miscellaneous capital improvements recorded in five capital project funds.





ST. LOUIS COUNTY, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2009

	Nonmajor Special Revenue Funds			Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	Grants	Other	Total		
ASSETS					
EQUITY IN POOLED CASH AND INVESTMENTS	\$18,033	\$54,975,407	\$54,993,440	\$22,740,695	\$77,734,135
CASH AND INVESTMENTS	16,717	4,762,761	4,779,478	98,591	4,878,069
RECEIVABLES, net of allowance for uncollectibles:					
Taxes:					
Property		136,053	136,053		136,053
Sales		24,402	24,402		24,402
Emergency telephone		241,190	241,190		241,190
Notes and loans	255,229	149,722	404,951		404,951
Interest	149	225,388	225,537	101,930	327,467
Intergovernmental	4,376,582	623,824	5,000,406		5,000,406
Other		1,674,591	1,674,591		1,674,591
Net receivables	4,631,960	3,075,170	7,707,130	101,930	7,809,060
DUE FROM OTHER FUNDS		98,494	98,494		98,494
Total assets	\$4,666,710	\$62,911,832	\$67,578,542	\$22,941,216	\$90,519,758
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
Accounts payable and accrued liabilities	\$2,832,243	\$3,269,538	\$6,101,781	\$396,025	\$6,497,806
Accrued salaries	407,203	416,225	823,428	6,558	829,986
Note payable				20,084,800	20,084,800
Due to other funds	1,158,668	961,629	2,120,297		2,120,297
Deferred revenue:					
Property taxes		41,926	41,926		41,926
Other	13,367	717,808	731,175		731,175
Total liabilities	4,411,481	5,407,126	9,818,607	20,487,383	30,305,990
FUND BALANCES:					
Reserved for:					
Encumbrances		6,862,736	6,862,736	1,458,938	8,321,674
Notes receivable	255,229	149,722	404,951		404,951
Unreserved:					
Designated for subsequent years expenditures		50,495,463	50,495,463	2,376,910	52,872,373
Undesignated		(3,215)	(3,215)	(1,382,015)	(1,385,230)
Total fund balances	255,229	57,504,706	57,759,935	2,453,833	60,213,768
Total liabilities and fund balances	\$4,666,710	\$62,911,832	\$67,578,542	\$22,941,216	\$90,519,758

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2009

	Nonmajor Special Revenue Funds			Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	Grants	Other	Total		
REVENUES:					
Taxes:					
Property		\$587,294	\$587,294		\$587,294
Sales		389,774	389,774		389,774
Emergency telephone		873,226	873,226		873,226
		1,850,294	1,850,294		1,850,294
Assessment and tax collection fees		9,025,865	9,025,865		9,025,865
Investment earnings	\$473	482,569	483,042	\$141,228	624,270
Intergovernmental	40,887,889	16,843,303	57,731,192		57,731,192
Charges for services		2,980,722	2,980,722		2,980,722
Fees		10,223,411	10,223,411		10,223,411
Other	1,208,460	2,232,756	3,441,216		3,441,216
Total revenues	42,096,822	43,638,920	85,735,742	141,228	85,876,970
EXPENDITURES:					
Current:					
General government	15,142,080	22,641,161	37,783,241		37,783,241
Public safety	3,684,303	4,019,799	7,704,102		7,704,102
Human services	16,144,891	1,393,699	17,538,590		17,538,590
Highways and traffic	774,633	11,666,631	12,441,264		12,441,264
Health	5,945,344	2,087,209	8,032,553		8,032,553
Parks and recreation	426,852		426,852		426,852
Debt service:					
Principal retired		850,011	850,011		850,011
Interest and fiscal charges		5,082,044	5,082,044		5,082,044
Capital outlay	728,968	1,277,285	2,006,253	3,886,919	5,893,172
Total expenditures	42,847,071	49,017,839	91,864,910	3,886,919	95,751,829
Excess of revenues over (under) expenditures	(750,249)	(5,378,919)	(6,129,168)	(3,745,691)	(9,874,859)
OTHER FINANCING SOURCES (USES):					
Transfers in	861,360		861,360		861,360
Transfers out	(216,194)		(216,194)		(216,194)
Tax increment financing notes and neighborhood improvement bonds		5,836,017	5,836,017		5,836,017
Net change in fund balances	(105,083)	457,098	352,015	(3,745,691)	(3,393,676)
FUND BALANCES:					
Beginning of year	360,312	57,047,608	57,407,920	6,199,524	63,607,444
End of year	\$255,229	\$57,504,706	\$57,759,935	\$2,453,833	\$60,213,768

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS - GRANTS
DECEMBER 31, 2009

ASSETS	<u>Health Programs</u>	<u>Police Programs</u>	<u>Parks and Recreation</u>	<u>Workforce Development Programs</u>	<u>Community Development Programs</u>	<u>Youth and Seniors Programs</u>	<u>Other Human Services Programs</u>	<u>Family Court</u>	<u>Justice Services Programs</u>	<u>Grant Programs General</u>	<u>Total Nonmajor Special Revenue Funds Grants</u>
EQUITY IN POOLED CASH AND INVESTMENTS							\$18,033				\$18,033
CASH AND INVESTMENTS					\$16,717						16,717
RECEIVABLES:											
Notes and loans					255,229						255,229
Interest					149						149
Intergovernmental	\$997,861	\$366,677	\$83,396	\$1,215,207	1,487,297	\$7,505		\$126,084	\$3,593	\$88,962	4,376,582
Total assets	<u>\$997,861</u>	<u>\$366,677</u>	<u>\$83,396</u>	<u>\$1,215,207</u>	<u>\$1,759,392</u>	<u>\$7,505</u>	<u>\$18,033</u>	<u>\$126,084</u>	<u>\$3,593</u>	<u>\$88,962</u>	<u>\$4,666,710</u>
LIABILITIES AND FUND BALANCES											
LIABILITIES:											
Accounts payable and accrued liabilities	\$207,965	\$244,683		\$1,015,967	\$1,288,931	\$1,404	\$3,199	\$3,822		\$66,272	\$2,832,243
Accrued salaries	168,075	87,902		38,502	78,776	1,394	1,467	30,075	\$1,012		407,203
Due to other funds	621,821	34,092	\$83,396	160,738	136,456	4,707		92,187	2,581	22,690	1,158,668
Deferred revenue - other							13,367				13,367
Total liabilities	<u>997,861</u>	<u>366,677</u>	<u>83,396</u>	<u>1,215,207</u>	<u>1,504,163</u>	<u>7,505</u>	<u>18,033</u>	<u>126,084</u>	<u>3,593</u>	<u>88,962</u>	<u>4,411,481</u>
FUND BALANCES:											
Reserved for:											
Notes receivable					255,229						255,229
Total fund balances					<u>255,229</u>						<u>255,229</u>
Total liabilities and fund balances	<u>\$997,861</u>	<u>\$366,677</u>	<u>\$83,396</u>	<u>\$1,215,207</u>	<u>\$1,759,392</u>	<u>\$7,505</u>	<u>\$18,033</u>	<u>\$126,084</u>	<u>\$3,593</u>	<u>\$88,962</u>	<u>\$4,666,710</u>

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - GRANTS
YEAR ENDED DECEMBER 31, 2009

	<u>Health Programs</u>	<u>Police Programs</u>	<u>Parks and Recreation</u>	<u>Workforce Development Programs</u>	<u>Community Development Programs</u>	<u>Youth and Seniors Programs</u>	<u>Other Human Services Programs</u>	<u>Family Court</u>	<u>Justice Services Programs</u>	<u>Grant Programs General</u>	<u>Total Nonmajor Special Revenue Funds Grants</u>
REVENUES:											
Investment earnings							\$473				\$473
Intergovernmental	\$5,700,015	\$2,558,620	\$214,926	\$15,755,017	14,505,934	\$101,343	\$243,372	\$718,799	\$12,709	1,077,154	40,887,889
Other	801,536		\$114,550		249,086		43,288				1,208,460
Total revenues	6,501,551	2,558,620	329,476	15,755,017	14,755,493	101,343	286,660	718,799	12,709	1,077,154	42,096,822
EXPENDITURES:											
Current:											
General government					14,852,687					289,393	15,142,080
Public safety		2,943,446						726,632	12,709	1,516	3,684,303
Human services				15,755,017		99,939	286,660			3,275	16,144,891
Highways and traffic										774,633	774,633
Health	5,945,344										5,945,344
Parks and recreation			426,852								426,852
Capital outlay	348,114	363,038	2,624		7,889	1,404				5,899	728,968
Total expenditures	6,293,458	3,306,484	429,476	15,755,017	14,860,576	101,343	286,660	726,632	12,709	1,074,716	42,847,071
Excess of revenues over (under) expenditures	208,093	(747,864)	(100,000)		(105,083)			(7,833)		2,438	(750,249)
OTHER FINANCING SOURCES (USES):											
Transfers in		753,527	100,000					7,833			861,360
Transfers out	(208,093)	(5,663)								(2,438)	(216,194)
Net change in fund balances					(105,083)						(105,083)
FUND BALANCES:											
Beginning of year					360,312						360,312
End of year					\$255,229						\$255,229

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS - OTHER
DECEMBER 31, 2009

<u>ASSETS</u>	<u>Police Air Support Program</u>	<u>Election Board Revolving</u>	<u>Election Service Fund</u>	<u>Road and Bridge FAU</u>	<u>Domestic Violence</u>	<u>Emergency Telephone Tax</u>	<u>Health and Hospital Premises</u>	<u>Assessment</u>	<u>Federal Asset Sharing</u>	<u>Records Preservation Fund</u>	<u>Prosecuting Attorney</u>
EQUITY IN POOLED CASH AND INVESTMENTS	\$360,378	\$246,785	\$1,129,685	\$16,146,538	\$518,408	\$62,948	\$604,199	\$6,719,460	\$2,670,440	\$2,123,153	\$1,532,292
CASH AND INVESTMENTS								3,330,219			
RECEIVABLES:											
Taxes:											
Property Sales											
Emergency telephone						241,190					
Notes											
Interest	1,183		5,336	43,909	4,202	416	2,809	27,233	12,315	10,335	7,841
Intergovernmental				623,824							
Other											
Net receivables	1,183		5,336	667,733	4,202	241,606	2,809	27,233	12,315	10,335	7,841
DUE FROM OTHER FUNDS				98,494							
Total assets	<u>\$361,561</u>	<u>\$246,785</u>	<u>\$1,135,021</u>	<u>\$16,912,765</u>	<u>\$522,610</u>	<u>\$304,554</u>	<u>\$607,008</u>	<u>\$10,076,912</u>	<u>\$2,682,755</u>	<u>\$2,133,488</u>	<u>\$1,540,133</u>
<u>LIABILITIES AND FUND BALANCES</u>											
LIABILITIES:											
Accounts payable and accrued liabilities	\$86,202			\$1,185,100		\$29,586		\$94,611	\$111,477	\$6,558	\$2,277
Accrued salaries								338,143		14,726	8,087
Due to other funds		\$250,000						421,031			
Deferred revenue:											
Property taxes											
Other				30,926		190,073					
Total liabilities	<u>86,202</u>	<u>250,000</u>		<u>1,216,026</u>		<u>219,659</u>		<u>853,785</u>	<u>111,477</u>	<u>21,284</u>	<u>10,364</u>
FUND BALANCES:											
Reserved for:											
Encumbrances	1,773			3,175,896				687,148	586,403	32,760	12,455
Notes receivable											
Unreserved:											
Designated for subsequent years expenditures	273,586		1,135,021	12,520,843	522,610	84,895	\$607,008	8,535,979	1,984,875	2,079,444	1,517,314
Undesignated		(3,215)									
Total fund balances	<u>275,359</u>	<u>(3,215)</u>	<u>1,135,021</u>	<u>15,696,739</u>	<u>522,610</u>	<u>84,895</u>	<u>607,008</u>	<u>9,223,127</u>	<u>2,571,278</u>	<u>2,112,204</u>	<u>1,529,769</u>
Total liabilities and fund balances	<u>\$361,561</u>	<u>\$246,785</u>	<u>\$1,135,021</u>	<u>\$16,912,765</u>	<u>\$522,610</u>	<u>\$304,554</u>	<u>\$607,008</u>	<u>\$10,076,912</u>	<u>\$2,682,755</u>	<u>\$2,133,488</u>	<u>\$1,540,133</u>

(continued)

ST. LOUIS COUNTY, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS - OTHER
DECEMBER 31, 2009

<u>ASSETS</u>	<u>Sewer Lateral Fund</u>	<u>Water Service Line Fund</u>	<u>Solid Waste Management</u>	<u>Homeless Families Fund</u>	<u>Police Academy</u>	<u>County Stormwater</u>	<u>Family Service and Justice</u>	<u>Other Taxing Districts</u>	<u>Other Funds</u>	<u>Total Nonmajor Special Revenue Funds Other</u>
EQUITY IN POOLED CASH AND INVESTMENTS	\$6,602,723	\$5,146,474	\$4,750,557	\$2,087,207	\$1,207,642	\$1,250,193	\$94,209	\$588,475	\$1,133,641	\$54,975,407
CASH AND INVESTMENTS	607,825							824,717		4,762,761
RECEIVABLES:										
Taxes:										
Property Sales								136,053		136,053
Emergency telephone								24,402		24,402
Notes			149,722							149,722
Interest	26,536	26,862	25,435	10,418	5,578	7,997	302	1,166	5,515	225,388
Intergovernmental										623,824
Other	280,732	1,132,541	261,318							1,674,591
Net receivables	307,268	1,159,403	436,475	10,418	5,578	7,997	302	161,621	5,515	3,075,170
DUE FROM OTHER FUNDS										98,494
Total assets	<u>\$7,517,816</u>	<u>\$6,305,877</u>	<u>\$5,187,032</u>	<u>\$2,097,625</u>	<u>\$1,213,220</u>	<u>\$1,258,190</u>	<u>\$94,511</u>	<u>\$1,574,813</u>	<u>\$1,139,156</u>	<u>\$62,911,832</u>
<u>LIABILITIES AND FUND BALANCES</u>										
LIABILITIES:										
Accounts payable and accrued liabilities	\$244,230	\$625,548	\$377,544	\$80,467	\$85,632	\$192,329	\$67,243	\$36,984	\$43,750	\$3,269,538
Accrued salaries	7,829	9,494		840	10,843				26,263	416,225
Due to other funds	86,698	189,472							14,428	961,629
Deferred revenue:										
Property taxes								41,926		41,926
Other	207,005	289,804								717,808
Total liabilities	<u>545,762</u>	<u>1,114,318</u>	<u>377,544</u>	<u>81,307</u>	<u>96,475</u>	<u>192,329</u>	<u>67,243</u>	<u>78,910</u>	<u>84,441</u>	<u>5,407,126</u>
FUND BALANCES:										
Reserved for:										
Encumbrances	437,337	851,812	379,009	118,657	22,635	397,607		2,858	156,386	6,862,736
Notes receivable			149,722							149,722
Unreserved:										
Designated for subsequent years expenditures	6,534,717	4,339,747	4,280,757	1,897,661	1,094,110	668,254	27,268	1,493,045	898,329	50,495,463
Undesignated										(3,215)
Total fund balances	<u>6,972,054</u>	<u>5,191,559</u>	<u>4,809,488</u>	<u>2,016,318</u>	<u>1,116,745</u>	<u>1,065,861</u>	<u>27,268</u>	<u>1,495,903</u>	<u>1,054,715</u>	<u>57,504,706</u>
Total liabilities and fund balances	<u>\$7,517,816</u>	<u>\$6,305,877</u>	<u>\$5,187,032</u>	<u>\$2,097,625</u>	<u>\$1,213,220</u>	<u>\$1,258,190</u>	<u>\$94,511</u>	<u>\$1,574,813</u>	<u>\$1,139,156</u>	<u>\$62,911,832</u>

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - OTHER
YEAR ENDED DECEMBER 31, 2009

	<u>Police Air Support Program</u>	<u>Election Board Revolving</u>	<u>Election Service Fund</u>	<u>Road and Bridge FAU</u>	<u>Domestic Violence</u>	<u>Emergency Telephone Tax</u>	<u>Health and Hospital Premises</u>	<u>Assessment</u>	<u>Federal Asset Sharing</u>	<u>Records Preservation Fund</u>	<u>Prosecuting Attorney</u>
REVENUES:											
Taxes:											
Property Sales											
Emergency telephone						\$873,226					
						873,226					
Assessment and tax collection fees							\$9,025,865				
Investment earnings	\$1,916		\$10,725	\$86,485	\$7,897	816	\$3,808	70,960	\$21,913	\$20,528	\$15,746
Intergovernmental				13,487,813				1,585,420	1,729,545		
Charges for services	400,000	\$1,635,419	79,119					543			304,362
Fees					512,257					787,672	73,798
Other				1,177,475				34	29,640		
Total revenues	<u>401,916</u>	<u>1,635,419</u>	<u>89,844</u>	<u>14,751,773</u>	<u>520,154</u>	<u>874,042</u>	<u>3,808</u>	<u>10,682,822</u>	<u>1,781,098</u>	<u>808,200</u>	<u>393,906</u>
EXPENDITURES:											
Current:											
General government		1,636,191	7,873					11,401,131		546,364	
Public safety	289,061					1,128,803		1,335,102			407,012
Human services					529,580						
Highways and traffic				10,729,763							
Health											
Debt service:											
Principal retired								205,058			
Interest and fiscal charges								27,647			
Capital outlay				30,608				24,800	582,895	3,058	6,472
Total expenditures	<u>289,061</u>	<u>1,636,191</u>	<u>7,873</u>	<u>10,760,371</u>	<u>529,580</u>	<u>1,128,803</u>		<u>11,658,636</u>	<u>1,917,997</u>	<u>549,422</u>	<u>413,484</u>
Excess of revenues over (under) expenditures	112,855	(772)	81,971	3,991,402	(9,426)	(254,761)	3,808	(975,814)	(136,899)	258,778	(19,578)
OTHER FINANCING SOURCES (USES):											
Tax increment financing notes and neighborhood improvement bonds											
Net change in fund balances	112,855	(772)	81,971	3,991,402	(9,426)	(254,761)	3,808	(975,814)	(136,899)	258,778	(19,578)
FUND BALANCES:											
Beginning of year	162,504	(2,443)	1,053,050	11,705,337	532,036	339,656	603,200	10,198,941	2,708,177	1,853,426	1,549,347
End of year	<u>\$275,359</u>	<u>(\$3,215)</u>	<u>\$1,135,021</u>	<u>\$15,696,739</u>	<u>\$522,610</u>	<u>\$84,895</u>	<u>\$607,008</u>	<u>\$9,223,127</u>	<u>\$2,571,278</u>	<u>\$2,112,204</u>	<u>\$1,529,769</u>

(continued)

ST. LOUIS COUNTY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS - OTHER
YEAR ENDED DECEMBER 31, 2009

	<u>Sewer Lateral Fund</u>	<u>Water Service Line Fund</u>	<u>Solid Waste Management</u>	<u>Homeless Families Fund</u>	<u>Police Academy</u>	<u>County Stormwater</u>	<u>Family Service and Justice</u>	<u>Other Taxing Districts</u>	<u>Other Funds</u>	<u>Total Nonmajor Special Revenue Funds Other</u>
REVENUES:										
Taxes:										
Property								\$587,294		\$587,294
Sales								389,774		389,774
Emergency telephone										873,226
								977,068		1,850,294
Assessment and tax collection fees										9,025,865
Investment earnings	\$58,140	\$55,352	\$63,358	\$21,336	\$11,243	\$16,565	\$375	2,588	\$12,818	482,569
Intergovernmental									40,525	16,843,303
Charges for services	14,670				546,609					2,980,722
Fees	2,932,755	3,753,505	927,343	697,458			296,180		242,443	10,223,411
Other			1,824		17,437	172,526		138,585	695,235	2,232,756
Total revenues	3,005,565	3,808,857	992,525	718,794	575,289	189,091	296,555	1,118,241	991,021	43,638,920
EXPENDITURES:										
Current:										
General government	2,619,517	3,917,107						2,445,317	67,661	22,641,161
Public safety					555,795		265,872		38,154	4,019,799
Human services				864,119						1,393,699
Highways and traffic						936,868				11,666,631
Health			1,893,096						194,113	2,087,209
Debt service:										
Principal retired								546,498	98,455	850,011
Interest and fiscal charges								5,044,030	10,367	5,082,044
Capital outlay	3,865	3,790			17,106	5,360			599,331	1,277,285
Total expenditures	2,623,382	3,920,897	1,893,096	864,119	572,901	942,228	265,872	8,035,845	1,008,081	49,017,839
Excess of revenues over (under) expenditures	382,183	(112,040)	(900,571)	(145,325)	2,388	(753,137)	30,683	(6,917,604)	(17,060)	(5,378,919)
OTHER FINANCING SOURCES (USES):										
Tax increment financing notes and neighborhood improvement bonds								5,836,017		5,836,017
Net change in fund balances	382,183	(112,040)	(900,571)	(145,325)	2,388	(753,137)	30,683	(1,081,587)	(17,060)	457,098
FUND BALANCES:										
Beginning of year	6,589,871	5,303,599	5,710,059	2,161,643	1,114,357	1,818,998	(3,415)	2,577,490	1,071,775	57,047,608
End of year	\$6,972,054	\$5,191,559	\$4,809,488	\$2,016,318	\$1,116,745	\$1,065,861	\$27,268	\$1,495,903	\$1,054,715	\$57,504,706

See accompanying independent auditors' report.

**ST. LOUIS COUNTY, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2009**

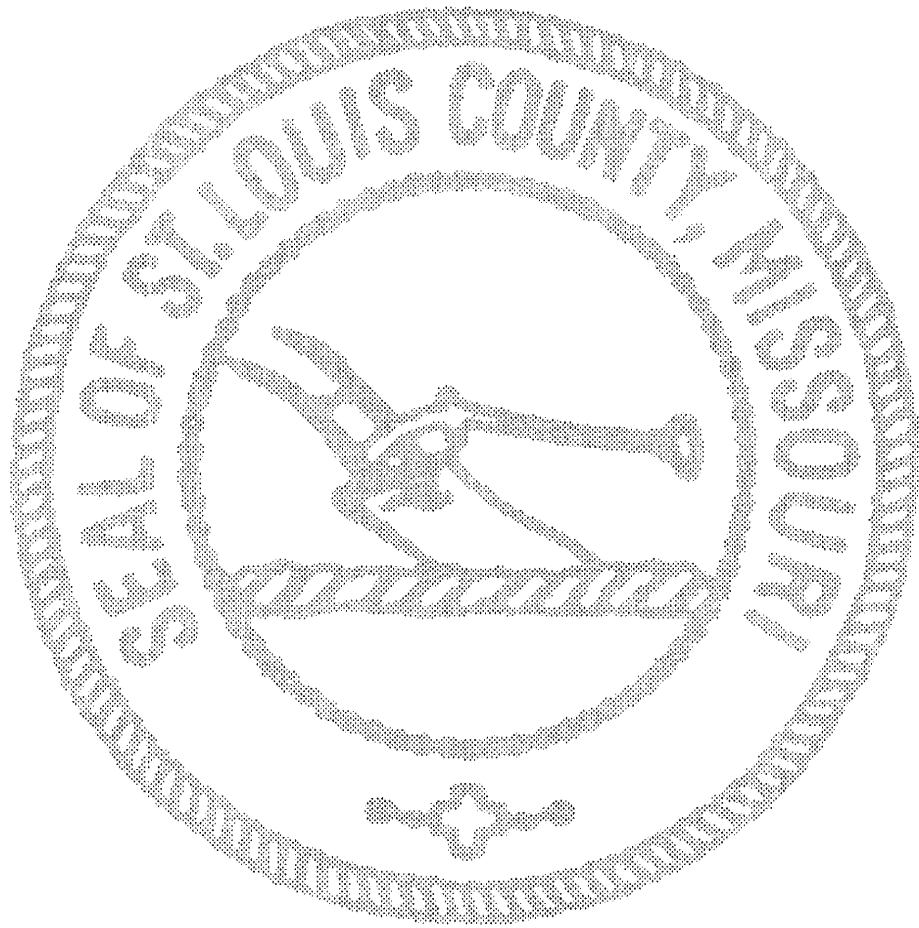
ASSETS	Page-Olive Connector	1986 Storm Water Control	General Government Projects	Public Works Capital Renovations	Other Capital Projects	Total Nonmajor Capital Projects Funds
EQUITY IN POOLED CASH & INVESTMENTS	\$18,972,483	\$1,217,048	\$1,072,059	\$1,015,349	\$463,756	\$22,740,695
CASH AND INVESTMENTS					98,591	98,591
RECEIVABLES:						
Interest	80,256	6,085	7,203	6,032	2,354	101,930
Total assets	\$19,052,739	\$1,223,133	\$1,079,262	\$1,021,381	\$564,701	\$22,941,216
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Accounts payable and accrued liabilities	\$253,062		\$118,128	\$24,835		\$396,025
Accrued salaries			6,558			6,558
Note payable	20,084,800					20,084,800
Total liabilities	20,337,862		124,686	24,835		20,487,383
FUND BALANCES:						
Reserved for encumbrances	96,892		659,899	700,554	1,593	1,458,938
Unreserved:						
Designated for subsequent years expenditures		1,223,133	294,677	295,992	563,108	2,376,910
Undesignated	(1,382,015)					(1,382,015)
Total fund balances	(1,285,123)	1,223,133	954,576	996,546	564,701	2,453,833
Total liabilities and fund balances	\$19,052,739	\$1,223,133	\$1,079,262	\$1,021,381	\$564,701	\$22,941,216

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED DECEMBER 31, 2009

	<u>Page-Olive Connector</u>	<u>1986 Storm Water Control</u>	<u>General Government Projects</u>	<u>Public Works Capital Renovations</u>	<u>Other Capital Projects</u>	<u>Total Nonmajor Capital Projects Funds</u>
REVENUES:						
Investment earnings	\$87,758	\$13,054	\$22,512	\$12,318	\$5,586	\$141,228
Total revenues	87,758	13,054	22,512	12,318	5,586	141,228
EXPENDITURES:						
Capital outlay	1,372,881		1,849,570	664,468		3,886,919
Total expenditures	1,372,881		1,849,570	664,468		3,886,919
Excess of revenues over (under) expenditures	(1,285,123)	13,054	(1,827,058)	(652,150)	5,586	(3,745,691)
Net change in fund balances	(1,285,123)	13,054	(1,827,058)	(652,150)	5,586	(3,745,691)
FUND BALANCES:						
Beginning of year		1,210,079	2,781,634	1,648,696	559,115	6,199,524
End of year	(\$1,285,123)	\$1,223,133	\$954,576	\$996,546	\$564,701	\$2,453,833

See accompanying independent auditors' report.



Budgetary Comparisons

This section is comprised of budget-to-actual comparisons for Nonmajor Special Revenue Funds and the Debt Service Fund which have a legally adopted annual budget in order to demonstrate compliance at the legal level of control.



ST LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET BASIS-BUDGET AND ACTUAL
POLICE AIR SUPPORT PROGRAM - SPECIAL REVENUE NONMAJOR FUND
UNAUDITED
YEAR ENDED DECEMBER 31, 2009

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES:				
Charges for services	\$250,000	\$400,000	\$400,000	
Investment earnings	4,500	2,016	1,916	(\$100)
Total revenues	254,500	402,016	401,916	(100)
EXPENDITURES:				
General government	250,000	297,532	250,851	46,681
Total expenditures	250,000	297,532	250,851	46,681
Excess of revenues over (under) expenditures	4,500	104,484	151,065	46,581
Net change in fund balances	\$4,500	\$104,484	\$151,065	\$46,581

See accompanying independent auditors' report.

ST LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET BASIS-BUDGET AND ACTUAL
ASSESSMENT - SPECIAL REVENUE NONMAJOR FUND
UNAUDITED
YEAR ENDED DECEMBER 31, 2009

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES:				
Assessment and tax collection fees	\$8,755,000	\$8,800,000	\$9,025,865	\$225,865
Investment earnings	271,098	97,225	70,960	(26,265)
Intergovernmental	2,397,878	1,190,196	1,585,420	395,224
Fees and other revenues	425	485	577	92
Total revenues	11,424,401	10,087,906	10,682,822	594,916
EXPENDITURES:				
General government	13,970,732	14,136,732	11,741,477	2,395,255
Total expenditures	13,970,732	14,136,732	11,741,477	2,395,255
Excess of revenues under expenditures	(2,546,331)	(4,048,826)	(1,058,655)	2,990,171
Net change in fund balances	(\$2,546,331)	(\$4,048,826)	(\$1,058,655)	\$2,990,171

See accompanying independent auditors' report.

ST LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET BASIS-BUDGET AND ACTUAL
SEWER LATERAL FUND - SPECIAL REVENUE NONMAJOR FUND
UNAUDITED
YEAR ENDED DECEMBER 31, 2009

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES:				
Investment earnings	\$105,000	\$123,635	\$58,140	(\$65,495)
Fees and other revenues	3,015,000	3,016,806	2,947,425	(69,381)
Total revenues	3,120,000	3,140,441	3,005,565	(134,876)
EXPENDITURES:				
General government	3,192,317	3,192,317	2,891,574	300,743
Total expenditures	3,192,317	3,192,317	2,891,574	300,743
Excess of revenues over (under) expenditures	(72,317)	(51,876)	113,991	165,867
Net change in fund balances	(\$72,317)	(\$51,876)	\$113,991	\$165,867

See accompanying independent auditors' report.

ST LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET BASIS-BUDGET AND ACTUAL
WATER SERVICE LINE FUND- SPECIAL REVENUE NONMAJOR FUND
UNAUDITED
YEAR ENDED DECEMBER 31, 2009

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES:				
Assessment and tax collection fees				
Investment earnings	\$135,000	\$85,322	\$55,352	(\$29,970)
Intergovernmental				
Fees and other revenues	3,865,000	3,800,000	3,753,505	(46,495)
Total revenues	4,000,000	3,885,322	3,808,857	(76,465)
EXPENDITURES:				
General government	4,786,835	4,786,835	4,639,929	146,906
Total expenditures	4,786,835	4,786,835	4,639,929	146,906
Excess of revenues under expenditures	(786,835)	(901,513)	(831,072)	70,441
Net change in fund balances	(\$786,835)	(\$901,513)	(\$831,072)	\$70,441

See accompanying independent auditors' report.

ST LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET BASIS-BUDGET AND ACTUAL
SOLID WASTE MANAGEMENT - SPECIAL REVENUE NONMAJOR FUND
UNAUDITED
YEAR ENDED DECEMBER 31, 2009

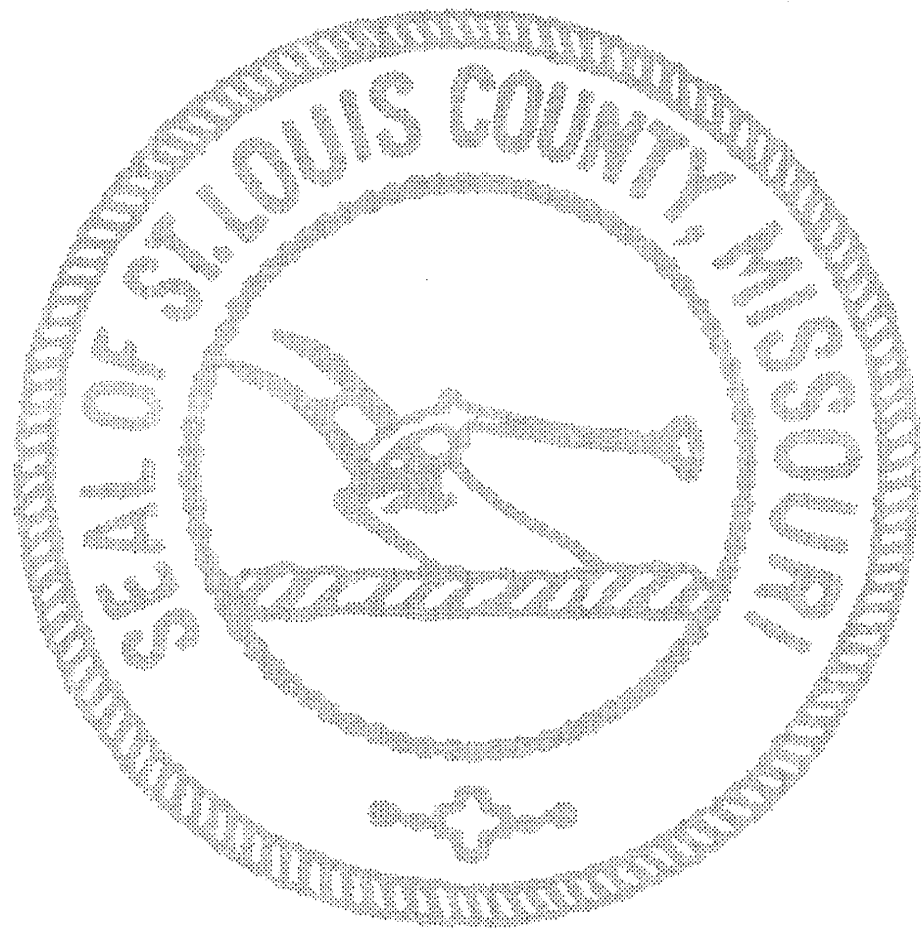
	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES:				
Investment earnings	\$139,328	\$173,073	\$63,358	(\$109,715)
Fees and other revenues	1,000,000	589,319	929,167	339,848
Total revenues	1,139,328	762,392	992,525	230,133
EXPENDITURES:				
Health	3,090,000	3,350,000	2,499,814	850,186
Total expenditures	3,090,000	3,350,000	2,499,814	850,186
Excess of revenues under expenditures	(1,950,672)	(2,587,608)	(1,507,289)	1,080,319
Net change in fund balances	(\$1,950,672)	(\$2,587,608)	(\$1,507,289)	\$1,080,319

See accompanying independent auditors' report.

ST LOUIS COUNTY, MISSOURI
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET BASIS-BUDGET AND ACTUAL
DEBT SERVICE
UNAUDITED
YEAR ENDED DECEMBER 31, 2009

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES:				
Taxes:				
Property	\$17,303,121	\$10,491,663	\$10,423,798	(67,865)
Investment earnings	581,765	208,970	194,543	(14,427)
Other revenues		11,311	51,631	40,320
Total revenues	17,884,886	10,711,944	10,669,972	(41,972)
EXPENDITURES:				
Debt service:				
Principal retired	12,075,000	17,660,000	17,660,000	
Interest and fiscal charges	3,110,264	3,212,564	3,212,564	
Other	65,000	16,491	14,572	1,919
Total expenditures	15,250,264	20,889,055	20,887,136	1,919
 Excess of revenues over (under) expenditures	 2,634,622	 (10,177,111)	 (10,217,164)	 (40,053)
 Net change in fund balances	 \$2,634,622	 (\$10,177,111)	 (\$10,217,164)	 (\$40,053)

See accompanying independent auditors' report.

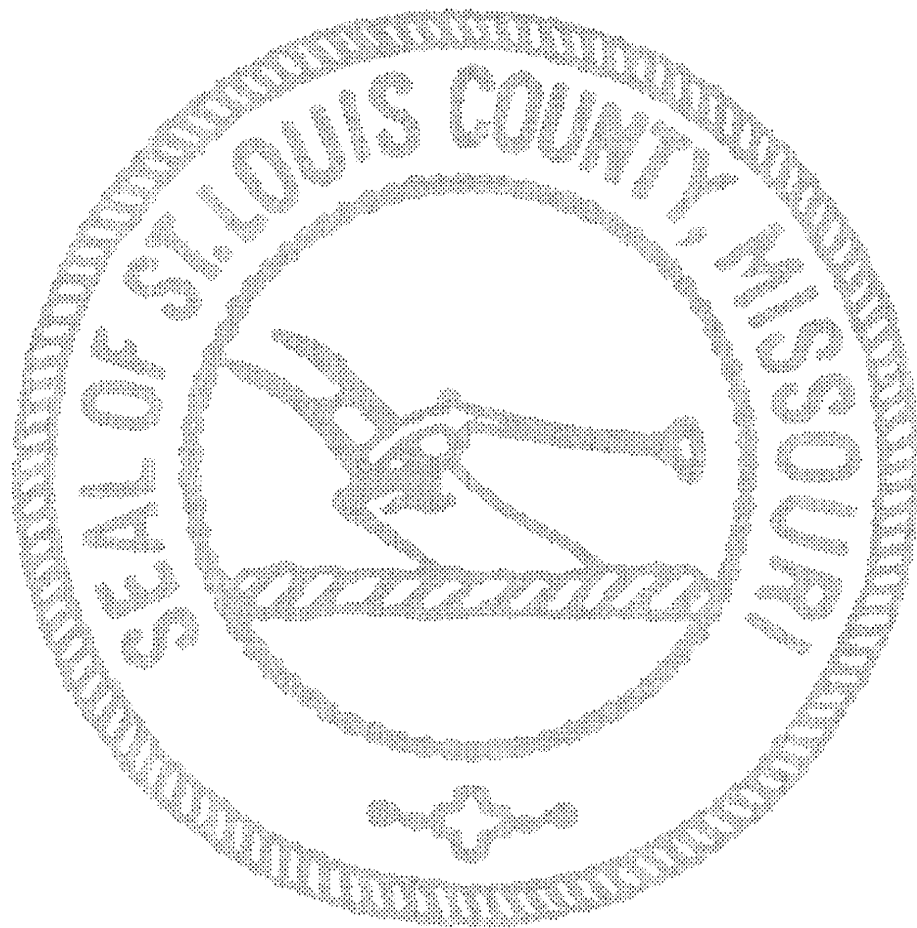


ST. LOUIS COUNTY, MISSOURI
RECONCILIATION OF GOVERNMENTAL FUNDS NET CHANGE IN FUND BALANCES
MODIFIED ACCRUAL (GAAP) BASIS TO BUDGET BASIS
GOVERNMENTAL FUNDS
UNAUDITED
YEAR ENDED DECEMBER 31, 2009

NONMAJOR
 SPECIAL REVENUE FUNDS

	<u>Police Air Support Program</u>	<u>Assessment</u>	<u>Sewer Lateral Fund</u>	<u>Water Service Line Fund</u>	<u>Solid Waste Management</u>	<u>Debt Service</u>
Net change in fund balances - GAAP basis	\$112,855	(\$975,814)	\$382,183	(\$112,040)	(\$900,571)	(\$10,217,164)
Increase (decrease) due to:						
Current year encumbrances	(85,612)	(229,746)	(426,150)	(1,262,238)	(343,933)	
Payment of prior year encumbrances	39,983	144,983	106,657	493,645	104,985	
Accrued liabilities	83,839	(1,337)	41,738	61,012	(367,770)	
Accrued central service charges		3,259	9,563	(11,451)		
Net change in fund balances - budget basis	<u>\$151,065</u>	<u>(\$1,058,655)</u>	<u>\$113,991</u>	<u>(\$831,072)</u>	<u>(\$1,507,289)</u>	<u>(\$10,217,164)</u>

See accompanying independent auditors' report.



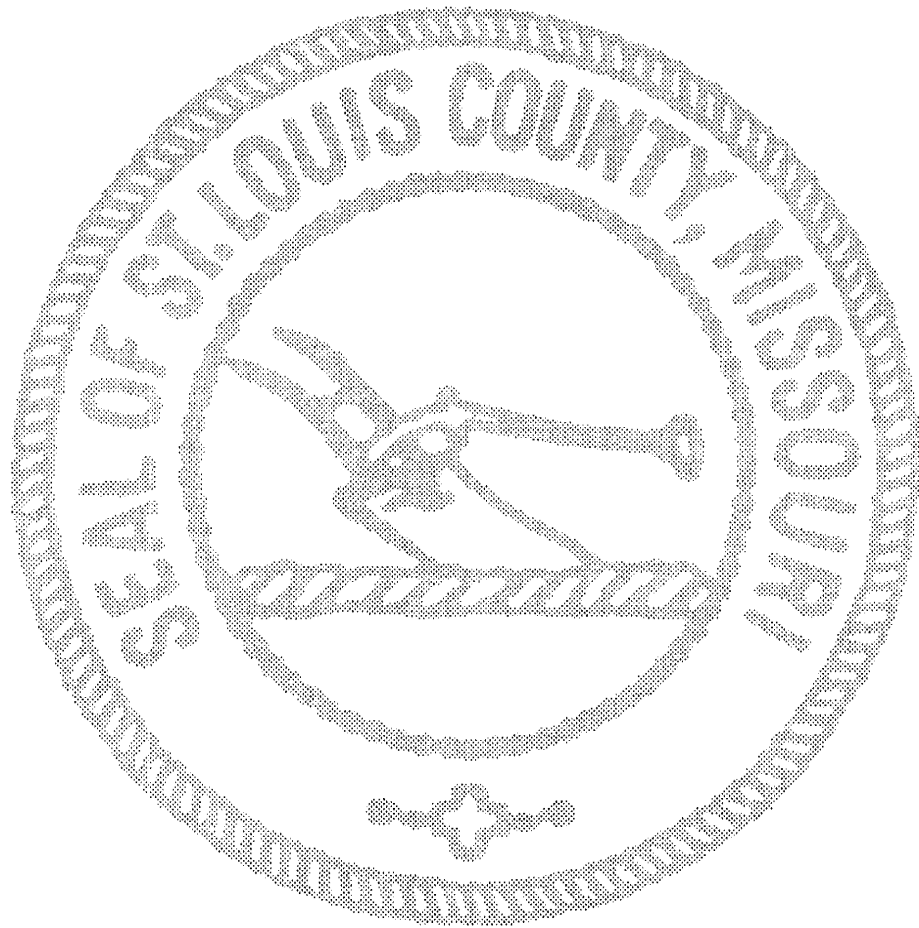
St. Louis County, Missouri

Agency Funds

Collections for Other Taxing Units – used to account for funds held for ultimate distribution to the state and other taxing districts.

Special Purpose Funds – used to account for activity of the Probate Court, Circuit Court Clerk, and other miscellaneous activities not allocable to other funds.





ST. LOUIS COUNTY, MISSOURI
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2009

<u>ASSETS</u>	<u>Collections for Other Taxing Units</u>	<u>Special Purpose Funds</u>	<u>Total</u>
EQUITY IN POOLED CASH AND INVESTMENTS	\$8,779,206	\$16,080,196	\$24,859,402
CASH AND INVESTMENTS	740,380,441	12,690,949	753,071,390
RECEIVABLES:			
Taxes	401,539,242		401,539,242
Interest	117,308	76,225	193,533
Net receivables	<u>401,656,550</u>	<u>76,225</u>	<u>401,732,775</u>
Total assets	<u>\$1,150,816,197</u>	<u>\$28,847,370</u>	<u>\$1,179,663,567</u>
 <u>LIABILITIES</u>			
Due to other taxing units	\$1,150,816,197		\$1,150,816,197
Other obligations		\$28,847,370	28,847,370
Total liabilities	<u>\$1,150,816,197</u>	<u>\$28,847,370</u>	<u>\$1,179,663,567</u>

See accompanying independent auditors' report.

ST. LOUIS COUNTY, MISSOURI
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED DECEMBER 31, 2009

<u>COLLECTIONS FOR OTHER TAXING UNITS</u>	Balance December 31, <u>2008</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2009</u>
<u>ASSETS</u>				
EQUITY IN POOLED CASH AND INVESTMENTS	\$9,120,728	\$361,053,789	\$361,395,311	\$8,779,206
CASH AND INVESTMENTS	721,428,913	2,248,959,228	2,230,007,700	740,380,441
RECEIVABLES - Taxes	373,898,584	1,906,171,710	1,878,531,052	401,539,242
RECEIVABLES - Interest	86,799	271,934	241,425	117,308
Total assets	<u>\$1,104,535,024</u>	<u>\$4,516,456,661</u>	<u>\$4,470,175,488</u>	<u>\$1,150,816,197</u>
<u>LIABILITIES</u>				
Due to other taxing units	\$1,104,535,024	\$4,002,832,744	\$3,956,551,571	\$1,150,816,197
Total liabilities	<u>\$1,104,535,024</u>	<u>\$4,002,832,744</u>	<u>\$3,956,551,571</u>	<u>\$1,150,816,197</u>

SPECIAL PURPOSE FUNDS

ASSETS

EQUITY IN POOLED CASH AND INVESTMENTS	\$17,962,092	\$34,625,016	\$36,506,912	\$16,080,196
CASH AND INVESTMENTS	13,180,812	20,852	510,715	12,690,949
RECEIVABLES - Interest	51,765	300,263	275,803	76,225
RECEIVABLES - Other	36,186		36,186	
Total assets	<u>\$31,230,855</u>	<u>\$34,946,131</u>	<u>\$37,329,616</u>	<u>\$28,847,370</u>

LIABILITIES

Other obligations	\$31,230,855	\$91,191,214	\$93,574,699	\$28,847,370
Total liabilities	<u>\$31,230,855</u>	<u>\$91,191,214</u>	<u>\$93,574,699</u>	<u>\$28,847,370</u>

See accompanying independent auditors' report.

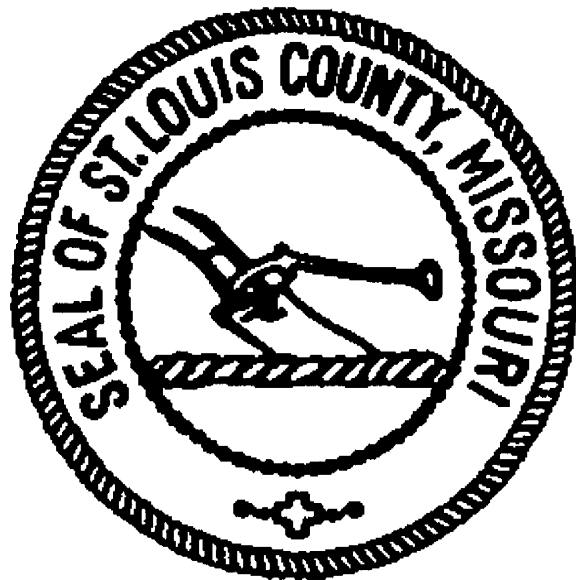
(Continued)

ST. LOUIS COUNTY, MISSOURI
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED DECEMBER 31, 2009
(Continued)

<u>TOTAL AGENCY FUNDS</u>	Balance December 31, <u>2008</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>2009</u>
<u>ASSETS</u>				
EQUITY IN POOLED CASH AND INVESTMENTS	\$27,082,820	\$395,678,805	\$397,902,223	\$24,859,402
CASH AND INVESTMENTS	734,609,725	2,248,980,080	2,230,518,415	753,071,390
RECEIVABLES:				
Taxes	373,898,584	1,906,171,710	1,878,531,052	401,539,242
Interest	138,564	572,197	517,228	193,533
Other	36,186		36,186	
Net receivables	<u>374,073,334</u>	<u>1,906,743,907</u>	<u>1,879,084,466</u>	<u>401,732,775</u>
Total assets	<u>\$1,135,765,879</u>	<u>\$4,551,402,792</u>	<u>\$4,507,505,104</u>	<u>\$1,179,663,567</u>
<u>LIABILITIES</u>				
Due to other taxing units	\$1,104,535,024	\$4,002,832,744	\$3,956,551,571	\$1,150,816,197
Other obligations	31,230,855	91,191,214	93,574,699	28,847,370
Total liabilities	<u>\$1,135,765,879</u>	<u>\$4,094,023,958</u>	<u>\$4,050,126,270</u>	<u>\$1,179,663,567</u>

See accompanying independent auditors' report.

STATISTICAL SECTION



St. Louis County, Missouri

Statistical Section

This part of the County'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 County's overall financial health.

Financial Trends

These six (6) schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

These six (6) schedules contain information to help the reader assess the County's most significant local revenue sources, the sales tax and property tax.

Debt Capacity

These four (4) schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County'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 County'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 County's financial report relates to the services the County 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.

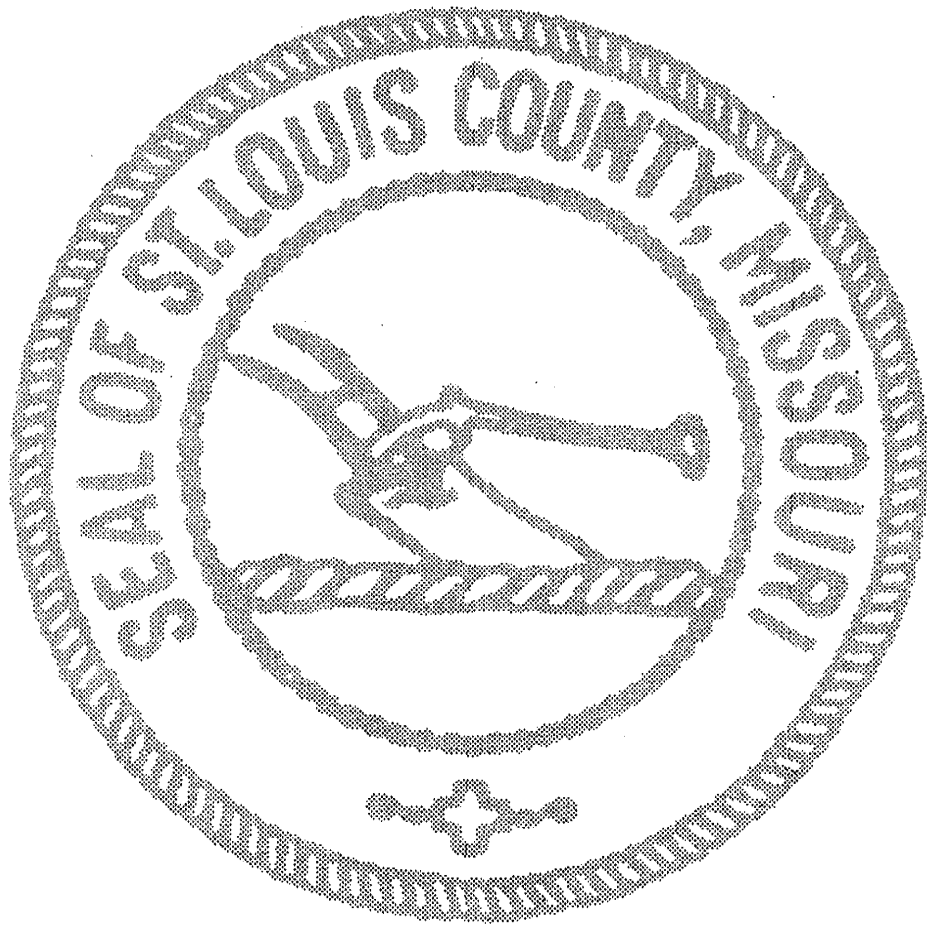


ST. LOUIS COUNTY, MISSOURI
NET ASSETS BY COMPONENT
LAST EIGHT YEARS (1)
 (accrual basis of accounting)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental activities								
Invested in capital assets, net of related debt	\$333,848,336	\$489,161,049	\$537,142,767	\$635,836,110	\$672,130,341	\$716,014,110	\$747,528,066	\$788,407,737
Restricted	265,407,734	160,523,410	144,004,364	129,882,973	144,484,760	154,083,642	135,957,609	148,567,940
Unrestricted	51,906,473	(14,914,059)	(21,762,220)	(8,557,249)	(36,749,391)	(19,343,572)	(43,267,805)	(45,908,627)
Total governmental activities net assets	\$651,162,543	\$634,770,400	\$659,384,911	\$757,161,834	\$779,865,710	\$850,754,180	\$840,217,870	\$891,067,050
Business-type activities								
Invested in capital assets, net of related debt	\$38,906,482	\$38,922,489	\$38,779,194	\$41,190,779	\$42,017,520	\$42,643,794	\$41,847,365	\$41,552,329
Restricted	146,088							
Unrestricted	7,573,057	7,655,683	8,559,561	10,537,319	12,000,643	14,401,528	16,119,845	16,979,626
Total business-type activities net assets	\$46,625,627	\$46,578,172	\$47,338,755	\$51,728,098	\$54,018,163	\$57,045,322	\$57,967,210	\$58,531,955
Primary government								
Invested in capital assets, net of related debt	\$372,754,818	\$528,083,538	\$575,921,961	\$677,026,889	\$714,147,861	\$758,657,904	\$789,375,431	\$829,960,066
Restricted	265,553,822	160,523,410	144,004,364	129,882,973	144,484,760	154,083,642	135,957,609	148,567,940
Unrestricted	59,479,530	(7,258,376)	(13,202,659)	1,980,070	(24,748,748)	(4,942,044)	(27,147,960)	(28,929,001)
Total primary government net assets	\$697,788,170	\$681,348,572	\$706,723,666	\$808,889,932	\$833,883,873	\$907,799,502	\$898,185,080	\$949,599,005

Source: Basic financial statements

Note: (1) The County began to report full accrual information in 2002 when it implemented GASB Statement No. 34.
 Ten years of data will be reported as it is accumulated.



ST. LOUIS COUNTY, MISSOURI
CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS (1)
 (accrual basis of accounting)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Expenses								
Governmental activities:								
General government	\$87,347,589	\$92,934,288	\$92,278,401	\$93,712,571	\$113,539,532	\$112,787,706	\$136,229,279	\$113,890,407
Public safety	124,908,025	128,378,119	130,992,548	131,511,523	134,649,130	144,728,915	150,628,147	151,612,681
Human services	15,840,260	14,833,948	15,912,384	16,573,482	16,864,672	18,142,436	19,101,962	23,771,490
Highways and traffic	53,419,897	53,317,989	61,169,943	59,551,908	62,957,771	67,366,787	71,601,887	78,425,565
Health	54,028,990	46,374,663	46,566,175	44,846,714	44,609,915	47,127,138	54,363,681	50,518,234
Parks and recreation	24,983,118	24,363,988	23,716,416	21,650,305	22,417,354	24,240,139	23,765,787	23,382,622
Transportation	75,797,975	80,771,546	76,316,744	85,724,751	87,287,685	89,590,066	84,305,026	73,652,211
Convention and recreation	2,390,000	12,397,500	5,349,398	2,195,000		5,146,202	3,201,202	1,216,201
Interest and fiscal charges	16,572,066	11,264,309	10,415,419	12,104,594	12,222,244	11,045,082	13,527,341	14,566,913
Total governmental activities expenses	455,287,920	464,636,350	462,717,428	467,870,848	494,548,303	520,174,471	556,724,312	531,036,324
Business-type activities:								
Spirit of St. Louis Airport	11,567,462	12,230,084	15,615,158	20,971,763	22,642,531	23,484,258	27,731,154	15,857,918
Total business-type activities expenses	11,567,462	12,230,084	15,615,158	20,971,763	22,642,531	23,484,258	27,731,154	15,857,918
Total primary government expenses	\$466,855,382	\$476,866,434	\$478,332,586	\$488,842,611	\$517,190,834	\$543,658,729	\$584,455,466	\$546,894,242
Program Revenues								
Governmental activities:								
Charges for services:								
General government	\$52,858,016	\$55,584,157	\$55,748,688	\$54,985,219	\$57,032,527	\$59,664,838	\$57,796,505	\$53,722,762
Public safety	27,777,414	26,754,855	30,023,691	30,129,676	30,576,025	33,027,782	34,527,349	34,742,976
Health	12,207,201	10,387,411	10,191,612	10,673,663	11,729,615	11,575,510	11,286,248	11,055,403
Other activities	7,694,902	7,454,518	4,506,675	4,533,190	4,532,593	5,730,403	4,811,619	4,627,782
Operating grants and contributions	61,015,984	69,863,498	63,439,022	66,872,856	75,711,907	65,317,242	66,767,481	78,734,689
Capital grants and contributions	11,911,955	17,824,263	14,906,127	69,749,417	9,318,429	41,583,219	11,123,699	33,634,864
Total governmental activities program revenues	173,465,472	187,868,702	178,815,815	236,944,021	188,901,096	216,898,994	186,312,901	216,518,476
Business-type activities:								
Charges for services	11,048,170	12,015,629	15,691,781	21,374,340	22,619,503	23,373,599	27,457,333	14,962,838
Operating grants and contributions	341,578	348,884	418,506	465,099	272,843	370,745	297,858	403,404
Capital grants and contributions	765,332		333,877	3,550,354	1,799,746	2,001,639	177,732	846,467
Total business-type activities program revenues	12,155,080	12,364,513	16,444,164	25,389,793	24,692,092	25,745,983	27,932,923	16,212,709
Total primary government program revenues	\$185,620,552	\$200,233,215	\$195,259,979	\$262,333,814	\$213,593,188	\$242,644,977	\$214,245,824	\$232,731,185

(Continued)

	2002	2003	2004	2005	2006	2007	2008	2009
Net (Expense) /Revenue								
Governmental activities	(\$281,822,448)	(\$276,767,648)	(\$283,901,613)	(\$230,926,827)	(\$305,647,207)	(\$303,275,477)	(\$370,411,411)	(\$314,517,848)
Business-type activities	587,618	134,429	829,006	4,418,030	2,049,561	2,261,725	201,769	354,791
Total primary government net expense	<u>(\$281,234,830)</u>	<u>(\$276,633,219)</u>	<u>(\$283,072,607)</u>	<u>(\$226,508,797)</u>	<u>(\$303,597,646)</u>	<u>(\$301,013,752)</u>	<u>(\$370,209,642)</u>	<u>(\$314,163,057)</u>
General Revenues and Other Charges in Net Assets								
Governmental activities:								
Taxes:								
Property taxes	\$108,412,943	\$104,128,199	\$103,099,138	\$110,094,468	\$111,307,788	\$129,043,364	\$132,287,289	\$117,114,249
Sales taxes	158,184,200	156,566,120	159,469,367	167,688,875	164,751,967	169,782,072	165,661,675	180,612,115
Utilities gross receipts	20,594,783	20,805,681	20,992,633	22,394,469	22,261,172	35,027,252	28,730,950	33,495,198
Other taxes	10,288,932	9,781,430	10,201,726	10,502,063	12,143,072 (2)	13,051,813	12,404,212	11,066,250
Penalties and costs on delinquent taxes	2,527,496	2,905,969	3,354,621	3,484,524	3,529,373	3,791,235	3,994,508	3,990,358
Investment earnings	16,443,145	5,320,019	3,691,663	5,709,653	10,493,252 (2)	15,891,283	12,304,681	2,693,668
Other revenues	3,702,265	5,538,087	5,019,037	6,031,959	3,614,459	7,558,077	4,491,786	4,364,659
Transfers	250,000	330,000	170,000	250,000	250,000	18,851		
Special item - other obligation		(45,000,000)						12,030,531
Total governmental activities	<u>320,403,764</u>	<u>260,375,505</u>	<u>305,998,185</u>	<u>326,156,011</u>	<u>328,351,083</u>	<u>374,163,947</u>	<u>359,875,101</u>	<u>365,367,028</u>
Business-type activities:								
Investment earnings	400,549	148,116	101,577	221,313	490,504	784,285	720,119	156,800
Transfers	(250,000)	(330,000)	(170,000)	(250,000)	(250,000)	(18,851)		
Special item - other obligation								53,154
Total business-type activities	<u>150,549</u>	<u>(181,884)</u>	<u>(68,423)</u>	<u>(28,687)</u>	<u>240,504</u>	<u>765,434</u>	<u>720,119</u>	<u>209,954</u>
Total primary government	<u>\$320,554,313</u>	<u>\$260,193,621</u>	<u>\$305,929,762</u>	<u>\$326,127,324</u>	<u>\$328,591,587</u>	<u>\$374,929,381</u>	<u>\$360,595,220</u>	<u>\$365,576,982</u>
Change in Net Assets								
Governmental activities	\$38,581,316	(\$16,392,143)	\$22,096,572	\$95,229,184	\$22,703,876	\$70,888,470	(\$10,536,310)	\$50,849,180
Business-type activities	738,167	(47,455)	760,583	4,389,343	2,290,065	3,027,159	921,888	564,745
Total primary government net expense	<u>\$39,319,483</u>	<u>(\$16,439,598)</u>	<u>\$22,857,155</u>	<u>\$99,618,527</u>	<u>\$24,993,941</u>	<u>\$73,915,629</u>	<u>(\$9,614,422)</u>	<u>\$51,413,925</u>

Source: Basic financial statements

Notes: (1) The County began to report full accrual information in 2002 when it implemented GASB Statement No. 34.

Ten years of data will be reported as it is accumulated.

(2) Cable TV Franchise was reclassified from Other revenue to Other taxes in 2006.

ST. LOUIS COUNTY, MISSOURI
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST EIGHT FISCAL YEARS (1)
(accrual basis of accounting)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Utilities Gross Receipts</u>	<u>Convention and Recreation Taxes</u>	<u>Emergency Telephone Tax</u>	<u>Cable TV Franchise (2)</u>	<u>Total</u>
2002	\$108,412,943	\$158,184,200	\$20,594,783	\$8,602,678	\$1,686,254		\$297,480,858
2003	104,128,199	156,566,120	20,805,681	8,366,457	1,414,973		291,281,430
2004	103,099,138	159,469,367	20,992,633	8,830,887	1,370,839		293,762,864
2005	110,094,468	167,688,875	22,394,469	9,136,175	1,365,888		310,679,875
2006	111,307,788	164,751,967	22,261,172	9,533,600	998,743	\$1,610,729	310,463,999
2007	129,043,364	169,782,072	35,027,252	10,111,821	1,322,083	1,617,909	346,904,501
2008	132,287,289	165,661,675	28,730,950	9,523,080	1,100,568	1,780,564	339,084,126
2009	117,114,249	180,612,115	33,495,198	8,323,632	873,226	1,869,392	342,287,812

Source: Basic financial statements

Notes: (1) The County began to report full accrual information in 2002 when it implemented GASB Statement No. 34. Ten years of data will be reported as it is accumulated.

(2) Cable TV Franchise was reclassified from Other revenue to Other taxes in 2006.

ST. LOUIS COUNTY, MISSOURI
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST EIGHT FISCAL YEARS (1)
(modified accrual basis of accounting)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General fund								
Reserved	\$27,518,398	\$24,888,003	\$19,481,834	\$16,780,466	\$19,188,339	\$24,181,890	\$15,888,604	\$14,177,046
Unreserved	70,872,149	55,275,744	64,720,417	76,608,038	74,537,382	90,776,297	104,630,801	95,793,723
Total general fund	\$98,390,547	\$80,163,747	\$84,202,251	\$93,388,504	\$93,725,721	\$114,958,187	\$120,519,405	\$109,970,769
All other governmental funds								
Reserved	\$194,626,518 (2)	\$93,002,455	\$68,951,982	\$49,603,048	\$54,056,092	\$55,773,886	\$64,302,940	\$43,212,606
Unreserved, reported in:								
Special revenue funds	134,858,746	120,092,547	118,672,394	120,999,479	129,120,971	125,555,271	107,148,408	139,259,804
Capital projects funds	6,564,772	7,307,806	3,057,984	3,270,960	1,251,283	7,396,443	3,264,546	994,895
Total all other governmental funds	\$336,050,036	\$220,402,808	\$190,682,360	\$173,873,487	\$184,428,346	\$188,725,600	\$174,715,894	\$183,467,305

Source: Basic financial statements

- Notes:
- (1) The County began to identify the unreserved fund balances by fund-type in 2002 when it implemented GASB Statement No. 34.
 - (2) The 2002 reserved fund balance in the Debt Service Fund includes \$93,000,000 used for crossover refunding in 2003.

ST. LOUIS COUNTY, MISSOURI
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2000	2001 (1)	2002 (2)	2003	2004	2005	2006	2007	2008	2009
Revenues										
Taxes	\$263,422,206	\$274,955,349	\$288,956,137	\$287,669,277	\$296,395,403	\$307,931,047	\$308,559,788	\$331,774,804	\$336,772,020	\$339,065,601
Licenses and permits	21,625,594	23,715,896	11,797,343	12,131,859	12,499,075	14,085,870	14,851,569	15,854,727	14,903,882	11,950,197
Assessment and tax collection fees	21,331,179	23,666,094	23,981,026	24,790,745	27,356,438	28,213,390	29,151,960	32,474,920	29,970,532	31,497,429
Fines and forfeitures	343,626	315,843	3,269,135	3,620,321	3,967,843	3,881,064	4,027,438	4,465,957	4,190,789	3,997,618
Investment earnings	28,246,264	28,036,688	16,165,236	5,246,467	3,598,352	5,577,056	10,182,771	15,336,591	11,872,982	2,583,050
Rents and concessions		1,840,051	2,015,419	2,437,277	2,620,340	2,780,027	2,829,093	2,903,616	2,912,383	
Intergovernmental	60,003,963	58,943,351	57,576,547	62,609,083	60,455,757	63,658,728	72,056,151	61,508,543	62,989,257	73,867,486
Charges for services	33,661,025	38,551,458	44,355,131	43,639,558	43,524,561	41,327,283	42,762,333	42,704,944	46,945,263	42,710,420
Fees		13,536,199	16,641,739	17,560,539	16,889,394	16,186,653	16,370,452	17,222,997	15,848,456	15,787,586
Other	23,578,971	15,048,621	9,015,747	10,744,972	6,853,803	9,123,488	8,258,215	6,990,617	8,364,196	9,476,120
Total revenues	452,212,828	476,769,499	473,598,092	470,028,240	473,977,903	492,604,919	509,000,704	531,163,193	534,760,993	533,847,890
Expenditures										
General government	186,624,765	191,142,005	80,907,950	88,597,924	87,191,587	84,117,325	92,475,361	104,173,171	128,068,956	107,924,586
Public safety			115,392,468	123,956,130	127,034,814	126,831,166	132,339,348	138,152,455	142,595,958	147,689,195
Human services	7,020,541	8,638,478	15,303,534	14,595,806	15,591,954	16,362,470	16,682,313	17,712,574	18,701,018	23,571,856
Highways and traffic	57,048,658	70,391,566	76,162,146	80,204,690	77,938,896	71,996,575	66,623,131	64,749,709	66,483,893	77,022,079
Health	42,518,512	47,108,617	51,988,316	46,047,303	45,661,624	44,208,624	44,146,669	45,301,490	53,170,459	49,545,992
Parks and recreation	18,800,490	20,590,353	22,967,959	24,843,146	23,560,360	23,569,491	22,574,806	23,527,035	22,457,549	22,163,773
Transportation	72,476,384	91,453,162	75,796,966	80,770,943	76,315,311	85,721,252	87,286,833	89,598,888	84,305,026	73,652,211
Convention and recreation	6,000,000	7,400,000	8,390,000	12,232,500	11,349,398	10,919,536	8,725,738	11,146,202	9,201,202	7,215,000
Debt service:										
Principal retired	8,125,000	8,750,000	10,065,054	103,880,000 (3)	12,110,400	13,947,884	12,648,757	13,740,671	15,015,444	21,260,587
Interest and fiscal charges	14,110,714	13,790,065	13,372,498	10,396,128	7,404,949	6,884,741	6,349,948	8,635,067	10,869,560	12,383,564
Capital outlay	21,068,430	15,731,126	15,782,807	25,433,712	16,636,674	16,638,741	26,218,444	13,268,157	22,492,411	13,499,178
Total expenditures	433,793,494	474,995,372	486,129,698	610,958,282 (3)	500,795,967	501,197,805	516,071,348	530,005,419	573,361,476	555,928,021
Excess of revenues over (under) expenditures	18,419,334	1,774,127	(12,531,606)	(140,930,042)	(26,818,064)	(8,592,886)	(7,070,644)	1,157,774	(38,600,483)	(22,080,131)
Other financing sources (uses)										
Transfers in	50,711,318	44,053,134	56,686,503	61,415,909	40,332,740	36,831,142	32,580,084	32,073,759	33,203,480	40,475,551
Transfers out	(50,461,318)	(43,803,134)	(56,436,503)	(61,085,909)	(40,162,740)	(36,581,142)	(32,330,084)	(32,054,908)	(33,203,480)	(40,475,551)
Refunded bonds										(26,980,000)
Capital leases					834,421	351,965	2,292,892	8,850,100	4,314,735	
Sale of capital assets								7,100,589		
Consent fee				5,213,999						
Note payable				1,512,015	131,699	368,301				6,492,658
Bond issuance							14,750,000			34,185,000
Premium on bond issuance							669,828			749,232
Tax increment financing notes								8,402,406	25,837,260	5,836,017
Total other financing sources (uses)	250,000	250,000	250,000	7,056,014	1,136,120	970,266	17,962,720	24,371,946	30,151,995	20,282,907
Net change in fund balances	\$18,669,334	\$2,024,127	(\$12,281,606)	(\$133,874,028)	(\$25,681,944)	(\$7,622,620)	\$10,892,076	\$25,529,720	(\$8,448,488)	(\$1,797,224)
Debt service as a percentage of noncapital expenditures	5.4%	4.9%	5.2%	19.7%	4.2%	4.5%	4.1%	4.6%	4.9%	6.6%

Source: Basic financial statements

Notes: (1) Reflects certain revenue reclassifications.

(2) Reflects certain revenue and expenditure reclassifications.

(3) Principal retired reflects crossover refunding of \$93,000,000.

ST. LOUIS COUNTY, MISSOURI
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Utilities Gross Receipts	Convention and Recreation Taxes	Cigarette Tax (1)	Emergency Telephone Tax (1)	Total
2000	\$78,526,763	\$154,023,831	\$20,478,089	\$8,983,747	\$1,409,776		\$263,422,206
2001	85,439,018	157,964,389	21,637,617	8,610,442	1,303,883		274,955,349
2002	99,888,222	158,184,200	20,594,783	8,602,678		\$1,686,254	288,956,137
2003	100,516,046	156,566,120	20,805,681	8,366,457		1,414,973	287,669,277
2004	105,731,677	159,469,367	20,992,633	8,830,887		1,370,839	296,395,403
2005	107,345,640	167,688,875	22,394,469	9,136,175		1,365,888	307,931,047
2006	111,014,306	164,751,967	22,261,172	9,533,600		998,743	308,559,788
2007	115,531,576	169,782,072	35,027,252	10,111,821		1,322,083	331,774,804
2008	131,755,748	165,661,674	28,730,950	9,523,080		1,100,568	336,772,020
2009	115,761,430	180,612,115	33,495,198	8,323,632		873,226	339,065,601

Source: Basic financial statements

Note: (1) Reflects certain revenue reclassifications.

ST. LOUIS COUNTY, MISSOURI
SALES TAX - PRINCIPAL SALES TAX REMITTERS
CURRENT YEAR AND NINE YEARS AGO

	2009			2000		
	No. of Remitters	Rank	Percentage of Total	No. of Remitters	Rank	Percentage of Total
Miscellaneous retail	2,943	1	18.5 %	4,647	1	29.0 %
Eating and drinking places	1,416	2	8.9	1,235	2	7.7
Miscellaneous services	1,244	3	7.8	976	3	6.1
Business services	1,107	4	6.9	767	6	4.8
Furniture and home furnishings	971	5	6.1	945	5	5.9
Wholesale trade - durable goods	617	6	3.9	731	7	4.6
Personal services	586	7	3.7	450	9	2.8
Auto dealers and gasoline service	523	8	3.3	593	8	3.7
Food stores	498	9	3.1	408	11	2.5
Health service	494	10	3.1	355	13	2.2
All others	5,541		34.7	4,899		30.7
Total	15,940		100.0 %	16,006		100.0 %

Source: Missouri Department of Revenue, Sales Tax, Public Taxable Sales Reports (<http://dorx.mo.gov/publicreports/>)

ST. LOUIS COUNTY, MISSOURI
SALES TAX - TAXABLE SALES BY INDUSTRY
LAST TEN CALENDAR YEARS
(amounts expressed in thousands)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General merchandise stores	\$1,193,331	\$1,413,027	\$1,825,174	\$1,881,559	\$2,121,177	\$2,268,180	\$2,360,892	\$2,287,357	\$2,310,171	\$2,354,211
Eating and drinking places	1,317,476	1,347,520	1,393,197	1,440,288	1,519,585	1,600,335	1,701,943	1,770,193	1,807,212	1,780,483
Food stores	1,595,241	1,614,832	1,642,270	1,615,256	1,677,191	1,666,426	1,704,069	1,733,506	1,776,181	1,741,075
Miscellaneous retail	3,259,829	3,161,420	2,818,413	2,821,524	2,131,427	1,996,242	1,989,990	2,071,037	1,576,556	1,357,489
Furniture and home furnishings	823,909	864,665	882,973	886,657	1,241,670	1,342,428	1,289,273	1,286,972	1,176,772	821,163
Communication	621,099	695,304	674,476	711,217	763,249	758,407	786,070	824,292	869,530	817,164
Apparel and accessory stores	602,070	572,869	568,404	563,181	619,740	635,869	642,267	638,456	649,535	631,197
Wholesale trade-durable goods	843,245	782,694	741,202	681,089	756,723	805,819	866,213	836,569	640,799	548,554
Wholesale trade - nondurable goods	467,546	478,221	487,848	502,202	511,730	520,213	513,840	542,603	554,324	509,745
Auto dealers and gasoline service	449,111	443,859	437,551	456,572	491,034	517,577	543,837	548,278	539,881	515,566
Miscellaneous services	516,095	470,645	469,395	466,604	518,841	552,217	536,942	583,641	501,635	393,088
Building material, hardware, garden supply	308,535	301,743	275,795	281,686	333,440	359,620	360,001	347,449	412,111	521,439
Automotive repair and services	282,221	283,367	285,500	260,431	266,757	321,166	340,353	354,157	363,411	331,566
Business services	332,982	370,472	349,343	335,418	304,336	319,435	319,811	322,686	347,499	307,361
Electric, gas and sanitary Srvices										266,867
Hotels, rooming houses, camps and other	257,966	214,694	212,819	208,517	222,198	250,336	254,960	267,032	267,567	224,250
Amusement and recreation service	123,643	122,088	121,212	119,799	130,118	130,009	139,227	154,575	153,646	142,170
Construction - special trade contract	79,710	87,777	88,882	88,121	89,339	116,882	120,597	130,492	129,536	109,205
Personal services	63,686	67,266	84,174	92,743	81,559	96,486	101,460	100,542	105,382	109,750
Transportation by air	28,627	74,432	49,602	58,741	65,755	74,265	78,831	84,602	77,731	
Motion pictures										61,883
Machinery, except electrical	62,806	44,997	47,161	65,379	70,654	71,168	77,742	94,601	72,418	
All others	1,298,554	1,271,308	1,219,717	1,171,774	1,363,686	1,438,528	1,507,103	1,462,103	1,473,766	1,117,322
Total St. Louis County	\$14,527,682	\$14,683,200	\$14,675,108	\$14,708,758	\$15,280,209	\$15,841,608	\$16,235,421	\$16,441,143	\$15,805,663	\$14,661,548

Source: Missouri Department of Revenue, Public Taxable Sales Reports (<http://dorx.mo.gov/publicreports/>)

Note: Taxable Sales in St. Louis County are subject to state sales tax (4.225%), a transportation sales tax (0.5%), a mass transit sales tax for Metrolink (0.25%), a children's services sales tax (0.25%) and a Regional Parks and Trails sales tax (0.1%), plus a one percent (1%) local sales tax that is distributed among the 91 municipalities and St Louis County. St Louis County's share is based on the unincorporated population of St. Louis County. Thus, the base retail sales tax rate throughout St. Louis County is 6.325%.

ST. LOUIS COUNTY, MISSOURI
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended December 31	Real Property			Personal Property	Merchants and Manufacturers	Railroads and Utilities	Total Taxable Assessed Value (2)	Total Direct Tax Rate per (per \$100 assessed value)	Estimated Actual Taxable Value (in thousands)	Assessed Value as a Percentage of Actual Value
	Residential	Commercial	Agricultural							
2000	\$8,409,079,390	\$3,673,730,740	\$6,395,660	\$3,275,985,130	\$575,779,955	\$434,032,920	\$16,375,003,795	\$0.580	\$68,619,453	23.86 %
2001 (1)	9,549,252,330	4,142,986,710	6,752,220	3,300,394,632	604,229,339	495,664,115	18,099,279,346	0.580	76,510,851	23.66
2002	9,624,868,330	4,220,878,110	6,406,300	3,241,481,939	605,386,917	470,406,128	18,169,427,724	0.580	76,899,587	23.63
2003 (1)	10,341,002,810	4,354,513,050	7,426,490	3,189,847,330	532,458,960	423,582,381	18,848,831,021	0.580	80,583,142	23.39
2004	10,456,477,780	4,438,214,320	7,332,530	3,100,490,790	457,479,510	361,254,731	18,821,249,661	0.580	80,832,546	23.28
2005 (1)	12,031,629,510	4,942,868,850	7,766,900	3,123,456,140	448,999,600	363,241,776	20,917,962,776	0.558	90,686,233	23.07
2006 (3)	12,192,726,830	4,975,480,830	6,885,230	3,242,354,380	470,220,490	361,444,762	21,249,112,522	0.558	92,022,054	23.09
2007 (1)	14,913,580,110	5,879,742,900	6,876,440	3,210,652,070	396,761,210	372,811,198	24,780,423,928	0.558	108,909,276	22.75
2008	15,063,000,910	5,884,760,230	6,867,240	3,275,438,670	416,029,640	378,662,486	25,024,759,176	0.558	109,968,506	22.76
2009 (1)	13,953,550,020	5,754,198,620	6,112,780	3,113,525,030	433,935,170	393,662,975	23,654,984,595	0.523	103,329,462	22.89

Source: St. Louis County Department of Revenue

- Notes:
- (1) General reassessments of all property values have been completed since 1985 and subsequently every two years, in odd numbered years. This has resulted in significant increases in assessed values.
 - (2) Assessed value at the time of billing by St. Louis County Department of Revenue.
 - (3) Reflects restatement of previously reported amounts.

ST. LOUIS COUNTY, MISSOURI
PROPERTY TAX RATES- DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(rate per \$100 of assessed value)

Fiscal Year	St. Louis County Direct Rates			Overlapping Average Tax Rates				Total Direct & Overlapping Rates
	Basic Rate	General Obligation Debt Service	Total Direct	County School Districts	Cities	Service Districts (1)	Other (2)	
2000	0.495	0.085	0.580	4.210	0.430	1.350	1.440	8.010
2001	0.495	0.085	0.580	4.260	0.340	1.400	1.610	8.190
2002	0.495	0.085	0.580	4.350	0.350	1.470	1.630	8.380
2003	0.495	0.085	0.580	4.380	0.430	1.530	1.610	8.530
2004	0.580 (3)	(3)	0.580	4.570	0.470	1.570	1.740	8.930
2005	0.495	0.063	0.558	4.550	0.400	1.540	1.630	8.678
2006	0.495	0.063	0.558	4.530	0.450	1.580	1.720	8.838
2007	0.495	0.063	0.558	4.350	0.430	1.510	1.660	8.508
2008	0.495	0.063	0.558	4.377	0.486	1.444	1.700	8.565
2009	0.495	0.028	0.523	4.451	0.500	1.123	1.769	8.366

- Notes: (1) Service Districts are fire, light, and sewer.
(2) Other includes Special School, Community College, Zoo Museum District, Sheltered Workshop, Library Districts, and State of Missouri.
(3) Reflects property tax rate allocation from the Debt Service Fund to the General Fund.

**ST. LOUIS COUNTY, MISSOURI
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

<u>Taxpayer</u>	<u>2009</u>			<u>2000</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total County Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total County Taxable Assessed Value</u>
AmerenUE	\$306,473,531	1	1.3 %	\$244,390,823	1	1.5 %
Daimler/Chrysler Corporation	184,560,030	2	0.8	183,416,760	3	1.1
Duke Realty LP	169,086,090	3	0.7	83,104,850	4	0.5
Boeing (1)	165,205,820	4	0.7	233,895,050	2	1.4
Missouri American Water Company (2)	85,289,810	5	0.4	65,066,810	10	0.4
Ford Motor Company				79,447,470	5	0.5
THF Realty Development	79,258,100	6	0.3			
AT&T	70,671,984	7	0.3			
Southwestern Bell				77,636,544	6	0.5
Pfizer, Inc.	70,600,750	8	0.3			
Laclede Gas Company	64,751,360	9	0.3			
Monsanto	62,427,300	10	0.3	75,815,210	7	0.5
Westfield Corporation				74,721,110	8	0.5
Harrah's Entertainment				65,352,200	9	0.4
	<u>\$ 1,258,324,775</u>		<u>5.4 %</u>	<u>\$ 1,182,846,827</u>		<u>7.3 %</u>

Source: St. Louis County Department of Revenue

Notes: (1) McDonnell Douglas merged with Boeing.

(2) St. Louis County Water Company merged with Missouri American Water Company.

**ST. LOUIS COUNTY, MISSOURI
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

<u>Levy Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Outstanding Delinquent Taxes to Tax Levy</u>
1999	\$1,159,168,847	\$1,077,840,124	93.0 %	\$56,743,268	\$1,134,583,392	97.9 %	\$29,633,284	2.6 %
2000	1,216,243,694	1,142,463,697	93.9	76,911,164	1,219,374,861	100.3	30,168,261	2.5
2001	1,357,842,889	1,292,720,375	95.2	63,098,497	1,355,818,872	99.9	43,215,758	3.2
2002	1,352,229,113	1,313,306,782	97.1	64,931,661	1,378,238,443	101.9	51,077,027	3.8
2003	1,414,540,716	1,328,513,553	93.9	81,807,572	1,410,321,125	99.7	54,863,431	3.9
2004	1,476,057,208	1,436,512,933	97.3	119,107,415	1,555,620,348	105.4	59,568,277	4.0
2005 (1)	1,605,953,346	1,560,199,690	97.2	41,955,283	1,630,862,025	101.6	59,179,774	3.7
2006	1,634,860,914	1,586,182,588	97.0	76,230,796	1,662,413,384	101.7	63,794,155	3.9
2007	1,824,499,226	1,595,859,313	87.5	79,237,976	1,675,097,291	91.8	55,720,273	3.1
2008	1,826,184,116	1,609,013,019	88.1	253,743,777	1,862,756,796	102.0	63,231,952	3.5

Source: Collector of Revenue - St. Louis County, February Fiscal Year.

Note: (1) Reflects restatement of previously reported amounts.

ST. LOUIS COUNTY, MISSOURI
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities						Business-type Activity		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Certificates of Participation	Contractual Obligation	Bond Payable	Note Payable	Lease Financing	Leasehold Revenue Bonds	Lease Financing			
2000	\$232,560	\$41,620	\$81,675				\$1,345		\$357,200	0.87 %	\$351
2001	225,395	40,035	79,090				1,065		345,585	0.82	340
2002	217,760	38,385	76,410		\$3,130		995		336,680	0.78	332
2003	116,545	36,670	125,550		3,718				282,483	0.65	279
2004	107,830	34,885	122,385		2,274	\$824			268,198	0.59	266
2005	98,505	33,025	119,085		3,496	850			254,961	0.55	254
2006(2)	88,615	31,090	115,705	\$14,750	19,198	2,499			271,857	0.55	272
2007	78,010	29,075	112,210	14,750	27,370	10,458		\$2,946	274,819	0.53	276
2008	66,710	26,980	108,145	14,750	52,888	13,917		2,690	286,080	0.53	288
2009	49,050		103,990	49,415	64,190	11,323		2,422	280,390	NA	283

Source: Basic financial statements

Notes: (1) Personal income and population data can be found in the Schedule of Demographic and Economic Statistics.
(2) 2006 amounts were restated.

ST. LOUIS COUNTY, MISSOURI
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property (1)</u>	<u>Per Capita (2)</u>
2000	\$232,560,000	\$118,998,905	\$113,561,095	0.17 %	\$112
2001	225,395,000	124,485,218	100,909,782	0.14	99
2002	217,760,000	125,442,978	92,317,022	0.12	91
2003	116,545,000	33,482,756	83,062,244	0.10	82
2004	107,830,000	21,054,103	86,775,897	0.11	86
2005	98,505,000	21,363,451	77,141,549	0.09	77
2006	88,615,000	22,814,509	65,800,491	0.07	66
2007	78,010,000	24,741,428	53,268,572	0.05	54
2008	66,710,000	29,284,329	37,425,671	0.03	38
2009	49,050,000	19,067,165	29,982,835	0.03	30

Source: Basic financial statements

- Notes: (1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.
(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

ST. LOUIS COUNTY, MISSOURI
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2009

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Municipalities	\$181,316,696	100.0 %	\$181,316,696
School Districts	1,005,501,729	100.0	1,005,501,729
Fire Districts	48,980,000	100.0	48,980,000
Subtotal, overlapping debt	<u>1,235,798,425</u>		<u>1,235,798,425</u>
St. Louis County direct debt			49,050,000
Total direct and overlapping debt			<u><u>\$1,284,848,425</u></u>

Sources: Municipalities polled
Missouri State Board of Education
Fire Districts polled

ST. LOUIS COUNTY, MISSOURI
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt limit	\$1,637,500,380	\$1,809,927,935	\$1,816,942,772	\$1,885,249,405	\$1,884,295,124	\$2,091,796,278	\$2,358,704,564	\$2,757,648,888	\$2,786,140,700	\$2,625,675,421
Total net debt applicable to limit	113,561,095	100,909,782	92,317,022	83,062,244	86,775,897	77,141,549	65,800,491	53,268,572	37,425,671	29,982,835
Legal debt margin	<u>\$1,523,939,285</u>	<u>\$1,709,018,153</u>	<u>\$1,724,625,750</u>	<u>\$1,802,187,161</u>	<u>\$1,797,519,227</u>	<u>\$2,014,654,729</u>	<u>\$2,292,904,073</u>	<u>\$2,704,380,316</u>	<u>\$2,748,715,029</u>	<u>\$2,595,692,586</u>
Total net debt applicable to the limit as a percentage of debt limit	6.94%	5.58%	5.08%	4.41%	4.61%	3.69%	2.79%	1.93%	1.34%	1.14%

Legal Debt Margin Calculation for Fiscal Year 2009

Assessed value	\$23,654,984,595
Add back: exempt real property	2,601,769,610
Total assessed value	<u>\$26,256,754,205</u>
Debt limit (10% of total assessed value)	\$2,625,675,421
Debt applicable to limit:	
General obligation bonds	49,050,000
Less: Amount set aside for repayment of general obligation debt	<u>(19,067,165)</u>
Total net debt applicable to limit	<u>29,982,835</u>
Legal debt margin	<u>\$2,595,692,586</u>

Note: The bonded indebtedness of St. Louis County is limited by Sections 108.010 and 108.020 of the Missouri Revised Statutes (1986) to 10% of the assessed value of taxable tangible property.

ST. LOUIS COUNTY, MISSOURI
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (amounts expressed in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Educational Attainment: Bachelor's Degree or Higher</u>	<u>Public School Enrollment</u>	<u>Unemployment Rate</u>
2000	1,016,300	\$41,011,770	\$40,354	37.5	37.8	152,518	2.2 %
2001	1,017,970	42,320,067	41,573	37.5	37.8	150,830	3.8
2002	1,018,102	42,959,832	42,196	38.4	37.0	146,947	4.8
2003	1,013,123	43,792,242	43,225	38.7	37.0	149,569	5.1
2004	1,009,235	45,517,508	45,101	39.6	38.3	147,949	5.4
2005	1,004,666	46,311,739	47,023	39.6	38.3	142,462	5.1
2006	998,704	49,662,201	49,727	40.1	38.9	148,303	4.6
2007	993,512	51,374,904	51,710	40.1	38.1	148,516	4.9
2008	991,830	53,926,646	54,371	40.5	38.4	146,781	5.9
2009	992,408	NA	NA	40.5 (1)	38.4 (1)	150,127	8.9

Sources:

Population:	U.S. Bureau of the Census, Census 2000 and estimates by Population Division
Per Capita Income:	U.S. Department of Commerce, Bureau of Economic Analysis
Median Age:	U.S. Bureau of the Census, 2000 Census and American Community Survey (2006-2008)
Educational Attainment:	U.S. Bureau of the Census, 2000 Census and American Community Survey (2006-2008)
Public School Enrollment:	Missouri Department of Elementary and Secondary Education
Unemployment Rate:	Missouri Economic Research and Information Center, Missouri Department of Economic Development

Note: (1) Median age and educational attainment information not available. 2008 information used.

ST. LOUIS COUNTY, MISSOURI
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	<u>2009</u>			<u>2000</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Boeing	16,000	1	2.6 %	16,400	1	2.6 %
Washington University in St. Louis	12,390	2	2.0	10,255	4	1.6
SSM Healthcare	12,102	3	2.0	10,664	3	1.7
Schnuck Markets	10,500	4	1.7	12,393	2	1.9
St. John's Mercy Health Care	8,876	5	1.5			
Special School District	5,071	6	0.8			
Dierbergs Markets	5,000	7	0.8	4,412	9	0.7
Edward Jones	4,712	8	0.8			
Enterprise Rent-A-Car	4,400	9	0.7			
St. Louis County Government	4,114	10	0.7	4,317	10	0.7
DaimlerChrysler Corporation				8,161	6	1.3
Unity Health				10,066	5	1.6
Tenet				4,745	8	0.7
United Parcel Service				5,198	7	0.8
Total	83,165		13.6 %	86,611		13.6 %

Source: St. Louis Regional Chamber & Growth Association

ST. LOUIS COUNTY, MISSOURI
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

<u>Function</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	2007	<u>2008</u>	<u>2009</u>
General government	804	833	849	843	805	765	838	854	858	861
Public safety	1,700	1,734	1,750	1,762	1,729	1,622	1,732	1,755	1,787	1,806
Human services	104	119	108	118	111	101	105	105	121	123
Highways and traffic	548	544	532	531	516	483	489	489	489	485
Health	558	595	542	457	457	379	420	434	454	461
Parks and recreation	435	413	361	340	331	292	305	316	316	312
Transportation	1	1	1	1	1	1	1	1	1	1
Business-type activity-Spirit Airport	21	18	18	18	17	17	18	19	18	18
Total	4,171	4,257	4,161	4,070	3,967	3,660	3,908	3,973	4,044	4,067

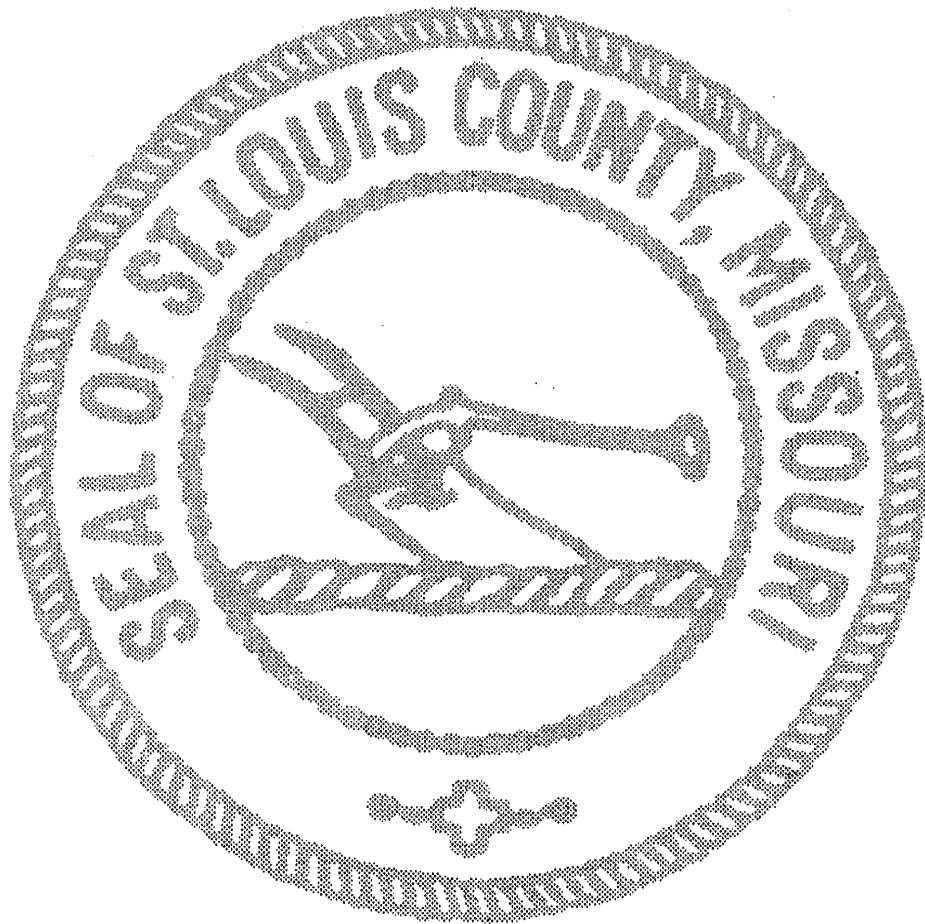
Source: St. Louis County Budget Division

ST. LOUIS COUNTY, MISSOURI
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS (1)

<u>Function</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008 (3)</u>	<u>2009 (4)</u>
General government										
Elections										
Registered voters on file	654,861	635,140	626,303	633,727	686,272	696,904	670,649	662,046	716,060	703,010
Absentee ballot requests	42,741	8,000	32,472	6,924	68,345	9,480	45,570	8,722	110,023	20,000
Public works										
Construction permit applications processed	38,981	40,361	42,266	48,072	50,977	53,693	50,801	48,573	43,164	38,240
Inspections conducted (2)	159,615	162,504	166,679	176,525	181,525	171,269	170,760	162,370	152,764	132,025
Public safety										
Police										
Arrests (Division of Patrol)	25,846	24,535	25,089	24,640	23,796	22,004	20,389	17,649	22,900	22,800
Investigations-persons	2,729	2,905	3,321	2,902	2,595	2,796	2,978	3,629	3,290	3,588
Investigations-property	3,939	4,327	5,002	4,293	4,050	3,829	4,102	4,424	5,102	4,700
Highways and traffic										
Surface treatments (lane miles)	NA	NA	NA	NA	NA	97.28	98.90	99.80	269.9	139.1
Asphalt overlay (lane miles)	60.00	NA	114.50	95.05	32.28	36.57	18.67	18.50	6.9	8.5
Concrete replacement (cubic yards)	NA	NA	NA	NA	NA	10,345	11,345	13,186	11,560	12,901
Health										
Medical exams	NA	NA	NA	NA	40,351	45,332	50,709	51,062	50,449	54,585
Immunizations	NA	NA	NA	NA	NA	36,957	31,401	39,862	38,007	37,792
Dental exams	NA	NA	NA	NA	13,648	14,164	12,012	10,843	11,488	11,910
Parks and recreation										
Athletic field attendance	NA	162,193	229,710	228,687	286,925	196,145	196,145	196,101	165,768	275,101
Picnic shelter attendance	NA	250,425	232,009	262,135	237,000	225,601	225,601	225,601	127,880	313,381
Total park attendance (in millions)	13.0	13.1	13.1	13.2	13.0	13.0	13.1	14.0	14.0	14.0
Spirit										
Number of based aircraft	513	520	500	427	473	446	403	403	378	378

Sources: St. Louis County Budget Division and individual County Departments

- Notes: (1) Ten years of data for certain indicators will be reported as it is accumulated.
(2) Includes electrical, mechanical, plumbing, grading, commercial and residential inspections.
(3) Operating indicators restated from estimated to actual for 2008.
(4) Operating indicators estimated in 2010 Budget.



ST. LOUIS COUNTY, MISSOURI
CAPITAL ASSET STATISTICS BY FUNCTION
LAST NINE FISCAL YEARS (1)

<u>Function/Program</u>	<u>Fiscal Year</u>								
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Public Safety									
Purchase of new or replacement police vehicles	64	118	97	46	36	94	127	89	112
Total owned police vehicles	452	466	465	470	473	484	490	521	522
Highways & Traffic									
ARS & CRS road lane miles	3,077	3,085	3,092	3,150	3,147	3,162	(2) 3,217	3,145	3,195
Bridges	226	226	226	227	227	230	230	230	230
Purchased replacement vehicles	52	47	41	31	22	25	26	36	28
Total owned highway vehicles	357	353	344	344	339	349	337	343	346
Health Department									
Community Health Centers	3	3	3	3	3	3	3	3	3
Animal Shelters	2	2	2	2	2	2	2	2	2
Air Monitoring Stations	6	6	6	5	5	5	6	6	2
Purchased replacement vehicles	14	12	0	0	5	9	11	14	15
Total owned health vehicles	65	73	71	70	67	69	69	75	82
Parks and Recreation									
Number of county parks	71	72	71	69	69	69	69	69	69
Park acreage:									
Developed/Undeveloped	12,488	13,233	12,272	12,328	12,467	12,467	12,467	12,686	12,686
Purchased replacement vehicles	16	19	10	11	6	3	8	16	23
Total owned park vehicles	155	161	154	151	151	150	149	151	157
Spirit of St. Louis Airport									
Number of runways	2	2	2	2	2	2	2	2	3

Sources: Capital asset records and individual County departments

Notes: (1) Ten years of data will be reported as it is accumulated.

(2) The lane miles amount for 2006 was restated.

