

# **CITY OF WASHINGTON, MISSOURI**

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## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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**FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2009**

***CITY OF WASHINGTON, MISSOURI***

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***COMPREHENSIVE ANNUAL  
FINANCIAL REPORT***

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FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2009

PREPARED BY THE FINANCE OFFICER

**CITY OF WASHINGTON, MISSOURI**  
**FINANCIAL REPORT**

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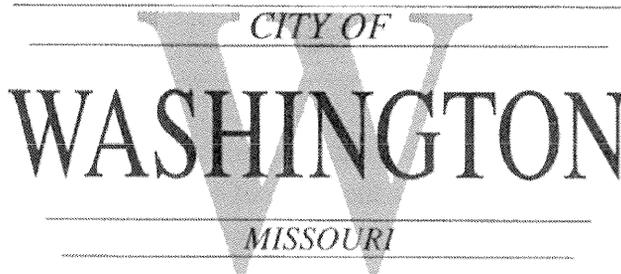
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**SECTION I - INTRODUCTORY SECTION**

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March 29, 2010

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

The Comprehensive Annual Financial Report of the City of Washington, Missouri (the City) for the fiscal year ended September 30, 2009, is hereby submitted. The Finance Department prepared this report and responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material aspects; and is presented in a manner designed to fairly present the financial position and results of operations of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City's financial statements were audited by Hochschild, Bloom & Company LLP. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the City for the fiscal year ended September 30, 2009, are free of material misstatement. The independent audit involved 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; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon their audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended September 30, 2009, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The City is required to have a "Single Audit" in conformity with the provisions of the Single Audit Act of 1984 and the United States Office of Management and Budget Circular A-133. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements involving the administration of federal awards. Information related to this Single Audit is available in the City's separately issued Single Audit Report.

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

The Comprehensive Annual Financial Report is presented in three sections:

- The *Introductory* section, which is unaudited, includes this letter of transmittal, an organizational chart, and a list of the City's principal elected and appointed officials.
- The *Financial* section includes the independent auditors' report, Management's Discussion and Analysis, basic financial statements for the City, and required and additional supplementary information.
- The *Statistical* section includes selected financial and demographic information, generally presented on a multi-year basis.

### **Profile of the City**

Lucinda Owens officially founded the City on May 29, 1839. A charter was granted to the town by the State Legislature on February 15, 1841. The City is a third class city duly organized under Missouri State laws, with a Council/Administrator form of government. The Council consists of eight members representing four wards plus a mayor that is city selected on a non-partisan basis. The City Administrator is appointed by the Council and is responsible for day-to-day operations of the City.

The City provides its citizens with typical services, such as street maintenance and construction, police and fire protection, code enforcement, engineering and planning, facilities inspections, parks and recreation, and library facility. These services are financed from general revenues of the City. The City provides water, sewer, and sanitation services derived from revenues from user fees.

The City is situated along the Missouri River and is located 55 miles west of St. Louis. Highway 100 and Highway 47 are the two state highways leading to the City. Construction converting Missouri State Highway 100 to four lanes from I-44 to the City began in 2008. Amtrak and the Union Pacific Railroads also serve the City. The City's Washington Memorial Airport is located in Warren County, approximately two and a half miles North of the City on Missouri State Highway 47. The airport is home base for 36 airplanes. AmerenUE provides the City with electricity and Missouri Natural Gas provides gas service. Both traditional and cellular phone service is provided by several companies. The Missouri Public Service Commission regulates these companies.

Census population figures for the City in 2000 was 13,243. Current estimated population is 14,500. The City now serves a shopping population of over 150,000. With more than 300 retail stores, it is the largest shopping center between St. Louis and Jefferson City. Phoenix Center II Community Improvement District (the District) was established in 2006. This component unit of the City receives 50% of the County and City's share of sales tax collected in the District. Anchor stores for this District are Target and Kohl's.

Approximately 65 industries are located in the City, employing an estimated 6,000 - 7,000 people. The City has a growing visitor industry, attracted by the boat access to the Missouri River, historical buildings, and wineries located in the general area.

There are four radio stations, two local television stations, and a twice-weekly newspaper. In addition, the cable television company carries a local channel broadcast from East Central College. Additional radio and television services are available from the St. Louis area.

Washington School District operates eight elementary schools, one middle school, and a high school for the City and the surrounding area with a total of 4,557 students. There are also four private and parochial schools. Four Rivers Career Center provides technical training.

There are currently seven banks with combined assets of \$1,399,143,210.

St. John's Mercy Hospital, the only hospital in Franklin County, has been serving area residents since 1926. Part of the Sisters of Mercy Health System, the 187 bed nonprofit facility is a Level III Trauma Center that has received numerous state and national honors over the years.

In 1989, much of the downtown area was placed on the National Register of Historical Places. The City was designated as a DREAM community in 2006 by Governor Matt Blunt. This initiative will help the community to more efficiently and effectively engage in downtown redevelopment and revitalization efforts. In 2006, the Washington Downtown TIF District was established. The District receives 100% of the property tax and 50% of the sales taxes collected in this District above the base amounts established in 2006.

### **Major Initiatives**

A committee comprised of citizen volunteers, council members, and administrative staff is preparing a renewal campaign for the extension of the Capital Improvement Sales Tax Program. Project ideas for the capital program have been submitted by various city departments, private citizen groups, Downtown Washington Incorporated, and Washington Transportation Commission. On the April 2010 ballot, voters will be asked to approve the renewal of the ½% sales tax for capital improvement for an additional eight years. The capital improvement sales tax has been in effect since 1989.

The City is reviewing and developing a storm water management program to assist its citizens in flood prone areas during heavy rain events.

The City has engaged an engineering firm to assist in the planning and design for the expansion of the library.

### **Long-term Financial Planning**

Although the City Council has not formally adopted a long-term financial plan, administration does establish strategic goals and objectives for long-range planning purposes. Spreadsheets are maintained projecting future revenues and expenditures, including capital projects.

The City's policy per resolution passed in April 2005 is to maintain an unreserved fund balance level in the General Fund equal to 15% of operating expenditures. As of September 30, 2009, the unreserved fund balance in the General Fund is in compliance with the City's policy. City management also tries to maintain a 25% reserve in its enterprise funds for future debt service requirements. This reserve is not set by ordinance/resolution.

Both sewer and water rates were increased to cover costs for future improvements and to pay debt service payments on the new wastewater treatment plant opened in 2009.

### **Economic Condition**

Since 2007, the City has experienced a slow but steady decrease in sales tax of 3% - 6%. The City is confident and has evaluated its position and has made certain changes in its budgets and purchasing to reduce expenditures to help counteract the sales tax shortfall. In addition, the City has reserves set aside if needed. The City maintains a conservative approach in spending and anticipates some economic recovery in the next fiscal year or two.

### **Financial Information**

In fulfilling its responsibilities for reliable financial statements, management depends on the City's system of internal control. This system is designed to provide reasonable assurance that assets are effectively safeguarded and that transactions are executed in accordance with management's authorization and are properly recorded.

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which are comprised of its assets, liabilities, fund balances, revenues, and expenditures.

The annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, department, and object classification. The city administrator has the authority to make transfers of appropriations between line items within individual departments. Transfers of appropriations between departments or funds require approval of the City Council through the budget amendment process. Budget to actual comparisons, which are required for each individual governmental fund for which an appropriated annual budget has been adopted, are included in this report. Legal level of budgetary control is maintained at the fund level.

### **Cash Management Policies and Practices**

To maximize investment earnings, the City consolidates cash balances of all funds except for certain restricted funds. Cash temporarily idle during the year was invested in demand deposits, certificates of deposits, and money market funds. The City was able to produce a reasonable return on investments, given current market conditions, for the year ending September 30, 2009. The amount of interest income was \$457,495 which represents an average yield of 2.5%.

The objective of the City's investment program is to reduce credit and market risk while maximizing return on idle funds, within the bounds allowed by State statute. Accordingly, deposits were either insured by federal depository insurance or collateralized. All collateral on deposits was held by the pledging bank's agent in the City's name. For additional information regarding cash deposits and investments, see financial statement Note B.

### **Risk Management**

The City is a member of the Missouri Intergovernmental Risk Management Association (MIRMA), which is a jointly self-funded insurance program consisting solely of Missouri municipalities. MIRMA's program covers general liability, property and casualty, and workers' compensation. The City purchases health and dental insurance through private insurance carriers. Additional information on the City's risk management activity can be found in Note J of the notes to the basic financial statements.

### **Retirement System**

The City participates in the Missouri Local Government Employees Retirement System. The plan is noncontributory and covers all full-time City employees. The City funds the entire cost of the plan. Contributions, based on actuarial valuations, were 11.8% (general) and 11.6% (police) of annual covered payroll.

The City also offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This is solely an employee contributory plan. Additional information can be found in Note I of the notes to the basic financial statements.

## **Award**

This is the first year that the City has applied for the Certificate of Achievement for Excellence in Financial Reporting issued by the Government Finance Officers Association of the United States and Canada (GFOA). The Certificate is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

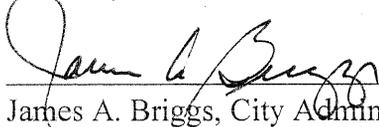
A Certificate of Achievement is valid for a period of one year only. We believe our current report qualifies and conforms to the Certificate of Achievement program requirements and is being submitted to the GFOA for review.

## **Acknowledgement**

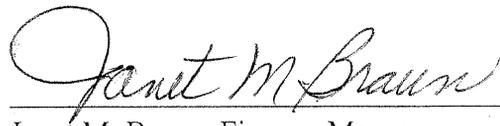
The preparation of this report would not have been completed without the dedicated service of city staff in each department. We would like to especially acknowledge the dedicated services and assistance of the staff members of the finance department. Special recognition should go to the Assistant Finance Manager, Mary J. Sprung, CPA, for all of her hard work and coordination in compiling the City's financial data.

We would also like to thank our auditors, Hochschild, Bloom & Company LLP, Certified Public Accountants for their help in formulating this report. Our sincere gratitude is extended to you for your service and cooperation in the conduct of the annual audit and assistance in making this report available.

Sincerely,



James A. Briggs, City Administrator



Janet M. Braun, Finance Manager

**CITY OF WASHINGTON, MISSOURI**  
**PRINCIPAL OFFICIALS**

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**MAYOR**

Richard F. Stratman

**WARD 1**

Tim Overschmidt  
Walter Meyer

**WARD 2**

John Rhodes  
Jeff Mohesky

**WARD 3**

Connie Groff  
Guy Midkiff

**WARD 4**

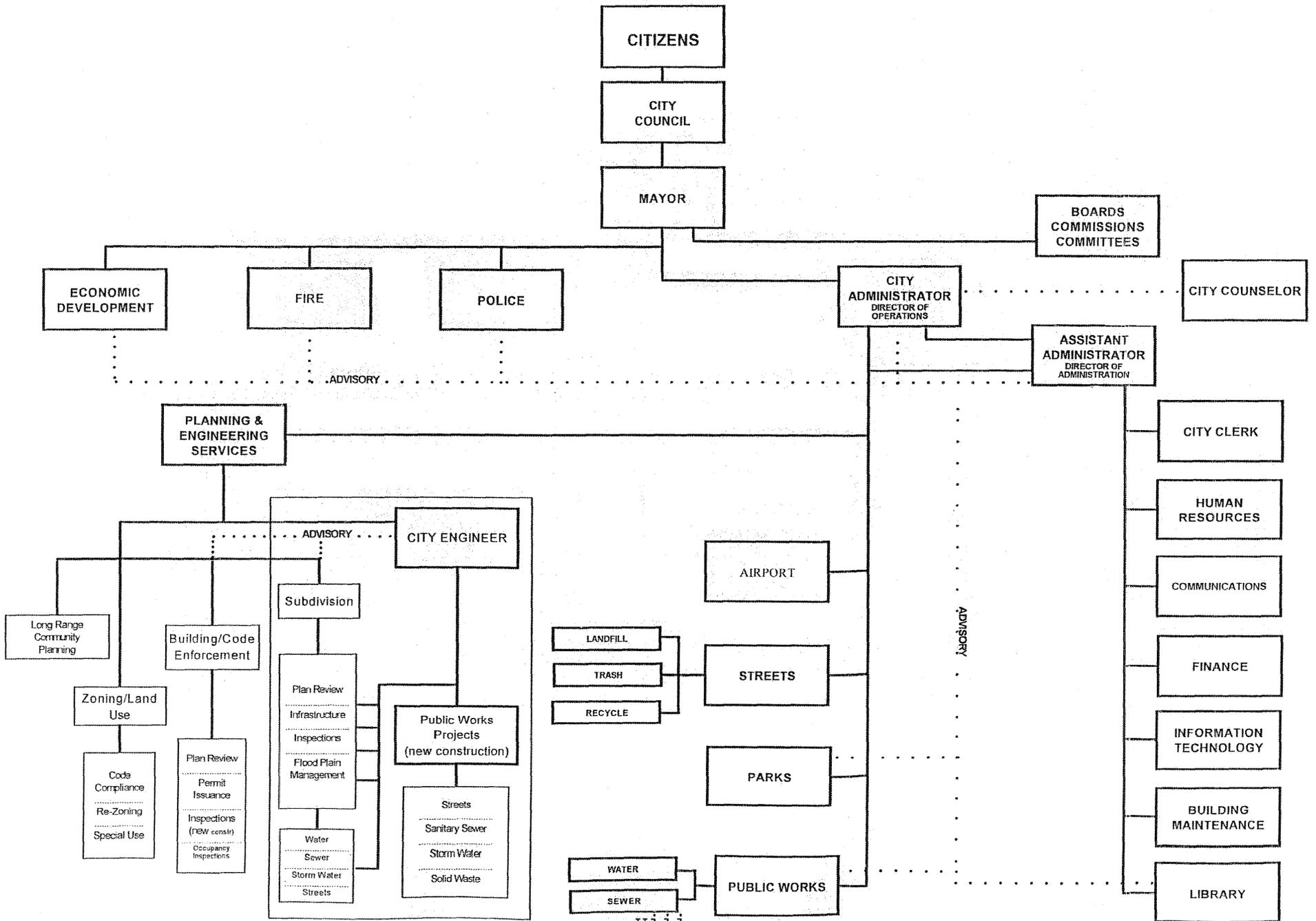
Carolyn Witt  
Tim Buddemeyer

**ALL OTHER CITY OFFICIALS**

James Briggs - City Administrator  
Brian Boehmer - Assistant City Administrator  
Brenda Mitchell - City Clerk  
Mark Piontek - City Attorney  
Janet Braun - Finance Manager/Treasurer/City Collector  
Mary Sprung, CPA - Assistant Finance Manager  
Ken Hahn - Police Chief  
Lisa Hotsenpillar - Communications Director  
W. H. "Bill" Halmich - Fire Chief/Emergency Preparedness Director  
Donna Tune - Information Technology Director  
Nell Redhage - Librarian  
Josh Pederson - Parks Director  
John "Jack" Brinker - Street Superintendent  
Darren Lamb - Planning and Engineering Director  
Kevin Quaethem - Water/Wastewater Superintendent

# ORGANIZATIONAL CHART

## CITY OF WASHINGTON, MISSOURI



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**SECTION II - FINANCIAL SECTION**

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

## INDEPENDENT AUDITORS' REPORT

March 29, 2010

Mayor and City Council  
**CITY OF WASHINGTON, MISSOURI**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **CITY OF WASHINGTON, MISSOURI** (the City) as of and for the year ended September 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 the City'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 provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information as of September 30, 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 a report dated March 29, 2010, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial

- 16100 Chesterfield Parkway West, Suite 125, Chesterfield, Missouri 63017-4829, 636-532-9525, Fax 636-532-9055
- 1000 Washington Square, P.O. Box 1457, Washington, Missouri 63090-8457, 636-239-4785, Fax 636-239-5448

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 important for assessing the results of our audit.

The management's discussion and analysis and required supplemental information, as listed in the table of contents, are not a required part of the basic financial statements but are supplemental 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 the City's financial statements. The other supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not audit the data included in the introductory and statistical sections of this report and, therefore, express no opinion thereon.

*Hochschild, Bloom & Company LLP*

**CERTIFIED PUBLIC ACCOUNTANTS**

# CITY OF WASHINGTON, MISSOURI

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### FOR THE YEAR ENDED SEPTEMBER 30, 2009

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This section of the City of Washington, Missouri (the City) annual financial report presents our review of the City's financial performance during the fiscal year that ended on September 30, 2009. We encourage readers to consider the information presented here in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

#### FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$51,695,136 (net assets). Of this amount, \$6,912,677 (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net assets increased \$5.6 million. Of this amount, \$4.4 million was from "governmental activities", while the "business-type activities" increased by \$1.2 million.
- General revenues for governmental activities were \$12,331,297, a decrease of \$445,695 from the prior year. Revenues included \$9,684,278 (78.5%) in sales, franchise, and other taxes. Property taxes accounted for \$2,283,620 (18.5%).
- Net expenses from the various functions of governmental activities were \$7,890,986. General government was \$1,847,845 (23.4%), public safety \$3,290,579 (41.7%), and culture and recreation \$1,456,723 (18.5%).
- The City's total debt decreased approximately \$4 million during the current fiscal year. Factors in this decrease are the retirement of the Certificates of Participation, Series 2005, along with the scheduled reduction of the City's other debt.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

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

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, including component units, in a manner similar to a private-sector business. The government-wide financial statements exclude fiduciary fund activities.

The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Increases or decreases in net assets serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a

**CITY OF WASHINGTON, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

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significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, airport, highways and streets, and culture and recreation. The business-type activities of the City include a water system distribution operation, a sewage collection and treatment system, a solid waste collection and disposal operation, and a recycling center.

Two separate organizations are considered component units of the City - the Industrial Development Authority (IDA) and the Phoenix Center II Community Improvement District (the District). The IDA is organized to develop and promote commercial industrial, agricultural, and manufacturing facilities in the City. The financial activity of the IDA is insignificant in relation to the City and the component unit has been excluded from the accompanying basic financial statements. The District is organized to construct public infrastructure improvement projects to serve a new commercial redevelopment project in the City. The District's financial activity is discretely presented in the City's basic financial statements.

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

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

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

The City maintains several individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Improvements Sales Tax Fund, Transportation Sales Tax Fund, and 2008 COPS Fund, all of which are considered to be major funds. Due to similarity of purpose, the revenue and expenditures of the Storm Water Improvement Fund and the General Fund are combined and reported in the General Fund. Data from the four other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the other supplemental information section of this report.

The City adopts an annual appropriated budget for all of its governmental funds. Budgetary comparison statements have been provided for all budgeted funds to demonstrate legal compliance with the respective adopted budget.

**Proprietary funds.** The City maintains enterprise funds to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewage treatment, and solid waste operations.

**CITY OF WASHINGTON, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

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Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund statements provide separate information for the Water Fund, Sewage Treatment Fund, and Solid Waste Fund operations, all of which are considered to be major funds of the City.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. These funds are Industrial G.O. Bonds Series 1997A and B; Taxable Industrial Revenue Bonds (HBAS Manufacturing, Inc. Project), Series 2005; and Taxable Industrial Revenue Bonds (Pauwels Project), Series 2008A and B.

**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.

**Other information.** In addition to the basic financial statements and accompanying notes, this report contains certain required supplemental information regarding budgetary information. The combining and individual statements for the nonmajor governmental funds are presented immediately following the required supplemental information.

#### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The City presents its financial statements as required by the Governmental Accounting Standards Board Statement No. 34 (GASB 34), *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Therefore, a comparative analysis of government-wide data is also included in this report.

As noted earlier, net assets may serve over time as a useful indicator of the City's financial position. As of September 30, 2009, assets exceeded liabilities by \$51,695,136.

The following table reflects the condensed statement of net assets:

**CITY OF WASHINGTON, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	September 30					
	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Assets</b>						
Current and other assets	\$ 18,683,221	21,342,471	5,250,501	16,320,881	23,933,722	37,663,352
Capital assets, net	45,084,446	42,637,768	37,819,741	27,775,555	82,904,187	70,413,323
Total Assets	<u>63,767,667</u>	<u>63,980,239</u>	<u>43,070,242</u>	<u>44,096,436</u>	<u>106,837,909</u>	<u>108,076,675</u>
<b>Liabilities</b>						
Noncurrent liabilities	27,064,662	31,185,129	23,453,792	23,375,275	50,518,454	54,560,404
Current liabilities	2,754,309	3,286,725	1,870,010	4,169,177	4,624,319	7,455,902
Total Liabilities	<u>29,818,971</u>	<u>34,471,854</u>	<u>25,323,802</u>	<u>27,544,452</u>	<u>55,142,773</u>	<u>62,016,306</u>
<b>Net Assets</b>						
Invested in capital assets, net of related debt	18,496,183	15,218,196	18,894,569	20,033,834	37,390,752	35,252,030
Restricted	7,188,207	7,543,818	203,500	297,545	7,391,707	7,841,363
Unrestricted	8,264,306	6,746,371	(1,351,629)	(3,779,395)	6,912,677	2,966,976
Total Net Assets	<u>\$ 33,948,696</u>	<u>29,508,385</u>	<u>17,746,440</u>	<u>16,551,984</u>	<u>51,695,136</u>	<u>46,060,369</u>

At the end of the current fiscal year, the City is able to report positive balances in all categories of net assets for the City as a whole.

- \$37.4 million -- Invested in capital assets, net of related debt
- \$7.4 million -- Restricted
- \$6.9 million -- Unrestricted

The City's combined net assets increased to \$51.7 million from \$46 million as a result of the year's revenues exceeding expenses as reflected in the next table. Governmental activities reflect net assets of \$34 million and \$17.7 million for business-type activities.

The largest portion of the City's net assets (72%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net assets for governmental activities are \$7,188,207 and business-type activities are \$203,500. Restricted net assets equal 14.3% of total net assets. These restricted net assets are for capital projects and debt service.

The remaining portion of the City's net assets represent unrestricted net assets, \$6,912,677, and is available to be used to meet the City's ongoing obligations to citizens and creditors. Governmental activities unrestricted net assets increased \$1.5 million to \$8,264,306. The business-type activities unrestricted net assets reflect a balance

**CITY OF WASHINGTON, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

of (\$1,351,629). Capital projects in two of the three enterprise funds resulted in this reduction. Increased user fees during the current year decreased this negative position by \$2,177,930 from the previous year.

**Changes in net assets.** The following table reflects the revenues and expenses for the City's statement of activities:

	For The Years Ended September 30					
	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 2,002,948	1,961,151	5,307,212	4,802,241	7,310,160	6,763,392
Operating grants and contributions	917,539	981,166	-	-	917,539	981,166
Capital grants and contributions	2,145,388	3,412,588	44,000	575,292	2,189,388	3,987,880
General revenues:						
Property taxes	2,283,620	2,114,522	-	-	2,283,620	2,114,522
Sales taxes	7,353,667	7,887,896	-	-	7,353,667	7,887,896
Franchise taxes	2,225,337	2,194,529	-	-	2,225,337	2,194,529
Other taxes	105,274	108,790	-	-	105,274	108,790
Investment income	357,399	471,255	100,096	173,377	457,495	644,632
Miscellaneous	-	-	50,429	40,139	50,429	40,139
Total Revenues	<u>17,391,172</u>	<u>19,131,897</u>	<u>5,501,737</u>	<u>5,591,049</u>	<u>22,892,909</u>	<u>24,722,946</u>
<b>Expenses</b>						
General government	2,450,212	2,746,947	-	-	2,450,212	2,746,947
Public safety	4,167,081	4,127,090	-	-	4,167,081	4,127,090
Airport	315,409	318,800	-	-	315,409	318,800
Highways and streets	2,757,131	20,587,741	-	-	2,757,131	20,587,741
Culture and recreation	1,784,181	1,842,721	-	-	1,784,181	1,842,721
Interest on long-term debt	1,482,847	906,982	-	-	1,482,847	906,982
Water	-	-	1,279,316	1,342,968	1,279,316	1,342,968
Sewer	-	-	1,055,581	1,040,995	1,055,581	1,040,995
Solid waste	-	-	1,966,384	1,985,836	1,966,384	1,985,836
Total Expenses	<u>12,956,861</u>	<u>30,530,281</u>	<u>4,301,281</u>	<u>4,369,799</u>	<u>17,258,142</u>	<u>34,900,080</u>
Excess (deficiency) before transfers	4,434,311	(11,398,384)	1,200,456	1,221,250	5,634,767	(10,177,134)
Transfers	6,000	-	(6,000)	-	-	-
Increase (decrease) in net assets	4,440,311	(11,398,384)	1,194,456	1,221,250	5,634,767	(10,177,134)
Net assets, beginning	<u>29,508,385</u>	<u>40,906,769</u>	<u>16,551,984</u>	<u>15,330,734</u>	<u>46,060,369</u>	<u>56,237,503</u>
Net assets, ending	<u>\$ 33,948,696</u>	<u>29,508,385</u>	<u>17,746,440</u>	<u>16,551,984</u>	<u>51,695,136</u>	<u>46,060,369</u>

**Governmental activities.** Governmental activities increased the City's net assets by \$4.4 million.

**CITY OF WASHINGTON, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

Property taxes increased \$169,098 over the prior year. This increase was due to both new residential and commercial properties that came onto the tax rolls. Franchise fees increased \$30,808 over the prior year due to court settlement with telecommunications providers. Charges for services increased \$41,797 due in part to several large commercial construction projects and public safety enforcements. Sales taxes, the largest governmental category, generated \$7.4 million or 42% of governmental revenue. However, this was a decrease over the prior year of \$534,229 or 7%, due to the sluggish economy. Revenues from governmental activities totaled \$17.4 million or 76% of the total City revenues. For the fiscal year ended September 30, 2009, total combined revenues are \$22.9 million (governmental and business-type).

Governmental activities expenses decreased \$17.6 million or 57% for the fiscal year ended September 30, 2009 compared to the fiscal year ended September 30, 2008. This decrease is largely due to the completion of a shared project between the City and the Missouri Department of Transportation for the Route 100 widening to five lanes.

The City took a proactive approach to the economic slowdown and implemented activities such as an amendment to the employee health insurance program, curtailing nonessential overtime, and adjusting work schedules to coordinate manpower requirements between departments. The City instituted a wage and hiring freeze as part of the multiple steps to maintain the essential services to the citizens. In addition, capital projects were deferred unless there was a grant or contribution match to the project.

Certain revenues are generated specific to governmental program activities. These direct revenues totaled \$5.1 million. The following table shows expenses for program activities and the effect of these direct revenues to program costs.

	<b>Net Cost Of Governmental Activities</b>			
	<b>As Of September 30</b>			
	<b>Total Cost Of Service</b>		<b>Net Cost Of Service</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
General government	\$ 2,450,212	2,746,947	(1,847,845)	(2,142,380)
Public safety	4,167,081	4,127,090	(3,290,579)	(3,304,547)
Airport	315,409	318,800	(249,610)	53,346
Highway and streets	2,757,131	20,587,741	436,618	(16,462,571)
Culture and recreation	1,784,181	1,842,721	(1,456,723)	(1,412,242)
Interest on long-term debt	1,482,847	906,982	(1,482,847)	(906,982)
<b>Total</b>	<b>\$ 12,956,861</b>	<b>30,530,281</b>	<b>(7,890,986)</b>	<b>(24,175,376)</b>

Expenses from governmental activities totaled \$13 million. However, net costs of these services were \$7.9 million. The difference represents direct revenues received from charges for services of \$2 million, operating grants and contributions of \$917,539, and capital grants and contributions of \$2.2 million. Taxes and other revenues of \$12.3 million were generated to cover these net costs.

**Business-type activities.** Business-type activities net assets increased \$1.2 million in the fiscal year ended September 30, 2009. This is an increase of \$26,794 compared to the prior year increase.

**CITY OF WASHINGTON, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

Total program revenues decreased \$26,321 compared to the prior year. This reflects a decrease of capital contributions from \$575,292 from developers in the prior year compared to \$44,000 in the current year. However, charges for services increased \$504,971 over the prior year. New user rates were implemented in the current year to provide for operations and debt service obligations. Cost of services decreased by \$68,518. Interest on investments and miscellaneous revenue decreased by \$62,991.

<b>Net Cost Of Business-type Activities</b>				
<b>As Of September 30</b>				
	<b>Total Cost Of Service</b>		<b>Net Cost Of Service</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
Water	\$ 1,279,316	1,342,968	(112,976)	49,324
Sewer	1,055,581	1,040,995	1,197,167	1,125,720
Solid waste	1,966,384	1,985,836	(34,260)	(167,310)
<b>Total</b>	<b>\$ 4,301,281</b>	<b>4,369,799</b>	<b>1,049,931</b>	<b>1,007,734</b>

**FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City's fund statements can be found in the basic financial statements. Reconciliation to the government-wide financial statements has been provided with these fund statements.

**Governmental funds.** The focus of the City's governmental funds is to provide information on inflows, outflows, and balances of available expendable resources. Such information is useful in assessing the City'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.

**General Fund.** The General Fund is the primary operating fund of the City. At the end of the current year, the unreserved fund balance of the General Fund was \$2,290,772, while the total fund balance was \$5,131,195. 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 and transfers out. Unreserved fund balance represents 22.9% of total General Fund expenditures and transfers out of \$10,006,083; while total fund balance represents 51.3% of total General Fund expenditures and transfers out. The City's General Fund balance increased \$422,786 from the prior year. The change of the current year's fund balance is mainly due to:

- \$294,206 from a court settlement agreement with AT&T, Inc. and Missouri municipalities for back taxes relating to telephone services.
- Expenditure reductions as part of the cost containment measures enacted during the current year.

The City recognizes the need for a fund balance that can absorb an economic downturn or natural disaster to avoid changes and reductions in service levels. On April 4, 2005, the City Council adopted a resolution committed to maintaining at a minimum, an amount equal to 15% of operating expenditures in the General Fund balance. For

**CITY OF WASHINGTON, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

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September 30, 2009, 15% of operating expenditures is \$1,328,516 and unreserved fund balance is \$2,290,772 resulting in compliance with the City's resolution.

**Capital improvements sales tax.** At the end of the current fiscal year, the total fund balance of this Capital Projects Fund was \$985,325, a decrease of \$2,738,592. This reduction represents the early payoff of certificates of participation issued for the construction of the Public Safety Building and planned capital projects. These certificates of participation would have matured in December 2015.

The current Capital Improvement Sale Tax expires June 1, 2010. The City is preparing a new program to present to the voters in April 2010 to extend the tax another eight years. The Capital Improvement Sales Tax was initially approved July 1989.

**Transportation sales tax.** In April 2006, the voters passed a ½-cent sales tax for the purposes of transportation, including, but not limited to, payment of the local share of the cost of expanding Highway 100 from Interstate 44 to High Street from two lanes to four lanes. This is a 50/50 cost-sharing project with the Missouri Highways and Transportation Commission. Phase I is completed (Highway 100 from the city limits to Highway 47). Phase II (city limits to Interstate 44) is under construction by the State of Missouri. Phase III (Highway 100 to High Street) is in design phase with projected construction in 2013. In addition, the City has a ten-year plan for upgrading and improving local roadways. This tax was effective October 1, 2005 and expires June 30, 2030. The fund balance at September 30, 2009 was \$3.2 million, a decrease of \$600,000 over prior year.

**Proprietary funds.** The City's proprietary funds statements provide the same type of information found in the government-wide financial statements, but in more detail.

A review of the operations of the enterprise funds indicates water, sewage treatment, and solid waste operations reflect a net operating income totaling \$1,034,996.

Even though user charges were increased in the current year, the Water Fund operating income showed a loss of \$112,976 and a change in net assets of a negative \$46,835. During the current fiscal year, weather conditions were more seasonable with consistent rain events that lowered demand for lawn irrigation in particular. In each of the next three fiscal years, user charges will increase to cover operations and future infrastructure requirements.

The sewage treatment operations reported an operating income of \$1,182,232. This is an increase of \$341,962 from the prior year. This is a result of user fee increases designed to cover the operations, improvements, and debt service for the new treatment plant put into operation this fiscal year. This rate increase was the second phase of a three-year plan to increase charges for services.

Solid waste operations consist of residential refuse collection, a recycling center, and a landfill operation. The City opened the third phase of the landfill in the current fiscal year. The solid waste operations reported an operating loss of \$34,260; this is a reduction of \$167,310 from the operating loss of the prior year. The staff has implemented better compaction methods in an effort to extend the life expectancy, monitored operating costs, and evaluated user fees to reduce the loss.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

Differences between the original and the final amended budget can be summarized as follows:

- The total original expenditure budget of \$8,617,110 increased to \$9,017,110 (an increase of \$400,000). This increase was due to a joint project for storm water management with a developer.

**CITY OF WASHINGTON, MISSOURI**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

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Revenues were estimated at \$10,251,830. Actual revenues exceeded projections by \$166,339. Revenue from sales taxes was \$386,669 less than expected, primarily because of economic conditions. Franchise revenues exceeded projections by \$225,867 as a result of a telecommunications court settlement. Property tax revenues exceeded projections by \$67,890 as a result of new construction in the prior year, but placed on the tax role in the current year. Various other revenues made up remaining dollars to exceed the budget projections.

Expenditures were estimated at \$9,017,110. Actual expenditures were \$160,338 less than projected. This was primarily due to an administrative directive reducing nonemergency overtime, hiring freeze for nonemergency staffing, and reduction of capital projects scheduled in the current year.

- General government exceeded budget by \$80,757. This was largely due to additional contracted services with the Washington Tourism Commission and services rendered by the County Collector's office for property tax collection.
- Public safety exceeded budget by \$38,838. This resulted in services provided for monitoring of cameras regarding traffic violations.
- Highway and streets reported \$64,003 under budget projections due to reduction of nonessential expenditures and staffing reassignments between departments.
- Culture and recreation reported \$133,047 under budget projections due to reduction of nonessential expenditures and staffing reassignments between departments.

The net total for other financing uses actual was \$1,138,611 or \$8,109 under budget. The transfers are needed to subsidize the operations of the Library and Volunteer Fire Company and provide funding for the Vehicle and Equipment Capital Projects Fund and C.O.P., Series 2008 Capital Project Fund.

The General Fund ended the year with actual revenues exceeding actual expenditures by \$1,561,397. However, after financing sources (uses), the net increase in fund balance was \$422,786.

#### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital assets.** Total capital assets for the City as of September 30, 2009, is \$82,904,187, net of accumulated depreciation. Capital assets (net), increased by \$12.5 million primarily due to completion of the sewage treatment plant. The following chart breaks down the City's capital asset balance into the various categories of assets.

**CITY OF WASHINGTON, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	Capital Assets (Net Of Depreciation)					
	September 30					
	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 6,763,960	6,763,960	879,795	879,795	7,643,755	7,643,755
Infrastructure	16,183,560	12,753,900	-	-	16,183,560	12,753,900
Buildings	11,648,776	11,480,342	24,032,433	1,884,671	35,681,209	13,365,013
Improvements other than buildings	5,729,766	5,989,410	11,797,912	10,827,149	17,527,678	16,816,559
Machinery and equipment	3,122,897	3,244,402	1,091,542	1,216,475	4,214,439	4,460,877
Construction in progress	1,635,487	2,405,754	18,059	12,967,465	1,653,546	15,373,219
<b>Total Capital Assets, Net</b>	<b>\$ 45,084,446</b>	<b>42,637,768</b>	<b>37,819,741</b>	<b>27,775,555</b>	<b>82,904,187</b>	<b>70,413,323</b>

Some of the major capital asset transactions during the year include the following:

- Three police vehicles, equipped totaling \$75,162
- Bleacher seating at the Fairground Arena totaling \$42,827
- Restroom/Concessions building at the Lakeview football fields totaling \$85,125
- Restroom at Lion's Lake Park totaling \$59,965
- Municipal Complex Enhancements totaling \$411,490
- Automatic Weather Operating System (AWOS) at the airport totaling \$328,769
- Improvements to storm water collection systems totaling \$883,919
- Completion of Sunnyside Street Bridge totaling \$368,606
- Jefferson Street Streetscape and flag plaza totaling \$1,039,993
- Street Overlay and Reconstruction Programs totaling \$1,535,008
- Completion of wastewater treatment plant totaling \$10,458,282 for the year. Total value of the plant was \$22,260,323.

These capital assets are funded by traditional bond financing, user charges, sales tax revenues and intergovernmental revenues.

Additional information on the City's capital assets can be found in Note D of this report.

**Debt administration.** At the end of fiscal 2009, the City had a total of \$50,518,454 of outstanding obligations. This is a decrease of \$4,041,950 or 7% from the previous year.

A payment of \$90,000 for Sewage System Revenue Bonds, Series 2001B leaves a principal balance of \$315,000.

In December 2007, the City issued Sewage System Revenue Bonds, Series 2007 for \$20,000,000 for the construction of the wastewater treatment facility. No principal payments were made in the current year. The first principal payment of \$835,000 is scheduled for January 1, 2010.

**CITY OF WASHINGTON, MISSOURI  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

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The City was able to retire the Certificates of Participation (COPs), Series 2005 for the Public Safety Complex in the current year. The principal balance of \$4,125,000 was retired using capital improvement sales tax revenues.

The City has \$26,840,000 in certificates of participation outstanding. In 2008, the City issued these certificates to finance the City's share of the Route 100 widening project and Municipal Complex Enhancement Projects. No principal payments were made in the current year. The first principal payment of \$5,000 is scheduled for April 1, 2010.

The City currently has a lease/purchase agreement for the purchase of communications equipment with a balance of \$41,292.

Additional information on the City's long-term debt can be found in Note G of this report.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

Combined General Fund revenues for fiscal year 2010 are projected to total \$10,212,105. This represents a decrease of \$39,725 over the prior year budget.

The City experienced flat sales tax growth and reduced building permit activity due to the downturn in the economy during the 2009 budget year. The City remains conservative by budgeting a modest 2% increase in sales tax using the estimated September 30, 2009 revenue figures.

General Fund expenses are projected to total \$8,741,865 compared to \$9,017,110 in fiscal year 2009.

The City remains on a hiring freeze and is currently not replacing employees upon termination unless deemed absolutely necessary. The City implemented a wage and salary freeze and has not adjusted the compensation plan with a C.P.I. index increase.

Health insurance premium increases were budgeted with a 10% increase due to the upward spiral in health insurance costs as evidenced the last few years.

All nonessential capital projects were removed from the budget as well.

Water and sewerage rate increases were implemented into the 2010 budget.

By making both revenue and expenditure adjustments as listed above and maintaining a conservative approach, the City feels confident that it will be able to meet the needs of its citizens and services will remain relatively unchanged.

### **FINANCIAL CONTACT**

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. Any questions regarding the report or request for additional information should be directed to Janet M. Braun, Finance Manager, City of Washington, 405 Jefferson Street, Washington, Missouri 63090.

**CITY OF WASHINGTON, MISSOURI**  
**STATEMENT OF NET ASSETS**  
**SEPTEMBER 30, 2009**

	<u>Primary Government</u>			<u>Component Unit - Community Improvement District</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	
<b>ASSETS</b>				
Cash and investments	\$ 7,371,263	2,610,033	9,981,296	2,383
Cash with agent	3,615,369	-	3,615,369	359,138
Receivables (net of allowance for uncollectibles)	4,213,105	640,090	4,853,195	115,034
Loans receivable	1,665,919	-	1,665,919	-
Inventory	293,280	162,802	456,082	-
Prepaid items	513,586	100,564	614,150	20,739
Internal balances	400,312	(400,312)	-	-
Bond issue costs	610,387	264,146	874,533	30,021
Cash and investments - restricted	-	1,873,178	1,873,178	-
Nondepreciable capital assets:				
Land	6,763,960	879,795	7,643,755	-
Construction in progress	1,635,487	18,059	1,653,546	-
Depreciable capital assets:				
Infrastructure	16,183,560	-	16,183,560	-
Buildings	11,648,776	24,032,433	35,681,209	-
Improvements other than buildings	5,729,766	11,797,912	17,527,678	-
Machinery and equipment	3,122,897	1,091,542	4,214,439	-
Total Assets	<u>63,767,667</u>	<u>43,070,242</u>	<u>106,837,909</u>	<u>527,315</u>
<b>LIABILITIES</b>				
Accounts payable	1,772,748	1,531,657	3,304,405	4,687
Accrued wages	252,151	51,618	303,769	-
Deposits	44,990	60,360	105,350	-
Accrued interest payable	636,249	-	636,249	189,745
Unearned revenue	48,171	-	48,171	-
Liabilities payable from restricted assets	-	226,375	226,375	-
Noncurrent liabilities:				
Due within one year	209,015	974,384	1,183,399	140,483
Due in more than one year	26,855,647	22,479,408	49,335,055	6,606,005
Total Liabilities	<u>29,818,971</u>	<u>25,323,802</u>	<u>55,142,773</u>	<u>6,940,920</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	18,496,183	18,894,569	37,390,752	-
Restricted for:				
Capital projects	4,457,452	-	4,457,452	-
Debt service	2,730,755	203,500	2,934,255	-
Unrestricted	<u>8,264,306</u>	<u>(1,351,629)</u>	<u>6,912,677</u>	<u>(6,413,605)</u>
Total Net Assets	<u>\$ 33,948,696</u>	<u>17,746,440</u>	<u>51,695,136</u>	<u>(6,413,605)</u>

See notes to financial statements

**CITY OF WASHINGTON, MISSOURI**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Primary Government			Component Unit - Community Improvement District
		Charges For Services	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities	Business-type Activities	Total	
<b>Primary Government</b>								
<b>Governmental Activities</b>								
General government	\$ 2,450,212	562,142	40,225	-	(1,847,845)	-	(1,847,845)	-
Public safety	4,167,081	789,842	55,423	31,237	(3,290,579)	-	(3,290,579)	-
Airport	315,409	65,799	-	-	(249,610)	-	(249,610)	-
Highways and streets	2,757,131	340,178	746,466	2,107,105	436,618	-	436,618	-
Culture and recreation	1,784,181	244,987	75,425	7,046	(1,456,723)	-	(1,456,723)	-
Interest on long-term debt	1,482,847	-	-	-	(1,482,847)	-	(1,482,847)	-
Total Governmental Activities	<u>12,956,861</u>	<u>2,002,948</u>	<u>917,539</u>	<u>2,145,388</u>	<u>(7,890,986)</u>	<u>-</u>	<u>(7,890,986)</u>	<u>-</u>
<b>Business-type Activities</b>								
Water	1,279,316	1,166,340	-	-	-	(112,976)	(112,976)	-
Sewer	1,055,581	2,208,748	-	44,000	-	1,197,167	1,197,167	-
Solid waste	1,966,384	1,932,124	-	-	-	(34,260)	(34,260)	-
Total Business-type Activities	<u>4,301,281</u>	<u>5,307,212</u>	<u>-</u>	<u>44,000</u>	<u>-</u>	<u>1,049,931</u>	<u>1,049,931</u>	<u>-</u>
Total Primary Government	<u>17,258,142</u>	<u>7,310,160</u>	<u>917,539</u>	<u>2,189,388</u>	<u>(7,890,986)</u>	<u>1,049,931</u>	<u>(6,841,055)</u>	<u>-</u>
<b>Component Unit</b>								
Community Improvement District	\$ <u>484,158</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(484,158)</u>
<b>General Revenues</b>								
Taxes:								
Property					2,283,620	-	2,283,620	-
Sales					7,353,667	-	7,353,667	615,488
Franchise					2,225,337	-	2,225,337	-
Other					105,274	-	105,274	-
Miscellaneous					-	50,429	50,429	-
Investment income					357,399	100,096	457,495	139
<b>Transfers</b>					6,000	(6,000)	-	-
Total General Revenues					<u>12,331,297</u>	<u>144,525</u>	<u>12,475,822</u>	<u>615,627</u>
<b>CHANGE IN NET ASSETS</b>					4,440,311	1,194,456	5,634,767	131,469
NET ASSETS, OCTOBER 1					<u>29,508,385</u>	<u>16,551,984</u>	<u>46,060,369</u>	<u>(6,545,074)</u>
NET ASSETS, SEPTEMBER 30					<u>\$ 33,948,696</u>	<u>17,746,440</u>	<u>51,695,136</u>	<u>(6,413,605)</u>

See notes to financial statements

**CITY OF WASHINGTON, MISSOURI**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2009**

	<u>General</u>	<u>Capital Improvements Sales Tax</u>	<u>Transportation Sales Tax</u>	<u>2008 COPS</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash and invest- ments	\$ 1,656,412	152,921	2,877,245	-	2,684,685	7,371,263
Cash with agent	1,923	-	-	3,613,446	-	3,615,369
Accounts receivable, net of allowance	1,450,247	856,767	1,623,740	-	4,178	3,934,932
Loans receivable	1,665,919	-	-	-	-	1,665,919
Inventory	293,280	-	-	-	-	293,280
Prepaid items	440,299	-	-	-	73,287	513,586
Due from other funds	661,540	42,716	-	-	-	704,256
Advance to other funds	400,000	23,900	-	-	600,000	1,023,900
<b>Total Assets</b>	<u>\$ 6,569,620</u>	<u>1,076,304</u>	<u>4,500,985</u>	<u>3,613,446</u>	<u>3,362,150</u>	<u>19,122,505</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	\$ 450,634	69,577	1,218,089	-	34,448	1,772,748
Accrued wages	238,325	-	-	-	13,826	252,151
Deposits	44,990	-	-	-	-	44,990
Due to other funds	-	21,402	43,942	638,912	-	704,256
Advance from other funds	599,688	-	-	-	23,900	623,588
Deferred revenue	104,788	-	-	-	16,835	121,623
<b>Total Liabilities</b>	<u>1,438,425</u>	<u>90,979</u>	<u>1,262,031</u>	<u>638,912</u>	<u>89,009</u>	<u>3,519,356</u>
<b>Fund Balances</b>						
Reserved for:						
Prepaid items	440,299	-	-	-	73,287	513,586
Inventory	293,280	-	-	-	-	293,280
Encumbrances	40,925	17,997	182,016	-	4,563	245,501
Advances	400,000	23,900	-	-	600,000	1,023,900
Loans	1,665,919	-	-	-	-	1,665,919
Unreserved:						
General Fund	2,290,772	-	-	-	-	2,290,772
Special Revenue Funds	-	-	-	-	1,157,594	1,157,594
Capital Projects Fund	-	943,428	3,056,938	2,974,534	1,437,697	8,412,597
<b>Total Fund Balances</b>	<u>5,131,195</u>	<u>985,325</u>	<u>3,238,954</u>	<u>2,974,534</u>	<u>3,273,141</u>	<u>15,603,149</u>
<b>Total Liabilities And Fund Balances</b>	<u>\$ 6,569,620</u>	<u>1,076,304</u>	<u>4,500,985</u>	<u>3,613,446</u>	<u>3,362,150</u>	<u>19,122,505</u>

**CITY OF WASHINGTON, MISSOURI**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERN-**  
**MENTAL FUNDS TO THE STATEMENT OF NET ASSETS**  
**SEPTEMBER 30, 2009**

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Total Fund Balances - Governmental Funds	\$ 15,603,149
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of the assets is \$61,128,595 and the accumulated depreciation is \$16,044,149.	45,084,446
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Receivables that do not provide current financial resources and, therefore, are not reported in the governmental funds.	278,173
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Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.	73,452
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Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:

Capital lease	(41,292)
Certificates of participation	(26,840,000)
Accrued compensated absences payable	(183,370)
Accrued interest payable	(636,249)
Unamortized bond issue cost	610,387
	610,387

Total Net Assets Of Governmental Activities	\$ 33,948,696
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**CITY OF WASHINGTON, MISSOURI**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>General</u>	<u>Capital Improvements Sales Tax</u>	<u>Transportation Sales Tax</u>	<u>2008 COPS</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>						
Taxes:						
Property	\$ 2,104,785	-	-	-	178,835	2,283,620
Sales	3,930,731	1,688,882	1,689,054	-	-	7,308,667
Franchise	2,225,337	-	-	-	-	2,225,337
Other	105,274	-	-	-	-	105,274
Licenses and permits	257,292	-	-	-	-	257,292
Fees and fines	361,591	-	-	-	57,016	418,607
Intergovernmental	85,703	22,606	2,311,586	-	17,053	2,436,948
Charges for services	1,105,776	1,187	107,066	-	1,867	1,215,896
Rents	73,178	-	-	-	8,637	81,815
Contributions and donations	43,357	-	-	-	36,236	79,593
Investment income	125,145	70,823	83,721	19,103	58,607	357,399
Total Revenues	<u>10,418,169</u>	<u>1,783,498</u>	<u>4,191,427</u>	<u>19,103</u>	<u>358,251</u>	<u>16,770,448</u>
<b>EXPENDITURES</b>						
Current:						
General government	2,219,197	-	-	-	43	2,219,240
Public safety	3,159,443	-	-	-	506,174	3,665,617
Highways and streets	1,708,172	10,071	178,739	-	-	1,896,982
Airport	125,228	-	-	-	-	125,228
Culture and recreation	1,184,293	16,948	-	-	340,964	1,542,205
Debt service:						
Principal	-	4,125,000	-	-	-	4,125,000
Interest and fiscal charges	12,868	192,515	-	1,195,644	-	1,401,027
Capital outlay:						
General government	475	22,276	-	35,585	23,900	82,236
Public safety	20,645	22,390	-	-	75,162	118,197
Highways and streets	407,420	6,048	2,722,191	-	-	3,135,659
Airport	13,449	-	671,709	-	-	685,158
Culture and recreation	5,582	126,842	-	-	-	132,424
Total Expenditures	<u>8,856,772</u>	<u>4,522,090</u>	<u>3,572,639</u>	<u>1,231,229</u>	<u>946,243</u>	<u>19,128,973</u>
<b>REVENUES OVER (UNDER) EXPENDI- TURES</b>	<u>1,561,397</u>	<u>(2,738,592)</u>	<u>618,788</u>	<u>(1,212,126)</u>	<u>(587,992)</u>	<u>(2,358,525)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	10,700	-	-	1,199,735	1,149,311	2,359,746
Transfers out	<u>(1,149,311)</u>	<u>-</u>	<u>(1,199,735)</u>	<u>-</u>	<u>(4,700)</u>	<u>(2,353,746)</u>
Total Other Financ- ing Sources (Uses)	<u>(1,138,611)</u>	<u>-</u>	<u>(1,199,735)</u>	<u>1,199,735</u>	<u>1,144,611</u>	<u>6,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	422,786	(2,738,592)	(580,947)	(12,391)	556,619	(2,352,525)
FUND BALANCES, OCTOBER 1	<u>4,708,409</u>	<u>3,723,917</u>	<u>3,819,901</u>	<u>2,986,925</u>	<u>2,716,522</u>	<u>17,955,674</u>
FUND BALANCES, SEPTEMBER 30	<u>\$ 5,131,195</u>	<u>985,325</u>	<u>3,238,954</u>	<u>2,974,534</u>	<u>3,273,141</u>	<u>15,603,149</u>

**CITY OF WASHINGTON, MISSOURI**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

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Net Change In Fund Balances - Governmental Funds \$ (2,352,525)

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

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets are allocated over estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays over the capitalization threshold (\$4,094,688) exceeded depreciation (\$1,961,223) in the current period. 2,133,465

The net effect of various miscellaneous transactions involving capital assets:  
 Contributed assets 313,213

Revenues in the statement of activities that do not provide current financial resources are not reported in the governmental funds financial statements. 307,511

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

Repayments:			
Bonds payable		4,125,000	
Capital lease		20,645	
Amortization		(42,899)	
Compensated absences		(25,178)	
Net Adjustment		4,077,568	4,077,568

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

Accrued interest on bonds	(38,921)
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Change In Net Assets Of Governmental Activities \$ 4,440,311

**CITY OF WASHINGTON, MISSOURI**  
**STATEMENT OF NET ASSETS - PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2009**

	<u>Water</u>	<u>Sewage Treatment</u>	<u>Solid Waste</u>	<u>Total</u>
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and investments	\$ 239,046	515,833	1,855,154	2,610,033
Accounts receivable (net of allowance)	170,346	288,893	180,851	640,090
Inventory	142,483	20,319	-	162,802
Advance to other funds	599,688	-	-	599,688
Prepaid items	27,877	34,582	38,105	100,564
Total Current Assets	<u>1,179,440</u>	<u>859,627</u>	<u>2,074,110</u>	<u>4,113,177</u>
<b>Noncurrent Assets</b>				
Cash and investments - restricted	-	1,873,178	-	1,873,178
Bond issue costs	-	264,146	-	264,146
Capital assets:				
Land	67,762	767,033	45,000	879,795
Buildings	2,366,318	25,667,073	122,011	28,155,402
Improvements nonbuilding	5,400,663	9,091,028	3,200,255	17,691,946
Machinery and equipment	1,225,772	384,685	1,640,282	3,250,739
Construction in progress	14,827	3,232	-	18,059
Less - Accumulated depreciation	<u>(3,858,145)</u>	<u>(6,136,293)</u>	<u>(2,181,762)</u>	<u>(12,176,200)</u>
Total Capital Assets	<u>5,217,197</u>	<u>29,776,758</u>	<u>2,825,786</u>	<u>37,819,741</u>
Total Noncurrent Assets	<u>5,217,197</u>	<u>31,914,082</u>	<u>2,825,786</u>	<u>39,957,065</u>
Total Assets	<u>6,396,637</u>	<u>32,773,709</u>	<u>4,899,896</u>	<u>44,070,242</u>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts payable	75,284	1,358,763	97,610	1,531,657
Accrued wages	19,368	10,552	21,698	51,618
	<u>94,652</u>	<u>1,369,315</u>	<u>119,308</u>	<u>1,583,275</u>
Payable from restricted assets:				
Accrued interest payable	-	226,375	-	226,375
Bonds payable - current installments	-	935,000	-	935,000
	<u>-</u>	<u>1,161,375</u>	<u>-</u>	<u>1,161,375</u>
Total Current Liabilities	<u>94,652</u>	<u>2,530,690</u>	<u>119,308</u>	<u>2,744,650</u>
<b>Noncurrent Liabilities</b>				
Revenue bonds payable	-	19,380,000	-	19,380,000
Less - Unamortized bond discount	-	407,820	-	407,820
Customer deposits	31,410	28,950	-	60,360
Advance from other funds	-	1,000,000	-	1,000,000
Landfill care liability	-	-	2,691,588	2,691,588
Compensated absences payable	15,388	8,894	15,102	39,384
Total Noncurrent Liabilities	<u>46,798</u>	<u>20,825,664</u>	<u>2,706,690</u>	<u>23,579,152</u>
Total Liabilities	<u>141,450</u>	<u>23,356,354</u>	<u>2,825,998</u>	<u>26,323,802</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	5,217,197	10,851,586	2,825,786	18,894,569
Restricted - debt service	-	203,500	-	203,500
Unrestricted	<u>1,037,990</u>	<u>(1,637,731)</u>	<u>(751,888)</u>	<u>(1,351,629)</u>
Total Net Assets	<u>\$ 6,255,187</u>	<u>9,417,355</u>	<u>2,073,898</u>	<u>17,746,440</u>

**CITY OF WASHINGTON, MISSOURI**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN**  
**NET ASSETS - PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Water</u>	<u>Sewage Treatment</u>	<u>Solid Waste</u>	<u>Total</u>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 1,166,340	2,208,748	1,932,124	5,307,212
<b>OPERATING EXPENSES</b>				
Personal services	479,980	281,013	687,226	1,448,219
Contractual services	351,103	333,989	967,403	1,652,495
Depreciation	254,375	247,691	216,298	718,364
Supplies	193,858	163,823	95,457	453,138
Total Operating Expenses	<u>1,279,316</u>	<u>1,026,516</u>	<u>1,966,384</u>	<u>4,272,216</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(112,976)</u>	<u>1,182,232</u>	<u>(34,260)</u>	<u>1,034,996</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment income	18,512	38,514	43,070	100,096
Miscellaneous	50,429	-	-	50,429
Interest and fiscal charges	-	(29,065)	-	(29,065)
Total Nonoperating Revenues (Expenses)	<u>68,941</u>	<u>9,449</u>	<u>43,070</u>	<u>121,460</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS CAPITAL AND TRANSFERS OUT</b>				
	(44,035)	1,191,681	8,810	1,156,456
CONTRIBUTED CAPITAL	-	44,000	-	44,000
TRANSFERS OUT	<u>(2,800)</u>	<u>(1,600)</u>	<u>(1,600)</u>	<u>(6,000)</u>
<b>CHANGES IN NET ASSETS</b>	(46,835)	1,234,081	7,210	1,194,456
NET ASSETS, OCTOBER 1	<u>6,302,022</u>	<u>8,183,274</u>	<u>2,066,688</u>	<u>16,551,984</u>
<b>NET ASSETS, SEPTEMBER 30</b>	<u>\$ 6,255,187</u>	<u>9,417,355</u>	<u>2,073,898</u>	<u>17,746,440</u>

See notes to financial statements

**CITY OF WASHINGTON, MISSOURI**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	Water	Sewage Treatment	Solid Waste	Total
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>				
<b>Cash flows from operating activities:</b>				
Receipts from customers and users	\$ 1,148,355	2,157,735	1,927,811	5,233,901
Payments to suppliers	(557,183)	(2,345,725)	(1,310,688)	(4,213,596)
Payments for employees and benefits	(480,116)	(286,796)	(692,786)	(1,459,698)
Net Cash Provided By (Used In) Operating Activities	<u>111,056</u>	<u>(474,786)</u>	<u>(75,663)</u>	<u>(439,393)</u>
<b>Cash flows from noncapital financing activities:</b>				
Due from (to) other funds	(7,012)	-	-	(7,012)
Advances	(12,867)	-	-	(12,867)
Net transfers in (out)	(2,800)	(1,600)	(1,600)	(6,000)
Net Cash Used In Noncapital Financing Activities	<u>(22,679)</u>	<u>(1,600)</u>	<u>(1,600)</u>	<u>(25,879)</u>
<b>Cash flows from capital and related financing activities:</b>				
Purchase of capital assets	(145,784)	(10,554,758)	(18,006)	(10,718,548)
Principal paid on capital debt	-	(90,000)	-	(90,000)
Interest and fiscal charges	-	(33,183)	-	(33,183)
Net Cash Used In Capital And Related Financing Activities	<u>(145,784)</u>	<u>(10,677,941)</u>	<u>(18,006)</u>	<u>(10,841,731)</u>
<b>Cash flows from investing activities:</b>				
Interest	18,512	38,514	43,070	100,096
Other receipts	50,429	-	-	50,429
Sale of investments	-	12,174,090	-	12,174,090
Net Cash Provided By Investing Activities	<u>68,941</u>	<u>12,212,604</u>	<u>43,070</u>	<u>12,324,615</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	11,534	1,058,277	(52,199)	1,017,612
CASH AND CASH EQUIVALENTS, OCTOBER 1 (including \$249,836 for the Sewage Treatment Fund reported in restricted accounts)	<u>227,512</u>	<u>565,988</u>	<u>1,907,355</u>	<u>2,700,855</u>
<b>CASH AND CASH EQUIVALENTS, SEPTEMBER 30 (including \$1,108,432 for the Sewage Treatment Fund reported in restricted accounts)</b>	<u>\$ 239,046</u>	<u>1,624,265</u>	<u>1,855,156</u>	<u>3,718,467</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ (112,976)	1,182,232	(34,260)	1,034,996
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	254,375	247,691	216,298	718,364
(Increase) decrease in:				
Receivables (net)	(18,660)	(51,773)	(4,313)	(74,746)
Inventory	(4,122)	3,471	-	(651)
Prepays	(1,131)	(3,274)	(4,000)	(8,405)
Increase (decrease) in:				
Accounts payable	(6,969)	(1,848,110)	(443,006)	(2,298,085)
Landfill care liability	-	-	199,178	199,178
Customer deposits	675	760	-	1,435
Other liabilities	(136)	(5,783)	(5,560)	(11,479)
Total Adjustments	<u>224,032</u>	<u>(1,657,018)</u>	<u>(41,403)</u>	<u>(1,474,389)</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ 111,056</u>	<u>(474,786)</u>	<u>(75,663)</u>	<u>(439,393)</u>

**Noncash investing, capital, and financing activities:**

The Sewage Treatment Fund received \$44,000 in contributed sewer lines from developers.

**CITY OF WASHINGTON, MISSOURI**  
**STATEMENT OF FIDUCIARY NET ASSETS -**  
**AGENCY FUNDS**  
**SEPTEMBER 30, 2009**

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**ASSETS**

Cash and investments

\$ 4,615,489

**LIABILITIES**

Due to lessee

\$ 4,615,489

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies applied by the **CITY OF WASHINGTON, MISSOURI** (the City) in the preparation of the accompanying basic financial statements are summarized below:

**1. Reporting Entity**

The City was founded in May 1839, chartered by the State in February 1841, and established a mayor/council/city administrator form of government. The City's operations include general administrative services, public safety, street maintenance and improvements, airport, city library, and recreation activities. Enterprise operations owned by the City include water, sewage treatment, and solid waste collection.

The City's basic financial statements include all funds, agencies, and boards controlled by or dependent on the City. Control by or dependence on the City was determined on the basis of status as a separate organization, financial accountability, ability to appoint the governing body, budget adoption, taxing authority, outstanding debt service secured by revenues or general obligations of the City, obligation of the City to finance any deficits that may occur, or receipt of significant subsidies from the City. Based on the criteria of the Governmental Accounting Standards Board (GASB) Statement 14, the Washington Missouri Redevelopment Corporation is excluded from the accompanying financial statements. The Industrial Development Authority (IDA) of the City is organized to develop and promote commercial, industrial, agricultural, and manufacturing facilities in the City. All of the directors of the IDA are appointed by the Mayor of the City and confirmed by the City Council. The IDA is a component unit of the City; however, the financial activity is insignificant in relation to the City and the component unit has been excluded from the accompanying basic financial statements. The Phoenix Center II Community Improvement District (the District) was incorporated in 2006. All directors of the District are appointed by the Mayor of the City and confirmed by the City Council. The District is organized to construct public infrastructure improvement projects to serve a new commercial redevelopment project in the City. The District is a component unit of the City and is discretely presented as such in the basic financial statements.

**2. Government-wide and Fund Financial Statements**

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods,

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**2. Government-wide and Fund Financial Statements (Continued)**

services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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 fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

The City reports the following major governmental funds:

**General Fund** -- The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**Capital Improvements Sales Tax Fund** -- The Capital Improvements Sales Tax Fund, a Capital Projects Fund, is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and agency funds).

**Transportation Sales Tax Fund** -- The Transportation Sales Tax Fund, a Capital Projects Fund, is used to account for financial resources to be used for purposes of transportation projects. This includes, but not limited to, payment of the local share of the cost of expanding Highway 100 from Interstate Highway 44 to High Street from two lanes to four lanes.

**2008 COPS Fund** -- The 2008 COPS, a Capital Projects Fund, is used to account for financial resources to be used for the municipal complex enhancement and Route 100 project.

The other governmental funds of the City are considered nonmajor. They are Special Revenue Funds, which account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes; a Capital Projects Fund, which accounts for financial resources to be used for the acquisition of vehicles and equipment; and a Debt Service Fund, which accounts for financial resources to be used for the payment of principal and interest for the Downtown TIF. The nonmajor funds of the City are the Library Fund, Volunteer Fire Company Fund, Vehicle and Equipment Replacement Fund, and Downtown TIF Fund.

The City reports the following major proprietary funds:

**Water Fund** -- The Water Fund accounts for the billing and collection of charges for water service for the City's residents. Revenues are used to pay for both operating expenses and capital expenditures to maintain these services.

**Sewage Treatment Fund** -- The Sewage Treatment Fund is used to account for the provision of sanitary sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

**Solid Waste Fund** -- The Solid Waste Fund is used to account for the provision of residential solid waste collection, curbside recycling, operation of the landfill, and the recycling center.

Additionally, the City reports the following fiduciary fund type:

**Agency Funds** -- Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, or other governmental units. Agency Funds are accounted for and reported similar to the governmental funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These funds account for activities of the Industrial General Obligation Bonds of 1997, Series A and B; Taxable Industrial Revenue Bonds, Series 2005; and Taxable Industrial Revenue Bonds, Series 2008A and B.

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and the proprietary fund financial statements to the extent they do not conflict or contradict guidance of the GASB. Governments also have the option of following subsequent private sector guidance for their business-type activities and enterprise funds. The City has elected to not follow subsequent private sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include charges between the City's business-type activities/Enterprise Funds, as well as some Special Revenue Funds and the General Fund. The City allocates charges as reimbursement for services provided by the General Fund in support of those functions based on levels of service provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. These charges are included in direct program expenses.

Amounts reported as program revenues include 1) charges to customers or applications for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments, identifiable with a particular function. Taxes, investment income, gains, and other miscellaneous revenues not properly included among program revenues are reported instead as general revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Enterprise Funds are charges to customers for sales and services. Operating expenses for Enterprise Funds include the costs of sales

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

**4. Cash and Cash Investments**

Cash and cash equivalents include cash on hand, demand deposits, and money market mutual funds. The City considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents. Cash and investments of the City are stated at cost, which approximates fair value.

**5. Inventories and Prepaid Items**

Inventory is recorded at the lower of cost or market on the first-in, first-out (FIFO) method in the General, Special Revenue, and Enterprise Funds.

In governmental fund types, the purchase method for inventory is used. This means that inventory is recorded as an expenditure when acquired regardless of when it is used. Reported inventory is equally offset by a fund balance reserve, which indicates that it does not constitute "available spendable resources" even though it is a component of net current assets.

In the proprietary fund types, the consumption method is used. This means that acquisition of materials and supplies is recorded initially in inventory accounts and charged as an expense when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**6. Capital Assets**

Capital assets, which include land, buildings, other improvements, vehicles, machinery and equipment, and infrastructure (e.g., streets, sidewalks, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of two years or more. Infrastructure assets are reported when costs are \$25,000 or more.

**CITY OF WASHINGTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**6. Capital Assets (Continued)**

In accordance with GASB Statement No. 34, infrastructure assets constructed, purchased, or donated effective October 1, 2002 are reported in the government-wide financial statements. All major general infrastructure assets prior to this date will be retroactively reported beginning in the fiscal year after September 30, 2007 or earlier at historical or estimated historical cost.

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair market value at the date of donation. Capital assets acquired under lease/purchase agreements are capitalized. Land held for redevelopment is recorded at the lower of cost or net realizable value.

The costs of normal maintenance and repairs, except for any substantial betterment, are not capitalized. "Betterment" is defined as an addition made to, or change made in, a capital asset, which is expected to prolong its life or to increase its efficiency over and above that arising from maintenance. Betterments to general assets should have a cost of \$10,000 or greater to be included as a capital asset. Betterments to infrastructure assets should have a cost of \$25,000 or greater to be included as a capital asset. The cost of which is added to the property records as a separate item and depreciated over the remaining useful lives of the related capital assets, if applicable.

Capital assets are depreciated using the straight-line method over the estimated useful lives of the various classes of assets. The estimated useful lives of depreciable capital assets are as follows:

Asset	Years
Infrastructure	20 - 40
Buildings	10 - 50
Improvements other than buildings	10 - 50
Machinery and equipment	2 - 15

**7. Restricted Assets**

Assets restricted for debt service are segregated on the government-wide statement of net assets and the proprietary fund statement of net assets.

**8. Receivables and Payables**

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and payable by December 31. Taxes paid after December 31 are subject to penalties. City property taxes are recognized when levied to the extent they result in current receivables. Property tax receivables are shown net of an allowance for uncollectibles.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**8. Receivables and Payables (Continued)**

Assessment revenues and receivables are recognized at the time property owners are assessed for the property improvement. Assessment receivables are offset by deferred revenue for those property owners who have extended payment plans.

The City records as accounts receivable in the Enterprise Fund's financial statements the amount of accrued, but unbilled revenue for the Water Fund, Sewage Treatment Fund, and Solid Waste Fund determined by prorating actual subsequent billings.

**9. Interfund Transactions**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**10. Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits, a total of 10 to 15 days of vacation and 5 to 15 days of sick leave per year depending on years of service. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A maximum of 20 days of vacation and 180 days of sick leave may be accumulated by each employee.

**11. Long-term Obligations**

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 activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. The bond discounts and costs of issuance on the Sewage Treatment Fund bonds are being amortized on the straight-line

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**11. Long-term Obligations (Continued)**

method over the life of the bonds. There is no significant difference between the straight-line method and the present-value method required by U.S. generally accepted accounting principles for the bond discounts.

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

**12. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of moneys recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of the formal budgetary integration in the General Fund, Special Revenue Funds, and Capital Projects Funds. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

**13. Fund Equity**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriations or are legally restricted by outside parties for use for a specific purpose. Designations of reserved or restricted fund balance represent inventory and prepaid items, encumbrances, debt service, loans, and advances.

**14. Net Assets**

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

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

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

**Unrestricted** -- This consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**15. Capital Contributions**

Capital contributions represent government grants and other aid used to fund capital projects. Donations by developers are recognized as revenue when final subdivision plats are accepted by the City. Other capital contributions are recognized as revenue when the expenditure is made and amounts become subject to claim for reimbursement.

**16. Interest Capitalization**

The City capitalized interest expense on major construction while in progress. Capitalized interest totaled \$884,869 for the year ended September 30, 2009.

**17. Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NOTE B - CASH AND INVESTMENTS**

**1. Deposits**

Custodial Credit Risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's bank deposits are required by state law to be secured by the deposit of certain securities specified at RSMo 30.270 with the City or trustee institution. The value of the securities must amount to the total of the City's cash not insured by the Federal Deposit Insurance Corporation.

As of September 30, 2009, the City's bank balances were entirely secured or collateralized with securities held by the City or by its agent in the City's name.

As of September 30, 2009, the discretely presented component units' bank balances were entirely insured or collateralized with securities by the discretely presented component units or by their agents in the discretely presented component units' names.

**2. Investments**

As of September 30, 2009, the City had the following investments:

**CITY OF WASHINGTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE B - CASH AND INVESTMENTS (Continued)**

**2. Investments (Continued)**

<u>Investments</u>	<u>Fair Market Value</u>	<u>Maturities</u>				<u>Credit Risk</u>
		<u>No Maturity</u>	<u>Less Than One Year</u>	<u>1 - 5 Years</u>	<u>5 - 10 Years</u>	
<b>Primary Government</b>						
Money market fund	\$5,239,849	5,239,849	-	-	-	Not rated
Guaranteed investment contracts	43,274	-	-	26,173	17,101	A
Certificates of deposit	<u>17,213</u>	<u>-</u>	<u>17,213</u>	<u>-</u>	<u>-</u>	N/A
Total Primary Government	<u>\$5,300,336</u>	<u>5,239,849</u>	<u>17,213</u>	<u>26,173</u>	<u>17,101</u>	
<b>Component Unit</b>						
Money market fund	<u>\$359,138</u>	<u>359,138</u>	<u>-</u>	<u>-</u>	<u>-</u>	Not rated
<b>Fiduciary Fund</b>						
Money market fund	<u>\$4,587,176</u>	<u>4,587,176</u>	<u>-</u>	<u>-</u>	<u>-</u>	Not rated

**Investments Policies**

**Credit Risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City minimizes credit risk by only investing in very safe or “investment grade” securities and when feasible, diversifying the portfolio so that potential losses on individual securities will be minimized.

**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 City minimizes interest rate risk by 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 and investing primarily in shorter term securities, money market funds, or similar pools.

**Concentration of Credit Risk** is the risk of loss attributed to the magnitude of the City’s investment in a single issuer. The City minimizes concentration of credit risk by diversifying the portfolio.

**Custodial Credit Risk** is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party.

**CITY OF WASHINGTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE C - RECEIVABLES**

Receivables as of September 30, 2009, for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Governmental Activities</u>				<u>Business-type Activities</u>			<u>Total</u>	<u>Component Unit</u>
	<u>General</u>	<u>Capital Improve-ments Sales Tax</u>	<u>Trans- portation Sales Tax</u>	<u>Nonmajor Govern-mental Funds</u>	<u>Water</u>	<u>Sewage Treat-ment</u>	<u>Solid Waste</u>		
Receivables:									
Taxes	\$1,107,470	237,605	308,575	5,612	-	-	-	1,659,262	-
Accounts	308,546	555,850	106,059	135	170,500	288,532	182,306	1,611,928	115,034
Intergovern-mental	31,875	63,312	1,209,106	-	-	-	-	1,304,293	-
Special assess-ments	<u>12,291</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>361</u>	<u>-</u>	<u>12,652</u>	<u>-</u>
Gross receivables	1,460,182	856,767	1,623,740	5,747	170,500	288,893	182,306	4,588,135	115,034
Less - Allowance for uncollectibles	<u>9,935</u>	<u>-</u>	<u>-</u>	<u>1,569</u>	<u>154</u>	<u>-</u>	<u>1,455</u>	<u>13,113</u>	<u>-</u>
Total Re- ceivables, Net	<u>\$1,450,247</u>	<u>856,767</u>	<u>1,623,740</u>	<u>4,178</u>	<u>170,346</u>	<u>288,893</u>	<u>180,851</u>	<u>4,575,022</u>	<u>115,034</u>

**NOTE D - CAPITAL ASSETS**

Following is a summary of changes in capital assets - governmental activities for the year ended September 30, 2009:

**CITY OF WASHINGTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE D - CAPITAL ASSETS (Continued)**

	For The Year Ended September 30, 2009			
	Balance September 30 2008	Additions	Decreases	Balance September 30 2009
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 6,763,960	-	-	6,763,960
Construction in progress	<u>2,405,754</u>	<u>1,430,573</u>	<u>2,200,840</u>	<u>1,635,487</u>
Total Capital Assets Not Being Depreciated	<u>9,169,714</u>	<u>1,430,573</u>	<u>2,200,840</u>	<u>8,399,447</u>
Capital assets being depreciated:				
Infrastructure	13,903,589	4,115,771	-	18,019,360
Buildings	17,505,277	556,581	-	18,061,858
Improvements other than buildings	8,209,296	42,827	-	8,252,123
Machinery and equipment	<u>7,932,818</u>	<u>462,989</u>	-	<u>8,395,807</u>
Total Capital Assets Being Depreciated	<u>47,550,980</u>	<u>5,178,168</u>	-	<u>52,729,148</u>
Less - Accumulated depreciation for:				
Infrastructure	1,149,689	686,111	-	1,835,800
Buildings	6,024,935	388,147	-	6,413,082
Improvements other than buildings	2,219,886	302,471	-	2,522,357
Machinery and equipment	<u>4,688,416</u>	<u>584,494</u>	-	<u>5,272,910</u>
Total Accumulated Depreciation	<u>14,082,926</u>	<u>1,961,223</u>	-	<u>16,044,149</u>
Total Capital Assets Being Depreciated, Net	<u>33,468,054</u>	<u>3,216,945</u>	-	<u>36,684,999</u>
Governmental Activities Capital Assets, Net	<u>\$42,637,768</u>	<u>4,647,518</u>	<u>2,200,840</u>	<u>45,084,446</u>
<b>Business-type Activities</b>				
Capital assets not being depreciated:				
Land	\$ 879,795	-	-	879,795
Construction in progress	<u>12,967,465</u>	-	<u>12,949,406</u>	<u>18,059</u>
Total Capital assets Not Being Depreciated	<u>13,847,260</u>	-	<u>12,949,406</u>	<u>897,854</u>
Capital assets being depreciated:				
Buildings	5,895,079	22,260,323	-	28,155,402
Improvements other than buildings	16,311,277	1,380,669	-	17,691,946
Machinery and equipment	<u>3,179,775</u>	<u>70,964</u>	-	<u>3,250,739</u>
Total Capital Assets Being Depreciated	<u>25,386,131</u>	<u>23,771,956</u>	-	<u>49,098,087</u>
Less - Accumulated depreciation for:				
Buildings	4,010,408	112,561	-	4,122,969
Improvements other than buildings	5,484,128	409,906	-	5,894,034
Machinery and equipment	<u>1,963,300</u>	<u>195,897</u>	-	<u>2,159,197</u>
Total Accumulated Depreciation	<u>11,457,836</u>	<u>718,364</u>	-	<u>12,176,200</u>
Total Capital Assets Being Depreciated, Net	<u>13,928,295</u>	<u>22,993,592</u>	-	<u>36,921,887</u>
Business-type Activities Capital Assets, Net	<u>\$27,775,555</u>	<u>22,993,592</u>	<u>12,949,406</u>	<u>37,819,741</u>

**CITY OF WASHINGTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE D - CAPITAL ASSETS (Continued)**

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

	<b>For The Year Ended September 30 2009</b>
<b>Governmental Activities</b>	
General government	\$ 200,275
Public safety	490,889
Airport	190,181
Highway and streets	838,417
Culture and recreation	<u>241,461</u>
Total	<u>\$1,961,223</u>
 <b>Business-type Activities</b>	
Water	\$254,375
Sewage treatment	247,691
Solid waste	<u>216,298</u>
Total	<u>\$718,364</u>

**NOTE E - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The individual interfund balances are as follows:

**Advances From/To Other Funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>September 30 2009</u>
General Fund	Sewage Treatment Fund	\$ 400,000
Capital Improvements Sales Tax Fund	Nonmajor Fund - Downtown TIF Fund	23,900
Nonmajor Fund - Vehicle and Equipment Fund	Sewage Treatment Fund	600,000
Water Fund	General Fund	<u>599,688</u>
Total		<u>\$1,623,588</u>

The outstanding balances between funds result from 1) payments to fund deeds of trust issued by the Washington Missouri Redevelopment Corporation, 2) payments to fund initial sewer treatment project costs, and 3) payments to fund downtown parking lot purchase. The balances are not expected to be repaid within the fiscal year ending September 30, 2009.

**CITY OF WASHINGTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE E - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Continued)**

Individual interfund transfers are as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>For The Year Ended September 30 2009</u>
General Fund	Nonmajor Fund - Library Fund	\$ 131,600
General Fund	Nonmajor Fund - Volunteer Fire Company Fund	560,416
General Fund	Nonmajor Fund - Vehicle and Equipment Fund	457,295
Nonmajor Fund - Library Fund	General Fund	4,700
Transportation Sales Tax Fund	2008 COPS Fund	1,199,735
Water Fund	General Fund	2,800
Sewage Treatment Fund	General Fund	1,600
Solid Waste Fund	General Fund	<u>1,600</u>
Total		<u>\$2,359,746</u>

Interfund transfers were used to 1) move unrestricted revenues collected in the General Fund to finance other funds in accordance with budgetary authorization 2) reimburse one fund for expenses that should have been paid out of a different fund.

Interfund assets and liabilities are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>September 30 2009</u>
General Fund	Capital Improvement Sales Tax Fund	\$ 21,402
General Fund	2008 COPS Fund	638,912
General Fund	Transportation Tax Fund	1,226
Capital Improvement Sales Tax Fund	Transportation Tax Fund	<u>42,716</u>
Total		<u>\$704,256</u>

Interfund balances are due to timing differences and negative cash balances and are expected to be repaid during the fiscal year ending September 30, 2010.

**CITY OF WASHINGTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE F - LEASE**

**Capital Lease**

The City has entered into a capital lease agreement for the purpose of acquiring and financing public safety equipment. The assets acquired through the capital lease are as follows:

	<u>September 30</u> <u>2009</u>
<b>Governmental Activities</b>	
Asset:	
Machinery and equipment	\$113,424
Less - Accumulated depreciation	<u>68,054</u>
Total	<u>\$ 45,370</u>

The future minimum capital lease obligations and the net present value of these minimum lease payments were as follows:

<b>For The</b> <b>Years Ended</b> <b><u>September 30</u></b>	
2010	\$20,646
2011	<u>20,646</u>
Total minimum lease payments	41,292
Less - Amounts representing interest	<u>-</u>
Present Value Of Minimum Lease Payments	<u>\$41,292</u>

**NOTE G - LONG-TERM DEBT**

Debt payable was comprised of the following:

	<u>September 30</u> <u>2009</u>
<b>Governmental Activities</b>	
\$26,840,000 certificates of participation (Series 2008), due in annual installments through April 1, 2030; interest payable at 2.8% to 4.95%	<u>\$26,840,000</u>

**CITY OF WASHINGTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE G - LONG-TERM DEBT (Continued)**

**September 30**  
**2009**

**Business-type Activities**

\$20,000,000 Sewerage System Revenue Bonds, under the terms of the refinancing agreement Series 2007, due in annual installments through January 1, 2029; interest payable at 4% to 5% \$20,000,000

\$1,300,000 Sewage System Revenue Bonds, under the terms of the refinancing agreement Series 2001B, due in annual installments through July 1, 2012; interest payable at 3.75% to 6.55% 315,000

Total Business-type Activities Long-term Debt \$20,315,000

The annual debt service requirements for debt payable is as follows:

<b>For The Years Ended September 30</b>	<b>Governmental Activities</b>		<b>Business-type Activities</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2010	\$ 5,000	1,272,498	935,000	884,627
2011	5,000	1,272,357	960,000	840,101
2012	75,000	1,272,205	975,000	798,824
2013	15,000	1,269,730	880,000	756,719
2014	15,000	1,269,205	895,000	721,219
2015 - 2019	2,870,000	6,211,993	4,710,000	3,039,069
2020 - 2024	7,215,000	5,152,100	5,165,000	2,009,390
2025 - 2029	11,310,000	3,077,327	5,795,000	725,787
2030	<u>5,330,000</u>	<u>263,835</u>	<u>-</u>	<u>-</u>
Total	<u>\$26,840,000</u>	<u>21,061,250</u>	<u>20,315,000</u>	<u>9,775,736</u>

**CITY OF WASHINGTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE G - LONG-TERM DEBT (Continued)**

**Changes in Long-term Liabilities**

The changes in general long-term debt are as follows:

	<u>For The Year Ended September 30, 2009</u>			<u>Balance</u> <u>September 30</u> <u>2009</u>	<u>Amounts</u> <u>Due</u> <u>Within</u> <u>One Year</u>
	<u>Balance</u> <u>September 30</u> <u>2008</u>	<u>Additions</u>	<u>Deletions</u>		
	<b>Governmental Activities</b>				
Certificates of participation	\$ 30,965,000	-	(4,125,000)	26,840,000	5,000
Capital lease	61,937	-	(20,645)	41,292	20,645
Compensated absences payable	<u>158,192</u>	<u>183,370</u>	<u>(158,192)</u>	<u>183,370</u>	<u>183,370</u>
Total Governmental Activities Long- term Liabilities	<u>\$31,185,129</u>	<u>183,370</u>	<u>(4,303,837)</u>	<u>27,064,662</u>	<u>209,015</u>
<b>Business-type Activities</b>					
Revenue bonds payable	\$20,405,000	-	(90,000)	20,315,000	935,000
Plus - Net premiums (discounts)	<u>428,045</u>	<u>-</u>	<u>(20,225)</u>	<u>407,820</u>	<u>-</u>
Total Revenue Bonds Payable	20,833,045	-	(110,225)	20,722,820	935,000
Compensated absences payable	49,820	39,384	(49,820)	39,384	39,384
Landfill care liability	<u>2,492,410</u>	<u>199,178</u>	<u>-</u>	<u>2,691,588</u>	<u>-</u>
Total Business-type Activities Long- term Liabilities	<u>\$23,375,275</u>	<u>238,562</u>	<u>(160,045)</u>	<u>23,453,792</u>	<u>974,384</u>

The amount due within one year above includes \$935,000, which is reported as part of liabilities payable from restricted assets in the statement of net assets.

<b>Component Unit</b>	<u>September 30</u> <u>2009</u>
2006 sales tax revenue notes, interest at 6.75%, due November 1, 2026.	<u>\$6,746,488</u>

In May 2006, the City; Franklin County, Missouri (the County); and Phoenix Center II Development Co., LLC (the Developer) entered into a Development Agreement, whereby the City and the County agreed to use a portion of their sales tax revenues from a shopping center being constructed by the Developer to pay for roads and other public improvements associated with the shopping center.

In November 2006, the District issued its sales tax revenue note for \$6,497,333, Series 2006, in a principal amount not to exceed \$17,997,000. The notes are payable from a 0.75% sales tax imposed by the District, from one-half of the sales tax revenue the City receives from within the District, and from one-half of the sales tax revenue the County receives from its general sales tax from within the District. The notes are limited obligations of the District, and are generally payable solely from the City, County, and

**CITY OF WASHINGTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE G - LONG-TERM DEBT (Continued)**

District sales tax revenues identified above. The notes do not constitute a general obligation of the City, County, District, or State of Missouri.

The following is a summary of the changes in the District's long-term debt:

	<b>For The Year Ended September 30, 2009</b>			<b>Amount Due Within One Year</b>
	<b>Balance</b>		<b>Balance</b>	
	<b>September 30 2008</b>	<b>Additions</b>	<b>Deletions</b>	
2006 sales tax revenue notes	<u>\$6,838,910</u>	<u>-</u>	<u>92,422</u>	<u>6,746,488</u>

The District makes payments on the sales tax revenue notes based on the amount of sales tax collected and, therefore, there is not a formal debt maturity schedule.

**NOTE H - GENERAL FUND FUND BALANCE**

Due to similarity of purpose, Stormwater Management Improvement Fund revenue and expenditures are reported in the General Fund. After this combination, the General Fund fund balance was as follows:

	<b>September 30 2009</b>
General Fund	\$3,141,089
Stormwater Management Improvement Fund	<u>1,990,106</u>
Total	<u>\$5,131,195</u>

**NOTE I - EMPLOYEE RETIREMENT SYSTEMS**

**Deferred Compensation Plan**

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

**Missouri Local Government Employees Retirement System**

**1. Plan Description**

The City participates in the Missouri Local Government Employees Retirement System (LAGERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local government entities in Missouri.

**CITY OF WASHINGTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE I - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**1. Plan Description (Continued)**

LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by State statute, Section RSMo 700.600 - 70.755. As such, it is LAGERS' responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401a and it is tax exempt.

LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to LAGERS, P.O. Box 1665, Jefferson City, MO 65102 or by calling 1-800-447-4334.

**2. Funding Policy**

The City's full-time employees do not contribute to the pension plan. The City is required to contribute at an actuarially determined rate; the current rate is 11.8% (general) and 11.6% (police) of annual covered payroll. The contribution requirements of plan members are determined by the governing body of the City. The contribution provisions of the City are established by State statute.

**3. Annual Pension Cost**

For 2009, the City's annual pension cost of \$580,965 was equal to the required and actual contributions. The required contribution was determined as part of the February 28, 2007 and/or February 29, 2008 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included a) a rate of return on the investment of present and future assets of 7.5% per year, compounded annually; b) projected salary increases of 4% per year, compounded annually, attributable to inflation; c) additional projected salary increases ranging from 0% to 6% per year, depending on age and division, attributable to seniority/merit; d) pre-retirement mortality based on the RP-2000 Combined Healthy Table set back zero years for men and zero years for women; and e) post-retirement mortality based on the 1971 Group Annuity Mortality table for males projected to 2000 set back 1 year for men and 7 years for women. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at February 28, 2009 was 15 years.

**CITY OF WASHINGTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE I - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**3. Annual Pension Cost (Continued)**

**Three -year Trend Information**

<u>For The Plan Years Ended June 30</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage Of APC Contributed</u>	<u>Net Pension Obligation</u>
2009	\$580,965	100%	\$ -
2008	567,478	100	-
2007	556,431	100	-

**Schedule of Funding Progress**

<u>For The Actuarial Valuation Years Ended February 28/29</u>	<u>Actuarial Value Of Assets</u>	<u>Entry Age Actuarial Accrued Liability (AAL)</u>	<u>Unfunded Accrued Liability (UAL)</u>
2009	\$ 9,582,804	\$12,537,626	\$2,954,822
2008	11,335,897	11,932,939	597,042
2007	9,952,464	11,231,847	1,279,383

<u>For The Actuarial Valuation Years Ended February 28/29</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>Unfunded AAL As A Percentage Of Covered Payroll</u>
2009	76%	\$4,924,216	60%
2008	95	4,679,567	13
2007	89	4,636,619	28

Note: The above assets and actuarial accrued liability do not include the assets and present value of benefits associated with the Benefit Reserve Fund and the Casualty Reserve Fund. The actuarial assumptions were changed in conjunction with the February 28, 2006 annual actuarial valuations. For a complete description of the actuarial assumptions used in the annual valuations, please contact the LAGERS' office in Jefferson City, MO.

**NOTE J - RISK MANAGEMENT**

The City is a member of the Missouri Intergovernmental Risk Management Association (MIRMA), which is a jointly self-funded insurance program consisting solely of Missouri municipalities. MIRMA assesses each participant in the program based upon past experience of the group. MIRMA purchases excess insurance coverage in the event of significant losses by participants in the program. The assess-

**CITY OF WASHINGTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE J - RISK MANAGEMENT (Continued)**

ment for the coverage period July 1, 2009 through June 30, 2010 was \$514,215. There are no claims estimated to exceed policy limits as of September 30, 2009. The City has not recorded any liability for future potential losses in the accompanying financial statements based upon the above information provided by MIRMA.

**NOTE K - CLOSURE AND POST-CLOSURE CARE COST**

State and federal laws and regulations require the City to place a final cover on its Steutermann and Struckhoff landfill sites when it stopped accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$2,691,588 reported as landfill care liability at September 30, 2009, represents the post-closure care estimate for the Steutermann landfill closed in 1994 and the cumulative amount reported to date based on the use of 41% of the estimated capacity of the Struckhoff landfill. The landfill capacity was revised in fiscal 2002 to 1,767,900 cubic yards, an increase in capacity of 112,900 cubic yards because of improved compaction methods. The City will recognize the remaining estimated cost of closure and post-closure care of \$5.2 million as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2006. Actual cost may be higher due to inflation, changes in technology, and/or changes in regulations.

The City is required by state and federal laws and regulations to make annual contributions to a trust to finance closure and post-closure care.

**NOTE L - CONDUIT DEBT**

The City issued industrial revenue bonds to provide funds for the purpose of carrying out industrial development projects by the City providing loans to private corporations pursuant to loan agreements between the City and the private corporation. The loan agreements call for the private corporations to repay the loans in the principal amount of the bonds plus related interest thereon. The related transactions are accounted for in various Agency Funds of the City.

	<u>September 30</u> <u>2009</u>
\$7,500,000 Variable Rate Demand Industrial Revenue Bonds (Series 2008A), due December 1, 2028.	\$ 7,500,000
\$30,000,000 Taxable Industrial Revenue Bonds (Series 2005), due in annual installments through December 1, 2015; interest payable at 5%.	6,822,937
\$13,000,000 Taxable Industrial Revenue Bonds (Series 2008B), due in annual installments through December 1, 2018; interest payable at 6%.	<u>68,276</u>
Total	<u>\$14,391,213</u>

**CITY OF WASHINGTON, MISSOURI**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE M - COMMITMENTS**

The City had commitments for engineering services and water and sewer contracts totaling \$186,739 at September 30, 2009.

**NOTE N - RELATED PARTY TRANSACTIONS**

The City has entered into transactions with Paper Chase LLC, owned by a member of the City Council. The expenses totaled \$1,397 for the year ended September 30, 2009.

**NOTE O - RESTRICTED NET ASSETS**

The government-wide statement of net assets reports \$7,391,707 of restricted net assets, of which \$4,457,452 is restricted by enabling legislation.

**NOTE P - PRIOR PERIOD ADJUSTMENT**

The previously stated net assets have been adjusted as follows:

	<b>Business-type Activities</b>	<b>Solid Waste</b>	<b>Component Unit</b>
Net assets, September 30, 2008, as previously stated	\$16,238,244	1,752,948	(6,545,074)
Restatement for:			
Landfill care liability	313,740	313,740	-
Accrued interest payable	-	-	(341,577)
Long-term debt	-	-	341,577
Net Assets, September 30, 2008, As Restated	<u>\$16,551,984</u>	<u>2,066,688</u>	<u>(6,545,074)</u>

**NOTE Q - FUTURE ACCOUNTING PRONOUNCEMENTS**

GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets* (GASB 51), establishes standards for the measurement and recording the estimated historical cost for land associated with right-of-way easements. GASB 51 will be effective for the City for the fiscal year ending September 30, 2010. The City, however, has not yet completed its assessment of the statement or the potential impact of the statement on its financial position.

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), establishes clearer fund balance classifications that can be more consistently applied and clarifies existing governmental fund types. GASB 54 will be effective for the City for the fiscal year ending September 30, 2011. The City, however, has not yet completed its assessment of the statement.

**REQUIRED SUPPLEMENTAL INFORMATION SECTION**

**CITY OF WASHINGTON, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND**  
**BALANCE - BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>				
Taxes:				
Property	\$ 2,036,895	2,036,895	2,104,785	67,890
Sales	4,317,400	4,317,400	3,930,731	(386,669)
Franchise	1,999,470	1,999,470	2,225,337	225,867
Other	68,000	68,000	105,274	37,274
Licenses and permits	188,500	188,500	257,292	68,792
Fees and fines	300,000	300,000	361,591	61,591
Intergovernmental	26,435	26,435	85,703	59,268
Charges for services	1,057,530	1,057,530	1,105,776	48,246
Rents	74,000	74,000	73,178	(822)
Contributions and donations	20,600	20,600	43,357	22,757
Investment income	163,000	163,000	125,145	(37,855)
Total Revenues	<u>10,251,830</u>	<u>10,251,830</u>	<u>10,418,169</u>	<u>166,339</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Executive	848,085	848,085	883,999	35,914
Financial administration	540,265	540,265	564,542	24,277
Technology support	306,055	306,055	295,866	(10,189)
Economic development	120,045	120,045	146,724	26,679
Maintenance - building and grounds	323,990	323,990	328,066	4,076
Total General Government	<u>2,138,440</u>	<u>2,138,440</u>	<u>2,219,197</u>	<u>80,757</u>
Public safety:				
Judicial	103,165	103,165	174,723	71,558
Police	2,299,065	2,299,065	2,298,250	(815)
Communications center	718,375	718,375	686,470	(31,905)
Total Public Safety	<u>3,120,605</u>	<u>3,120,605</u>	<u>3,159,443</u>	<u>38,838</u>
Highways and streets:				
Engineering, inspections, and planning	665,405	665,405	660,919	(4,486)
Streets	1,106,770	1,106,770	1,047,253	(59,517)
Total Highways And Streets	<u>1,772,175</u>	<u>1,772,175</u>	<u>1,708,172</u>	<u>(64,003)</u>

(Continued)

**CITY OF WASHINGTON, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF**  
**REVENUES, EXPENDITURES, AND CHANGE IN FUND**  
**BALANCE - BUDGET AND ACTUAL - GENERAL FUND (Continued)**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>EXPENDITURES (Continued)</b>				
Current (Continued):				
Airport	150,660	150,660	125,228	(25,432)
Culture and recreation:				
Parks	1,116,385	1,116,385	1,005,417	(110,968)
Aquatic center	200,955	200,955	178,876	(22,079)
Total Culture And Recreation	1,317,340	1,317,340	1,184,293	(133,047)
Debt service:				
Interest expense	20,000	20,000	12,868	(7,132)
Capital outlay:				
General government	-	-	475	475
Public safety	25,210	25,210	20,645	(4,565)
Highways and streets	14,300	414,300	407,420	(6,880)
Airport	-	-	13,449	13,449
Culture and recreation	58,380	58,380	5,582	(52,798)
Total Capital Outlay	97,890	497,890	447,571	(50,319)
Total Expenditures	8,617,110	9,017,110	8,856,772	(160,338)
<b>REVENUES OVER EXPENDITURES</b>	1,634,720	1,234,720	1,561,397	326,677
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	10,700	10,700	10,700	-
Transfers out	(1,157,420)	(1,157,420)	(1,149,311)	(8,109)
Total Other Financing Sources (Uses)	(1,146,720)	(1,146,720)	(1,138,611)	(8,109)
<b>NET CHANGE IN FUND BALANCE</b>	\$ 488,000	88,000	422,786	334,786
<b>FUND BALANCE, OCTOBER 1</b>			4,708,409	
<b>FUND BALANCE, SEPTEMBER 30</b>			\$ 5,131,195	

**CITY OF WASHINGTON, MISSOURI**  
**REQUIRED SUPPLEMENTAL INFORMATION - NOTES TO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

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**Budgetary Information**

The City follows these procedures in establishing the budgetary data:

- a. Prior to October 1, the City Finance Director submits to the City Council a proposed operating budget for the fiscal period. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings and open council meetings are held to obtain taxpayer comments.
- c. Prior to October 1, the budget is adopted by the City Council.
- d. Formal budgetary integration is employed as a management control device during the period for all funds. The legal level of budgetary control defined as the budgeted appropriation amount at the fund level of expenditures.
- e. Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles.
- f. Current year budget includes amendments. Budget amendments must be approved by the City Council.
- g. Unencumbered appropriations at the end of the period are reconsidered for subsequent budgets.

**Excess of Expenditures Over Appropriations**

Expenditures exceeded appropriations in the Transportation Sales Tax Fund and 2008 COPS Fund. These over expenditures were funded by additional revenues.

**OTHER SUPPLEMENTAL INFORMATION SECTION**

**CITY OF WASHINGTON, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - COMBINING**  
**BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	Special Revenue Funds			Capital Projects Fund	Total
	Library	Volunteer Fire Company	Downtown TIF	Vehicle And Equipment Replacement	
<b>ASSETS</b>					
Cash and investments	\$ 198,578	1,022,956	25,487	1,437,664	2,684,685
Accounts receivable, net of allowance	4,085	60	-	33	4,178
Prepaid items	15,796	57,491	-	-	73,287
Advance to other funds	-	-	-	600,000	600,000
Total Assets	<u>\$ 218,459</u>	<u>1,080,507</u>	<u>25,487</u>	<u>2,037,697</u>	<u>3,362,150</u>
 <b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 23,224	11,224	-	-	34,448
Accrued wages	11,004	2,822	-	-	13,826
Deferred revenue	16,835	-	-	-	16,835
Advance from other funds	-	-	23,900	-	23,900
Total Liabilities	<u>51,063</u>	<u>14,046</u>	<u>23,900</u>	<u>-</u>	<u>89,009</u>
 <b>Fund Balances</b>					
Reserved for:					
Prepaid items	15,796	57,491	-	-	73,287
Encumbrances	-	4,563	-	-	4,563
Advances	-	-	-	600,000	600,000
Unreserved:					
Special Revenue Funds	151,600	1,004,407	1,587	-	1,157,594
Capital Projects Fund	-	-	-	1,437,697	1,437,697
Total Fund Balances	<u>167,396</u>	<u>1,066,461</u>	<u>1,587</u>	<u>2,037,697</u>	<u>3,273,141</u>
Total Liabilities And Fund Balances	<u>\$ 218,459</u>	<u>1,080,507</u>	<u>25,487</u>	<u>2,037,697</u>	<u>3,362,150</u>

**CITY OF WASHINGTON, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - COMBINING**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	Special Revenue Funds			Capital Projects Fund	Total
	Library	Volunteer Fire Company	Downtown TIF	Vehicle And Equipment Replacement	
<b>REVENUES</b>					
Property taxes	\$ 162,397	-	16,438	-	178,835
Fees and fines	57,016	-	-	-	57,016
Intergovernmental	17,053	-	-	-	17,053
Charges for services	-	1,867	-	-	1,867
Rents	-	8,637	-	-	8,637
Contributions and donations	10,236	26,000	-	-	36,236
Investment income	6,357	26,466	486	25,298	58,607
Total Revenues	253,059	62,970	16,924	25,298	358,251
<b>EXPENDITURES</b>					
Current:					
General government	-	-	43	-	43
Public safety:					
Fire	-	506,174	-	-	506,174
Culture and recreation:					
Library	340,964	-	-	-	340,964
Capital outlay:					
General government	-	-	23,900	-	23,900
Public safety:					
Fire	-	-	-	75,162	75,162
Total Expenditures	340,964	506,174	23,943	75,162	946,243
<b>REVENUES OVER (UNDER)</b>					
<b>EXPENDITURES</b>	(87,905)	(443,204)	(7,019)	(49,864)	(587,992)
<b>OTHER FINANCING SOURCES</b>					
<b>(USES)</b>					
Transfers in	131,600	560,416	-	457,295	1,149,311
Transfers out	(4,700)	-	-	-	(4,700)
Total Other Financing Sources (Uses)	126,900	560,416	-	457,295	1,144,611
<b>NET CHANGE IN FUND BALANCES</b>	38,995	117,212	(7,019)	407,431	556,619
FUND BALANCES, OCTOBER 1	128,401	949,249	8,606	1,630,266	2,716,522
<b>FUND BALANCES, SEPTEMBER 30</b>	\$ 167,396	1,066,461	1,587	2,037,697	3,273,141

**CITY OF WASHINGTON, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND**  
**ACTUAL - LIBRARY SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<b>Original And Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
Property taxes	\$ 157,175	162,397	5,222
Fees and fines	62,140	57,016	(5,124)
Intergovernmental	6,800	17,053	10,253
Contributions and donations	8,000	10,236	2,236
Investment income	5,500	6,357	857
Total Revenues	239,615	253,059	13,444
<b>EXPENDITURES</b>			
Current:			
Library	367,975	340,964	(27,011)
<b>REVENUES OVER (UNDER) EXPENDI- TURES</b>	(128,360)	(87,905)	40,455
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	131,600	131,600	-
Transfers out	(4,700)	(4,700)	-
Total Other Financing Sources (Uses)	126,900	126,900	-
<b>NET CHANGE IN FUND BALANCE</b>	\$ (1,460)	38,995	40,455
<b>FUND BALANCE, OCTOBER 1</b>		128,401	
<b>FUND BALANCE, SEPTEMBER 30</b>		\$ 167,396	

**CITY OF WASHINGTON, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND**  
**ACTUAL - VOLUNTEER FIRE COMPANY SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<b>Original And Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
Charges for services	\$ 2,150	1,867	(283)
Rents	8,100	8,637	537
Contributions and donations	500	26,000	25,500
Intergovernmental	3,800	-	(3,800)
Investment income	30,000	26,466	(3,534)
Total Revenues	44,550	62,970	18,420
<b>EXPENDITURES</b>			
Current:			
Volunteer Fire Company	599,825	506,174	(93,651)
Capital outlay	25,500	-	(25,500)
Total Expenditures	625,325	506,174	(119,151)
<b>REVENUES OVER (UNDER)</b>			
<b>EXPENDITURES</b>	(580,775)	(443,204)	137,571
<b>OTHER FINANCING SOURCES</b>			
Transfers in	568,525	560,416	(8,109)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (12,250)</b>	<b>117,212</b>	<b>129,462</b>
FUND BALANCE, OCTOBER 1		949,249	
<b>FUND BALANCE, SEPTEMBER 30</b>		<b>\$ 1,066,461</b>	

**CITY OF WASHINGTON, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND**  
**ACTUAL - DOWNTOWN TIF SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>				
Property tax	\$ 2,350	2,350	16,438	14,088
Investment income	25	25	486	461
Total Revenues	<u>2,375</u>	<u>2,375</u>	<u>16,924</u>	<u>14,549</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	43	43
Debt service				
Principal	2,375	2,375	-	(2,375)
Capital outlay	-	23,900	23,900	-
Total Expenditures	<u>2,375</u>	<u>26,275</u>	<u>23,943</u>	<u>(2,332)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>(23,900)</u>	(7,019)	<u>16,881</u>
<b>FUND BALANCE, OCTOBER 1</b>			<u>8,606</u>	
<b>FUND BALANCE, SEPTEMBER 30</b>			<u>\$ 1,587</u>	

**CITY OF WASHINGTON, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND**  
**ACTUAL - 2008 COPS CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<b>Original And Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>			
Investment income	\$ -	19,103	19,103
<b>EXPENDITURES</b>			
Debt service:			
Interest and fiscal charges	1,199,735	1,195,644	(4,091)
Capital outlay:			
General government	-	35,585	35,585
Total Expenditures	1,199,735	1,231,229	31,494
<b>REVENUES UNDER EXPENDITURES</b>	(1,199,735)	(1,212,126)	(12,391)
<b>OTHER FINANCING SOURCES</b>			
Transfers in	1,199,735	1,199,735	-
<b>NET CHANGE IN FUND BALANCE</b>	\$ -	(12,391)	(12,391)
FUND BALANCE, OCTOBER 1		2,986,925	
<b>FUND BALANCE, SEPTEMBER 30</b>		<b>\$ 2,974,534</b>	

**CITY OF WASHINGTON, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND**  
**ACTUAL - CAPITAL IMPROVEMENTS SALES TAX CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Over (Under) Budget</b>
<b>REVENUES</b>				
Taxes:				
Sales	\$ 1,842,800	1,842,800	1,688,882	(153,918)
Charges for services	-	-	1,187	1,187
Intergovernmental	-	-	22,606	22,606
Investment income	22,000	22,000	70,823	48,823
Total Revenues	1,864,800	1,864,800	1,783,498	(81,302)
<b>EXPENDITURES</b>				
Current:				
General government	-	325,000	-	(325,000)
Highways and streets	-	-	10,071	10,071
Culture and recreation	-	-	16,948	16,948
Total Current	-	325,000	27,019	(297,981)
Debt service:				
Principal	450,000	4,125,000	4,125,000	-
Interest and fiscal charges	148,700	148,700	192,515	43,815
Total Debt Service	598,700	4,273,700	4,317,515	43,815
Capital outlay:				
General government	-	22,275	22,276	1
Culture and recreation	-	97,000	126,842	29,842
Public safety	-	-	22,390	22,390
Highways and streets	-	150,000	6,048	(143,952)
Total Capital Outlay	-	269,275	177,556	(91,719)
Total Expenditures	598,700	4,867,975	4,522,090	(345,885)
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 1,266,100</b>	<b>(3,003,175)</b>	<b>(2,738,592)</b>	<b>264,583</b>
<b>FUND BALANCE, OCTOBER 1</b>			<b>3,723,917</b>	
<b>FUND BALANCE, SEPTEMBER 30</b>			<b>\$ 985,325</b>	

**CITY OF WASHINGTON, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND**  
**ACTUAL - TRANSPORTATION SALES TAX CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>			
Taxes:			
Sales	\$ 1,842,800	1,689,054	(153,746)
Intergovernmental	1,692,000	2,311,586	619,586
Charges for services	150,000	107,066	(42,934)
Investment income	60,000	83,721	23,721
Total Revenues	<u>3,744,800</u>	<u>4,191,427</u>	<u>446,627</u>
<b>EXPENDITURES</b>			
Current:			
Highways and streets	-	178,739	178,739
Capital outlay:			
Highways and streets	2,880,000	2,722,191	(157,809)
Airport	370,000	671,709	301,709
Total Expenditures	<u>3,250,000</u>	<u>3,572,639</u>	<u>322,639</u>
<b>REVENUES OVER EXPENDITURES</b>	494,800	618,788	123,988
<b>OTHER FINANCING USES</b>			
Transfers out	<u>(1,199,735)</u>	<u>(1,199,735)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (704,935)</u>	<u>(580,947)</u>	<u>123,988</u>
FUND BALANCE, OCTOBER 1		<u>3,819,901</u>	
<b>FUND BALANCE, SEPTEMBER 30</b>		<u>\$ 3,238,954</u>	

**CITY OF WASHINGTON, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,**  
**EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -**  
**VEHICLE AND EQUIPMENT REPLACEMENT CAPITAL PROJECTS FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
<b>REVENUES</b>			
Investment income	\$ 20,500	25,298	4,798
<b>EXPENDITURES</b>			
Capital outlay:			
Public safety	80,000	75,162	(4,838)
Highways and streets	283,000	-	(283,000)
Culture and recreation	46,000	-	(46,000)
Total Expenditures	<u>409,000</u>	<u>75,162</u>	<u>(338,838)</u>
<b>REVENUES OVER (UNDER)</b>			
<b>EXPENDITURES</b>			
	(388,500)	(49,864)	338,636
<b>OTHER FINANCING SOURCES</b>			
Transfers in	<u>457,295</u>	<u>457,295</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>			
	<u>\$ 68,795</u>	407,431	<u>338,636</u>
<b>FUND BALANCE, OCTOBER 1</b>			
		<u>1,630,266</u>	
<b>FUND BALANCE, SEPTEMBER 30</b>			
		<u>\$ 2,037,697</u>	

**CITY OF WASHINGTON, MISSOURI**  
**OTHER SUPPLEMENTAL INFORMATION - COMBINING STATEMENT OF**  
**CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	<u>Balance</u> <u>September 30</u> <u>2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>September 30</u> <u>2009</u>
<b>INDUSTRIAL G.O. BONDS</b>				
<b>OF 1997, SERIES A</b>				
Assets - cash and cash investments	\$ 124,696	378,137	502,833	-
Liabilities - due to lessee	\$ 124,696	378,137	502,833	-
<b>TAXABLE INDUSTRIAL REVENUE BONDS (HBAS MANUFACTURING, INC. PROJECT), SERIES 2005</b>				
Assets - cash and cash investments	\$ 15,826	366,475	353,988	28,313
Liabilities - due to lessee	\$ 15,826	366,475	353,988	28,313
<b>TAXABLE INDUSTRIAL REVENUE BONDS (PAUWELS PROJECT), SERIES 2008A AND B</b>				
Assets - cash and cash investments	\$ -	7,630,888	3,043,712	4,587,176
Liabilities - due to lessee	\$ -	7,630,888	3,043,712	4,587,176
<b>ALL AGENCY FUNDS</b>				
Assets - cash and cash Investments	\$ 140,522	8,375,500	3,900,533	4,615,489
Liabilities - due to lessee	\$ 140,522	8,375,500	3,900,533	4,615,489

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**SECTION III - STATISTICAL SECTION**

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

<b>Contents</b>	<b>Pages</b>
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	62 - 68
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	69 - 72
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	73 - 75
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	76 - 81
<b>Operating Information</b>	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	82 - 83

Sources: Unless otherwise noted, the information in these schedules is derived from the CAFRs for the relevant year.

**CITY OF WASHINGTON, MISSOURI**

**NET ASSETS BY COMPONENT**

**LAST SEVEN FISCAL YEARS**

	<b>September 30</b>						
	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
<b>Governmental Activities</b>							
Invested in capital assets, net of related debt	\$ 18,496,183	15,218,196	34,824,279	32,150,021	28,607,705	21,402,264	16,448,693
Restricted	7,188,207	7,543,818	2,055,727	3,234,143	2,336,893	3,985,879	4,364,834
Unrestricted	8,264,306	6,746,371	4,026,763	6,014,491	5,721,384	4,757,681	4,149,651
Total Governmental Activities							
Net Assets	<u>\$ 33,948,696</u>	<u>29,508,385</u>	<u>40,906,769</u>	<u>41,398,655</u>	<u>36,665,982</u>	<u>30,145,824</u>	<u>24,963,178</u>
<b>Business-type Activities</b>							
Invested in capital assets, net of related debt	\$ 18,894,569	20,033,834	15,680,130	13,746,355	12,910,727	12,241,765	10,847,609
Restricted	203,500	297,545	146,297	126,521	137,959	224,800	225,240
Unrestricted	(1,351,629)	(3,779,395)	(773,014)	1,413,186	2,285,676	2,189,718	2,638,509
Total Business-type Activities							
Net Assets	<u>\$ 17,746,440</u>	<u>16,551,984</u>	<u>15,053,413</u>	<u>15,286,062</u>	<u>15,334,362</u>	<u>14,656,283</u>	<u>13,711,358</u>
<b>Primary Government</b>							
Invested in capital assets, net of related debt	\$ 37,390,752	35,252,030	50,504,409	45,896,376	41,518,432	33,644,029	27,296,302
Restricted	7,391,707	7,841,363	2,202,024	3,360,664	2,474,852	4,210,679	4,590,074
Unrestricted	6,912,677	2,966,976	3,253,749	7,427,677	8,007,060	6,947,399	6,788,160
Total Primary Government Net							
Assets	<u>\$ 51,695,136</u>	<u>46,060,369</u>	<u>55,960,182</u>	<u>56,684,717</u>	<u>52,000,344</u>	<u>44,802,107</u>	<u>38,674,536</u>

Source: Basic financial statements

GASB 34 was implemented in 2003.

**CITY OF WASHINGTON, MISSOURI**  
**CHANGES IN NET ASSETS**  
**LAST SEVEN FISCAL YEARS**

	September 30						
	2009	2008	2007	2006	2005	2004	2003
<b>EXPENSES</b>							
<b>Governmental Activities</b>							
General government	\$ 2,450,212	2,746,947	2,310,768	2,015,197	1,861,917	1,906,000	1,712,695
Public safety	4,167,081	4,127,090	3,821,556	3,423,303	3,375,127	3,122,518	2,990,862
Airport	315,409	318,800	327,757	308,987	123,243	97,536	98,450
Highways and streets	2,757,131	20,587,741	7,572,762	1,994,062	2,787,179	1,779,304	2,501,898
Culture and recreation	1,784,181	1,842,721	1,649,763	1,624,823	1,507,396	1,472,036	1,429,316
Interest on long-term debt	1,482,847	906,982	317,491	185,745	70,005	80,766	111,531
Total Governmental Activities Expenses	<u>12,956,861</u>	<u>30,530,281</u>	<u>16,000,097</u>	<u>9,552,117</u>	<u>9,724,867</u>	<u>8,458,160</u>	<u>8,844,752</u>
<b>Business-type Activities</b>							
Water	1,279,316	1,342,968	1,465,602	1,401,617	1,360,439	1,147,483	1,064,613
Sewer	1,055,581	1,040,995	1,132,035	1,094,885	1,001,500	999,553	1,003,287
Solid waste	1,966,384	1,985,836	1,953,286	1,895,078	1,774,550	1,455,805	1,328,974
Total Business-type Activities Expenses	<u>4,301,281</u>	<u>4,369,799</u>	<u>4,550,923</u>	<u>4,391,580</u>	<u>4,136,489</u>	<u>3,602,841</u>	<u>3,396,874</u>
Total Primary Government Expenses	<u>17,258,142</u>	<u>34,900,080</u>	<u>20,551,020</u>	<u>13,943,697</u>	<u>13,861,356</u>	<u>12,061,001</u>	<u>12,241,626</u>
<b>PROGRAM REVENUES</b>							
<b>Governmental Activities</b>							
Charges for services:							
General government	562,142	567,567	1,350,504	535,916	491,685	440,893	414,433
Public safety	789,842	757,633	660,336	458,891	435,562	344,743	328,226
Airport	65,799	72,146	74,398	72,370	70,017	65,630	44,165
Highways and streets	340,178	302,063	243,061	212,792	215,693	206,218	171,893
Culture and recreation	244,987	261,742	234,071	209,057	238,542	239,272	252,191
Operating grants and contributions	917,539	981,166	771,566	662,219	1,352,922	982,312	656,536
Capital grants and contributions	2,145,388	3,412,588	37,328	1,661,422	5,362,513	3,561,738	3,183,630
Total Governmental Activities Program Revenues	<u>5,065,875</u>	<u>6,354,905</u>	<u>3,371,264</u>	<u>3,812,667</u>	<u>8,166,934</u>	<u>5,840,806</u>	<u>5,051,074</u>
<b>Business-type Activities</b>							
Charges for services:							
Water	1,166,340	1,135,956	1,210,367	1,214,914	1,156,441	1,141,201	1,143,351
Sewer	2,208,748	1,847,759	1,062,103	1,016,435	992,653	1,147,258	1,013,715
Solid waste	1,932,124	1,818,526	1,831,979	1,643,469	1,798,321	1,617,155	1,153,748
Capital grants and contributions	44,000	575,292	-	-	400,205	411,475	403,687
Total Business-type Activities Program Revenues	<u>5,351,212</u>	<u>5,377,533</u>	<u>4,104,449</u>	<u>3,874,818</u>	<u>4,347,620</u>	<u>4,317,089</u>	<u>3,714,501</u>
Total Primary Government Program Revenues	<u>10,417,087</u>	<u>11,732,438</u>	<u>7,475,713</u>	<u>7,687,485</u>	<u>12,514,554</u>	<u>10,157,895</u>	<u>8,765,575</u>

(Continued)

**CITY OF WASHINGTON, MISSOURI**  
**CHANGES IN NET ASSETS (Continued)**  
**LAST SEVEN FISCAL YEARS**

	September 30						
	2009	2008	2007	2006	2005	2004	2003
<b>NET REVENUES (EXPENSES)</b>							
Governmental activities	(7,890,986)	(24,175,376)	(12,628,833)	(5,739,450)	(1,557,933)	(2,617,354)	(3,793,678)
Business-type activities	1,049,931	1,007,734	(446,474)	(516,762)	211,131	714,248	317,627
Total Primary Government Net Revenues (Expenses)	<u>(6,841,055)</u>	<u>(23,167,642)</u>	<u>(13,075,307)</u>	<u>(6,256,212)</u>	<u>(1,346,802)</u>	<u>(1,903,106)</u>	<u>(3,476,051)</u>
<b>GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS</b>							
<b>Governmental Activities</b>							
Taxes:							
Property	2,283,620	2,114,522	1,981,426	1,737,371	1,538,475	1,473,350	1,279,952
Sales	7,353,667	7,887,896	7,681,616	6,959,132	5,169,890	4,948,433	4,741,562
Franchise	2,225,337	2,194,529	1,747,738	1,461,906	1,361,239	1,299,826	1,287,718
Other	105,274	108,790	80,806	65,315	62,038	50,989	53,171
Investment income	357,399	471,255	592,261	457,575	235,722	133,112	182,424
Gain on sale of assets	-	-	53,100	5,335	5,493	-	35,835
Transfers	6,000	-	-	(212,812)	(294,766)	(105,710)	(360,166)
Total Governmental Activities General Revenues And Other Changes In Net Assets	<u>12,331,297</u>	<u>12,776,992</u>	<u>12,136,947</u>	<u>10,473,822</u>	<u>8,078,091</u>	<u>7,800,000</u>	<u>7,220,496</u>
<b>Business-type Activities</b>							
Miscellaneous	50,429	40,139	11,982	41,150	45,041	53,044	30,689
Investment income	100,096	173,377	201,843	214,500	127,141	71,422	97,920
Gain on sale of assets	-	-	-	-	-	501	(865)
Transfers	(6,000)	-	-	212,812	294,766	105,710	360,166
Total Business-type Activities General Revenues And Other Changes In Net Assets	<u>144,525</u>	<u>213,516</u>	<u>213,825</u>	<u>468,462</u>	<u>466,948</u>	<u>230,677</u>	<u>487,910</u>
Total Primary Government General Revenues And Other Changes In Net Assets	<u>12,475,822</u>	<u>12,990,508</u>	<u>12,350,772</u>	<u>10,942,284</u>	<u>8,545,039</u>	<u>8,030,677</u>	<u>7,708,406</u>
<b>CHANGES IN NET ASSETS</b>							
Governmental activities	4,440,311	(11,398,384)	(491,886)	4,734,372	6,520,158	5,182,646	3,426,818
Business-type activities	1,194,456	1,221,250	(232,649)	(48,300)	678,079	944,925	805,537
Total Primary Government	<u>\$ 5,634,767</u>	<u>(10,177,134)</u>	<u>(724,535)</u>	<u>4,686,072</u>	<u>7,198,237</u>	<u>6,127,571</u>	<u>4,232,355</u>

Source: Basic financial statements

GASB 34 was implemented in 2003.

Notes: In 2008, \$26.8 million of certificates of participation for the building improvements and Highway 100 widening project were issued. Also, issued \$20 million revenue bonds payable for a new wastewater plant constructed in 2009.

**CITY OF WASHINGTON, MISSOURI**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST SEVEN FISCAL YEARS**

	September 30						
	2009	2008	2007	2006	2005	2004	2003
<b>General Fund</b>							
Reserved	\$ 2,840,423	2,853,708	3,422,273	2,567,531	2,342,160	2,149,656	2,422,738
Unreserved	2,290,772	1,854,701	1,030,187	1,187,417	2,967,639	3,067,047	2,442,965
Total General Fund	<u>\$ 5,131,195</u>	<u>4,708,409</u>	<u>4,452,460</u>	<u>3,754,948</u>	<u>5,309,799</u>	<u>5,216,703</u>	<u>4,865,703</u>
 <b>All Other Governmental Funds</b>							
Reserved	\$ 901,763	1,744,378	4,851,927	1,847,880	5,237,059	36,119,859	964,725
Unreserved, reported in:							
Special Revenue Funds	1,156,007	1,011,113	894,740	840,286	935,536	(2,861,452)	759,679
Capital Projects Fund	8,412,597	10,483,168	3,544,028	3,640,445	(3,160,141)	2,590,546	3,363,077
Debt Service Fund	1,587	8,606	-	-	-	-	288,513
Total All Other Governmental Funds	<u>\$ 10,471,954</u>	<u>13,247,265</u>	<u>9,290,695</u>	<u>6,328,611</u>	<u>3,012,454</u>	<u>35,848,953</u>	<u>5,375,994</u>

Source: Basic financial statements

GASB 34 was implemented in 2003.

**CITY OF WASHINGTON, MISSOURI**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST SEVEN FISCAL YEARS**

	For The Years Ended September 30						
	2009	2008	2007	2006	2005	2004	2003
<b>REVENUES</b>							
Taxes	\$ 11,922,898	12,305,737	11,491,586	10,223,724	8,131,642	7,772,598	7,362,403
Licenses and permits	257,292	275,501	274,026	243,598	222,720	210,587	190,504
Fees and fines	418,607	401,662	367,838	178,555	182,085	141,850	125,659
Intergovernmental	2,436,948	2,606,561	1,160,107	1,656,240	5,196,472	3,454,787	2,478,526
Charges for services	1,215,896	1,171,277	1,822,755	1,577,131	951,972	842,196	841,541
Rents	81,815	87,546	102,896	92,406	103,662	102,123	81,867
Contributions and donations	79,593	182,875	58,677	64,736	195,342	36,551	126,615
Investment income	357,399	471,255	592,261	457,575	235,722	133,112	182,424
Miscellaneous	-	-	-	-	-	-	709
Total Revenues	<u>16,770,448</u>	<u>17,502,414</u>	<u>15,870,146</u>	<u>14,493,965</u>	<u>15,219,617</u>	<u>12,693,804</u>	<u>11,390,248</u>
<b>EXPENDITURES</b>							
General government	2,219,240	2,117,484	2,091,008	1,825,933	1,699,172	1,711,572	1,511,981
Public safety	3,665,617	3,607,981	3,385,829	3,166,590	3,096,913	2,888,902	2,746,674
Highways and streets	1,896,982	19,961,827	7,040,504	1,711,568	2,554,341	1,621,587	1,462,875
Airport	125,228	127,694	163,678	132,816	87,802	81,330	82,244
Culture and recreation	1,542,205	1,616,265	1,471,726	1,453,355	1,359,816	1,370,120	1,294,791
Debt service:							
Principal	4,125,000	7,814,451	425,000	585,645	545,000	525,000	510,000
Interest and fiscal charges	1,401,027	455,085	207,134	155,122	69,483	86,716	116,801
Bond issue costs	-	662,960	-	-	-	-	-
Capital outlay	4,153,674	3,988,216	4,843,222	8,674,067	7,356,576	4,601,634	4,683,165
Total Expenditures	<u>19,128,973</u>	<u>40,351,963</u>	<u>19,628,101</u>	<u>17,705,096</u>	<u>16,769,103</u>	<u>12,886,861</u>	<u>12,408,531</u>
<b>REVENUES UNDER EXPENDITURES</b>	<u>(2,358,525)</u>	<u>(22,849,549)</u>	<u>(3,757,955)</u>	<u>(3,211,131)</u>	<u>(1,549,486)</u>	<u>(193,057)</u>	<u>(1,018,283)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Issuance of debt	-	26,840,000	7,364,451	5,000,000	-	-	-
Proceeds from capital lease	-	-	-	103,227	-	-	-
Sale of capital assets	-	222,068	53,100	5,335	5,493	-	60,000
Transfers in	2,359,746	9,024,818	896,743	3,835,256	2,598,067	2,167,260	1,913,544
Transfers out	(2,353,746)	(9,024,818)	(896,743)	(3,971,381)	(2,697,477)	(2,272,970)	(2,018,364)
Total Other Financing Sources (Uses)	<u>6,000</u>	<u>27,062,068</u>	<u>7,417,551</u>	<u>4,972,437</u>	<u>(93,917)</u>	<u>(105,710)</u>	<u>(44,820)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (2,352,525)</u>	<u>4,212,519</u>	<u>3,659,596</u>	<u>1,761,306</u>	<u>(1,643,403)</u>	<u>(298,767)</u>	<u>(1,063,103)</u>

Debt service as a percentage of non-capital expenditures	36.76 %	24.56	4.28	8.20	6.53	7.38	8.11
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Source: Basic financial statements

GASB 34 was implemented in 2003.

**CITY OF WASHINGTON, MISSOURI**  
**PROGRAM REVENUES BY FUNCTIONS/PROGRAMS**  
**LAST SEVEN FISCAL YEARS**

FUNCTIONS/PROGRAMS	Program Revenues						
	2009	2008	2007	2006	2005	2004	2003
<b>Governmental Activities</b>							
General government	\$ 602,367	604,567	1,402,881	571,078	544,136	438,382	415,142
Public safety	876,502	822,543	692,732	527,034	763,125	471,955	420,790
Airport	65,799	372,146	74,398	84,928	3,512,966	1,697,688	626,873
Highways and streets	3,193,749	4,125,170	910,555	2,395,452	2,951,605	2,945,254	3,299,057
Culture and recreation	327,458	430,479	290,698	234,175	395,102	287,527	289,212
Total Governmental Activities							
Program Revenues	<u>5,065,875</u>	<u>6,354,905</u>	<u>3,371,264</u>	<u>3,812,667</u>	<u>8,166,934</u>	<u>5,840,806</u>	<u>5,051,074</u>
<b>Business-type Activities</b>							
Water	1,166,340	1,392,292	1,210,367	1,214,914	1,370,200	1,353,751	1,363,101
Sewer	2,252,748	2,166,715	1,062,103	1,016,435	1,179,099	1,346,183	1,197,652
Solid waste	1,932,124	1,818,526	1,831,979	1,643,469	1,798,321	1,617,155	1,153,748
Total Business-type Activities							
Program Revenues	<u>5,351,212</u>	<u>5,377,533</u>	<u>4,104,449</u>	<u>3,874,818</u>	<u>4,347,620</u>	<u>4,317,089</u>	<u>3,714,501</u>
Total Primary Government							
Program Revenues	<u>\$10,417,087</u>	<u>11,732,438</u>	<u>7,475,713</u>	<u>7,687,485</u>	<u>12,514,554</u>	<u>10,157,895</u>	<u>8,765,575</u>

Source: Basic financial statements

GASB 34 was implemented in 2003.

**CITY OF WASHINGTON, MISSOURI**  
**TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS**  
**LAST SEVEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Sales Taxes</u>	<u>Franchise Taxes</u>	<u>Other Taxes</u>	<u>Total</u>
2009	\$ 2,283,620	\$ 7,308,667	\$ 2,225,337	\$ 105,274	\$ 11,922,898
2008	2,114,522	7,887,896	2,194,529	108,790	12,305,737
2007	1,981,426	7,681,616	1,747,738	80,806	11,491,586
2006	1,737,371	6,959,132	1,461,906	65,315	10,223,724
2005	1,538,475	5,169,890	1,361,239	62,038	8,131,642
2004	1,473,350	4,948,433	1,299,826	50,989	7,772,598
2003	1,279,952	4,741,562	1,287,718	53,171	7,362,403

Source: Basic financial statements

GASB 34 was implemented in 2003.

**CITY OF WASHINGTON, MISSOURI**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

**CITY OF WASHINGTON, MISSOURI**

Fiscal Year	Calendar Year	Real Property	Personal Property	Railroads/ Utilities	TIF District	Total		Ratio Of Total Assessed Value To Total Estimated Actual Value
						Assessed Value	Estimated Actual Value	
2009	2008	\$ 260,643,192	\$ 50,012,813	\$ 6,189,799	\$ (359,945)	\$ 316,485,859	\$ 1,302,633,038	24.3 %
2008	2007	252,186,733	46,877,596	6,178,842	(181,435)	305,061,736	1,260,679,802	24.2
2007	2006	223,717,275	53,408,785	6,053,858	-	283,179,918	1,164,609,819	24.3
2006	2005	214,831,146	60,192,298	5,939,418	-	280,962,862	1,146,840,486	24.5
2005	2004	182,474,026	49,074,019	5,904,714	-	237,452,759	964,585,588	24.6
2004	2003	173,287,358	49,529,252	5,384,006	-	228,200,616	926,849,927	24.6
2003	2002	164,455,880	47,823,325	5,530,642	-	217,809,847	879,569,911	24.8
2002	2001	160,647,081	46,502,327	5,742,470	-	212,891,878	859,061,487	24.8
2001	2000	147,737,411	40,701,469	5,369,020	-	193,807,900	783,779,083	24.7
2000	1999	140,818,598	34,035,349	5,169,530	-	180,023,477	735,743,037	24.5

**CITY OF WASHINGTON LIBRARY DISTRICT**

Fiscal Year	Calendar Year	Real Property	Personal Property	Railroads/ Utilities	TIF District	Total		Ratio Of Total Assessed Value To Total Estimated Actual Value
						Assessed Value	Estimated Actual Value	
2009	2008	\$ 116,434,894	\$ 24,432,450	\$ 4,195,869	\$ (359,945)	\$ 144,703,268	\$ 616,632,013	23.5 %
2008	2007	116,489,943	27,101,310	4,254,559	(181,435)	147,664,377	622,296,806	23.7
2007	2006	110,351,766	31,590,770	4,195,858	-	146,138,394	603,560,037	24.2
2006	2005	109,312,628	38,111,300	4,232,826	-	151,656,754	618,261,797	24.5
2005	2004	95,246,026	28,045,233	4,378,621	-	127,669,880	521,629,743	24.5
2004	2003	91,639,672	28,724,652	3,929,319	-	124,293,643	510,512,396	24.3
2003	2002	89,640,947	31,290,360	4,142,355	-	125,073,662	507,522,071	24.6
2002	2001	89,784,746	30,125,676	4,359,936	-	124,270,358	504,655,523	24.6
2001	2000	84,234,474	27,628,566	4,120,304	-	115,983,344	471,803,070	24.6
2000	1999	83,786,686	23,918,309	4,027,545	-	111,732,540	458,276,458	24.4

Source: Franklin County Collector and Assessor's offices

Property has an assessed value to estimated actual value as follows: commercial real estate 32%, residential real estate 19%, agricultural real estate 12%, and personal property 33-1/3%.

Note: TIF District created in 2007. Estimated actual value includes the TIF District because it is not feasible to report it separately.

**CITY OF WASHINGTON, MISSOURI**  
**PROPERTY TAX RATES - DIRECT AND ALL OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**

	Fiscal Years									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
City of Washington (excluding Library District)	0.5959	0.5941	0.5857	0.5940	0.5177	0.5412	0.5420	0.4766	0.5396	0.6062
Overlapping governments:										
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Franklin County	0.0758	0.1173	0.1173	0.1161	0.1378	0.1334	0.1398	0.1292	0.1345	0.0992
Washington Special Road District	0.2095	0.2095	0.2095	0.2024	0.2223	0.2323	0.2314	0.2314	0.2095	0.2095
Washington School District	3.7923	3.6600	3.6600	3.6600	3.6600	3.6606	3.6031	3.6031	3.6163	3.6140
East Central College	0.4329	0.4348	0.4313	0.4471	0.4473	0.4369	0.4691	0.4540	0.4526	0.4480
Washington Library	0.0923	0.0934	0.0906	0.0905	0.0872	0.0923	0.0915	0.0906	0.0900	0.0905
Washington Area Ambulance District	-	-	0.0500	0.1747	0.1732	0.1825	0.1817	0.1821	0.1810	0.1815
Sheltered Workshop	0.0823	0.0823	0.0823	0.0957	0.0957	0.1000	0.0999	0.0999	0.0929	0.0823
Surtax	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800
Total Overlapping Governments	5.1951	5.1073	5.1510	5.2965	5.3335	5.3480	5.3265	5.3003	5.2868	5.2350
Total City And Overlapping Governments	5.7910	5.7014	5.7367	5.8905	5.8512	5.8892	5.8685	5.7769	5.8264	5.8412

Source: Franklin County Collector and Assessor's offices (rates stated per \$100 assessed valuation)

**CITY OF WASHINGTON, MISSOURI**  
**PRINCIPAL TAXPAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

<u>Taxpayer</u>	<u>2009</u>			<u>2000</u>		
	<u>Taxable Assessed Valuation</u>	<u>Rank</u>	<u>Percentage Of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Valuation</u>	<u>Rank</u>	<u>Percentage Of Total City Taxable Assessed Value</u>
Top 10 Taxpayers in Washington	\$ -	1	- %	\$ -	-	- %
	-	2	-	-	-	-
	-	3	-	-	-	-
	-	4	-	-	-	-
	-	5	-	-	-	-
	-	6	-	-	-	-
	-	7	-	-	-	-
	-	8	-	-	-	-
	-	9	-	-	-	-
	-	10	-	-	-	-
	<u>\$ -</u>		<u>- %</u>	<u>\$ -</u>		<u>- %</u>

Source: This information was not available from the Franklin County Collector's office.

**CITY OF WASHINGTON, MISSOURI**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Tax Levy Year</b>	<b>Net Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percent Collected As Current</b>	<b>Delinquent Tax (and Penalties) Collections</b>	<b>Total Tax Collections</b>	<b>Total Collections As Percent Of Levy</b>	<b>Outstanding Delinquent Taxes</b>	<b>Outstanding Delinquent Taxes As Percent Of Levy</b>
2009	2008	\$ 1,885,939	\$ 1,824,254	96.7 %	\$ 61,685	\$ 1,885,939	100.0 %	\$ 31,590	1.68 %
2008	2007	1,812,372	1,769,033	97.6	43,339	1,812,372	100.0	N/A	N/A
2007	2006	1,658,585	1,629,272	98.2	29,313	1,658,585	100.0	N/A	N/A
2006	2005	1,668,919	1,620,105	97.1	48,814	1,668,919	100.0	N/A	N/A
2005	2004	1,229,293	1,193,040	97.1	36,253	1,229,293	100.0	N/A	N/A
2004	2003	1,235,022	1,198,373	97.0	36,649	1,235,022	100.0	N/A	N/A
2003	2002	1,180,529	1,159,006	98.2	21,523	1,180,529	100.0	N/A	N/A
2002	2001	1,014,643	991,795	97.7	22,848	1,014,643	100.0	N/A	N/A
2001	2000	1,045,787	1,018,872	97.4	26,915	1,045,787	100.0	N/A	N/A
2000	1999	1,091,302	1,058,223	97.0	33,079	1,091,302	100.0	N/A	N/A

Source: Franklin County Collector's office. Delinquent tax is as of September 30. Outstanding delinquent taxes is as of February 28/29, 2009 (Collector's office year-end).

Note: N/A = Information not available from Franklin County.

**CITY OF WASHINGTON, MISSOURI**  
**RATIO OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities					Business-type Activities	Total Primary Government	Percentage Of Personal Income (1)	Per Capita
	Capital Lease Obligations	General Obligation Bonds	Leasehold Revenue Bonds	Certificates Of Participation	Loan Payable	Revenue Bonds			
2009	\$ 41,292	\$ -	\$ -	\$ 26,840,000	\$ -	\$ 20,315,000	\$ 47,196,292	935.75 %	\$ 3,255
2008	61,937	-	-	30,965,000	-	20,405,000	51,431,937	1,019.73	3,574
2007	82,582	-	-	4,575,000	7,364,451	490,000	12,512,033	288.18	878
2006	82,582	-	-	5,000,000	-	570,000	5,652,582	130.19	402
2005	-	-	565,000	-	-	645,000	1,210,000	27.87	86
2004	-	-	1,110,000	-	-	715,000	1,825,000	42.03	132
2003	-	-	1,635,000	-	-	780,000	2,415,000	55.62	177
2002	-	2,870,000	2,145,000	-	-	845,000	5,860,000	134.97	434
2001	-	3,200,000	2,645,000	-	-	980,000	6,825,000	157.20	509
2000	-	3,515,000	3,285,000	-	-	1,105,000	7,905,000	182.07	593

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

(1) See Demographics and Economic Statistics Table

**CITY OF WASHINGTON, MISSOURI**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**SEPTEMBER 30, 2009**

<u>Name Of Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable To City Of Washington</u>	<u>Amount Applicable To City Of Washington</u>
East Central College	\$ 20,849,996	22.58 %	\$ 4,708,586
Washington School District	39,035,000	25.72	10,041,729
Franklin County	-	17.91	-
	<u>59,884,996</u>		<u>14,750,315</u>
City direct debt	-	100.00	-
	<u>-</u>		<u>-</u>
Total Direct And Overlapping Debt	<u><u>\$ 59,884,996</u></u>		<u><u>\$ 14,750,315</u></u>

Source: Information was obtained by contacting the Taxing Jurisdiction and the Franklin County Collector's office.

The percentage applicable to the City is based on the jurisdiction's assessed value within the boundaries of the City.

**CITY OF WASHINGTON, MISSOURI**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
**LAST TEN FISCAL YEARS**

Assessed Value	<u>\$ 316,485,859</u>
Debt limit - 10% of total assessed valuation	<u>\$ 31,648,586</u>
Amount of debt subject to limit:	
Total bonded debt	-
Less - Amounts available in Debt Service Fund	<u>-</u>
Total Amount Of Debt Applicable To Debt Limit	<u>-</u>
Legal Debt Margin	<u>\$ 31,648,586</u>

	Fiscal Years									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Debt limit	\$ 31,648,586	30,506,174	28,317,992	28,096,286	23,745,276	22,820,062	21,780,985	21,289,188	19,380,790	18,002,348
Net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal Debt Margin	<u>\$31,648,586</u>	<u>30,506,174</u>	<u>28,317,992</u>	<u>28,096,286</u>	<u>23,745,276</u>	<u>22,820,062</u>	<u>21,780,985</u>	<u>21,289,188</u>	<u>19,380,790</u>	<u>18,002,348</u>
Total Net Debt Applicable To The Limit										
As A Percentage Of Debt Limit	-	%	-	-	-	-	-	-	-	-

Note: Bonded indebtedness is limited by Sections 95.111 and 95.120 of the Missouri Revised Statues (1986) to 10% of the assessed value of taxable tangible property.

**CITY OF WASHINGTON, MISSOURI**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Median Age (1)</b>	<b>Median Household Income (1)</b>	<b>Per Capita Income (1)</b>	<b>School Enrollment (2)</b>	<b>Unemployment Rate (3)</b>
2009	14,500	N/A	\$ 50,437	N/A	5,009	6.4 %
2008	14,392	35.9	50,437	23,915	5,211	5.2
2007	14,253	N/A	43,417	N/A	5,152	4.4
2006	14,073	N/A	43,417	N/A	5,047	4.3
2005	14,007	N/A	43,417	N/A	4,975	3.1
2004	13,838	N/A	43,417	N/A	4,933	3.1
2003	13,631	N/A	43,417	N/A	N/A	3.1
2002	13,510	N/A	43,417	N/A	N/A	3.1
2001	13,400	N/A	43,417	N/A	N/A	3.1
2000	13,321	35.9	43,417	22,360	N/A	5.2

(1) Source - U.S. Census Bureau (2009 population is an estimate)

(2) Source - Missouri Department of Elementary and Secondary Education

(3) Source - U.S. Department of Labor Statistics

**CITY OF WASHINGTON, MISSOURI**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND TEN YEARS AGO**

Employer	Type	2009			2000		
		Employees	Rank	Percent Of Total City Employment	Employees	Rank	Percent Of Total City Employment
Parker Hannifin (Sporlan Valve Div.)	Manufacturer	1,418	1	7.06 %	650	2	3.23 %
St. John's Mercy Hospital	Health Care	832	2	4.14	795	1	3.96
Washington School District	School District	604	3	3.01	585	3	2.91
Wal-Mart Super Center	Retail Merchant	405	4	2.02	379	5	1.89
Magnet	Manufacturer	349	5	1.74	348	6	1.73
Patients First Healthcare	Health Care	304	6	1.51	-		-
Pauwels Transformers	Manufacturer	317	7	1.58	-		-
Harman/Becker Automotive	Manufacturer	301	8	1.50	-		-
RTI Tradco	Manufacturer	210	9	1.05	200	7	1.00
Rawlings Sporting Goods Co.	Manufacturer	162	10	0.81	-		-
Eagle OPG	Manufacturer	-		-	512	4	2.55
Clemco	Manufacturer	-		-	155	8	0.77
Jefferson Products	Manufacturer	-		-	148	9	0.74
Motor Appliance	Manufacturer	-		-	106	10	0.53

Source: Finance Department-Business Licenses

**CITY OF WASHINGTON, MISSOURI**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTIONS/PROGRAMS**  
**LAST TEN FISCAL YEARS**

FUNCTIONS/PROGRAMS	Fiscal Years									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>Administration</b>										
City Administrator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant City Administrator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Economic Developer	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
City Clerk/Human Resources Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Executive Secretary/Deputy City Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Clerk - Administration	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<b>Building Maintenance</b>										
Building Maintenance Supervisor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Custodian	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<b>Communications</b>										
Director of Communications	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Dispatcher	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
<b>Volunteer Fire</b>										
Secretary	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-	-	1.0
<b>Finance</b>										
Finance Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant Finance Manager	1.0	-	-	-	-	-	-	-	-	-
General Ledger Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Accounts Payable Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Payroll/Accounts Receivable Clerk	1.0	0.5	0.5	0.5	0.5	1.0	1.0	1.0	1.0	1.0
Special Accounts/Utility Billing Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Utility Billing Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Cashier	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<b>Information Technology</b>										
Information Technology Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Information Technology Specialist	1.0	0.5	0.5	0.5	0.5	1.0	1.0	1.0	1.0	1.0

(Continued)

**CITY OF WASHINGTON, MISSOURI**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTIONS/PROGRAMS (Continued)**  
**LAST TEN FISCAL YEARS**

FUNCTIONS/PROGRAMS	Fiscal Years									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>Library</b>										
Librarian	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant Librarian	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Children's Librarian	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Clerk	3.5	3.5	1.0	1.0	-	-	-	-	-	-
<b>Parks and Recreation</b>										
Director of Parks and Recreation	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant Director of Parks and Recreation	-	1.0	1.0	1.0	-	-	-	-	-	-
Parks and Recreation Foreman	1.0	1.0	1.0	1.0	1.0	1.0	2.0	1.0	1.0	1.0
Recreation Coordinator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Parks and Recreation Lead Laborer	2.0	1.0	1.0	2.0	2.0	3.0	2.0	1.0	1.0	2.0
Parks and Recreation Equipment Operator	1.0	1.0	1.0	1.0	1.0	-	1.0	-	-	1.0
Parks and Recreation Secretary	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0	1.0
Parks and Recreation Laborer	6.0	6.0	6.0	6.0	6.0	6.0	5.0	1.0	1.0	5.0
Seasonal	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
<b>Planning and Engineering</b>										
City Engineer	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Director of Planning and Engineering Services	1.0	1.0	1.0	1.0	1.0	-	-	-	-	-
Assistant City Engineer	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Building Official	1.0	1.0	1.0	-	-	1.0	1.0	1.0	1.0	1.0
Building Inspector	1.0	2.0	1.0	2.0	2.0	1.0	1.0	1.0	-	1.0
Engineering Technician	1.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	-	1.0
Infrastructure Inspector	1.0	-	-	-	-	-	-	-	-	-
Zoning Officer	-	-	-	-	-	-	1.0	1.0	1.0	1.0
Planning and Engineering Services Secretary	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<b>Police</b>										
Police Chief	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Police Captain	1.0	1.0	1.0	1.0	1.0	-	-	-	-	-
Police Lieutenant	4.0	4.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0	6.0
Police Sergeant	3.0	3.0	3.0	2.0	2.0	1.0	1.0	1.0	-	1.0

(Continued)

**CITY OF WASHINGTON, MISSOURI**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTIONS/PROGRAMS (Continued)**  
**LAST TEN FISCAL YEARS**

FUNCTIONS/PROGRAMS	Fiscal Years									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>Police (Continued)</b>										
Detective	2.0	2.0	2.0	3.0	3.0	4.0	-	-	-	-
Detective - Narcotics	1.0	1.0	1.0	1.0	1.0	-	-	-	-	-
Patrol Officer - Canine	-	-	-	-	-	1.0	-	-	-	-
Patrol Officer - D.A.R.E./School Resource	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Patrol Officer	12.0	12.0	12.0	12.0	12.0	16.0	16.0	16.0	16.0	16.0
Patrol Officer - Traffic Safety	2.0	2.0	2.0	1.0	1.0	-	-	-	-	-
Office Supervisor/Municipal Court Clerk	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0
Police Secretary	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Animal Control/Nuisance Abatement Officer	-	-	-	-	-	1.0	1.0	1.0	1.0	1.0
Police Records Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<b>Sanitation/Landfill/Compost/Recycling</b>										
Sanitation Foreman/Mechanic	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Sanitation and Compost/Recycling Truck Driver	4.0	3.0	3.0	2.0	2.0	2.0	1.0	1.0	1.0	1.0
Landfill Laborer	2.0	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Landfill Equipment Operator	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0	1.0	1.0
Compost Laborer	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0	1.0	1.0
Refuse Collector	3.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0
<b>Street</b>										
Streets and Sanitation Superintendent	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Streets Foreman	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0
Streets Equipment Operator	2.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0	2.0
Streets Lead Laborer	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Streets Truck Driver	1.0	-	-	2.0	2.0	2.0	1.0	1.0	1.0	1.0
Streets and Sanitation Secretary	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Streets Laborer	5.0	4.0	4.0	3.0	3.0	3.0	1.0	1.0	1.0	1.0

(Continued)

**CITY OF WASHINGTON, MISSOURI**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTIONS/PROGRAMS (Continued)**  
**LAST TEN FISCAL YEARS**

FUNCTIONS/PROGRAMS	Fiscal Years									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>Wastewater</b>										
Wastewater Treatment Plant Operator III	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0
Lab Technician	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Wastewater Plant Operator II/Mechanic	1.0	1.0	-	-	-	-	1.0	1.0	1.0	1.0
Wastewater Plant Operator I	2.0	1.0	-	-	-	-	1.0	1.0	1.0	1.0
<b>Water</b>										
Water and Wastewater Superintendent	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Water and Wastewater Assistant Superintendent	-	1.0	-	-	-	-	-	-	-	-
Water and Wastewater Foreman	2.0	1.0	2.0	2.0	2.0	2.0	1.0	1.0	1.0	1.0
Water and Wastewater Lead Laborer	3.0	1.0	2.0	2.0	2.0	2.0	-	-	-	-
Water and Wastewater Equipment Operator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Water and Wastewater Truck Driver	1.0	1.0	1.0	1.0	1.0	1.0	-	-	-	-
Water and Wastewater Secretary	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Meter Reader	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Water and Wastewater Laborer	2.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Water and Wastewater Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total	<u>170.5</u>	<u>162.5</u>	<u>157.0</u>	<u>156.0</u>	<u>154.0</u>	<u>158.0</u>	<u>152.0</u>	<u>144.0</u>	<u>141.0</u>	<u>150.0</u>

Source: Finance Department

**CITY OF WASHINGTON, MISSOURI**  
**OPERATING INDICATORS BY FUNCTIONS/PROGRAMS**  
**LAST TEN FISCAL YEARS**

FUNCTIONS/PROGRAMS	Fiscal Years									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>Communications</b>										
Total Calls Handled:										
Police	37,525	37,087	25,812	18,378	19,291	29,052	30,018	25,188	24,131	25,225
Ambulance District	2,668	2,650	2,607	2,492	2,498	1,725	1,534	1,494	1,449	1,302
Fire	719	745	840	753	768	679	657	754	623	678
911 Calls	4,900	3,945	4,016	4,017	3,875	3,566	3,276	3,608	3,702	3,689
<b>Fire</b>										
Number of Calls	719	745	841	753	768	679	657	754	623	678
Average Response Time	5:52	5:22	5:15	4:56	4:17	4:20	4:43	5:05	4:46	4:19
Number of City Calls	484	482	527	508	498	426	430	484	420	442
Average Response Time	4:04	4:14	4:23	4:08	3:29	3:20	3:53	3:26	3:34	3:25
Number of Rural Calls	162	190	222	172	194	182	164	197	155	170
Average Response Time	7:43	7:42	7:36	7:51	6:13	6:40	6:47	6:36	6:28	6:38
<b>Police</b>										
Total Calls	37,781	36,030	37,491	33,187	33,958	39,020	32,572	27,865	26,005	29,028
Total Reports Filed	2,773	2,614	2,722	2,594	2,791	2,545	2,399	2,509	2,797	2,750
<b>Municipal Court</b>										
Total Letters	1,093	1,070	996	907	493	454	507	537	637	574
Total Continuances	3,717	3,775	4,059	3,182	2,534	2,364	2,819	2,844	2,228	2,728
Trial Setting	209	175	158	107	127	76	114	115	104	149
Total Warrants	1,024	952	927	759	580	659	552	661	684	625
Total Probation	369	410	478	406	305	281	384	370	233	217
Total Balance Due Continued	2,787	2,658	2,844	2,361	2,327	1,851	1,563	1,899	1,730	1,662
Total Cases Closed	5,567	5,322	4,317	3,257	2,259	1,901	1,852	2,007	2,370	2,593
<b>Finance</b>										
Number of Accounts Payable Processed	7,686	8,354	10,152	10,307	9,830	9,773	10,010	9,635	9,244	9,656
Number of Accounts Receivable Processed	1,792	2,039	2,219	2,297	2,365	2,192	1,709	1,493	1,347	1,407
Number of Business Licenses Issued	1,100	1,085	1,084	1,117	1,118	1,109	1,045	1,041	1,076	1,005
Number of Water Bills Issued	74,505	74,496	73,302	72,535	71,390	70,081	70,151	68,581	66,677	38,209
Number of Tax Bills Assessed	13,379	13,279	13,194	13,146	12,956	13,088	12,951	12,718	12,706	12,494
<b>Information Technology*</b>										
Internet Service Calls	83	67	72	56	29	26	27	-	-	-
Communication Service Calls	123	93	78	117	57	51	56	-	-	-
AS/400 Service Calls	31	49	60	56	52	51	30	-	-	-
Application Service Calls	1,284	1,128	1,012	925	1,051	1,107	730	-	-	-
Hardware Service Calls	254	237	306	510	318	355	273	-	-	-
City Web Site Hits (average per week)	1,221	1,126	Unknown	Unknown	1,100	1,000	500	-	-	-

\* IT part of Finance Department prior to 2003.

Source: Finance Department

**CITY OF WASHINGTON, MISSOURI**  
**CAPITAL ASSETS STATISTICS BY FUNCTIONS/PROGRAMS**  
**LAST TEN FISCAL YEARS**

FUNCTIONS/PROGRAMS	Fiscal Years									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Marked patrol units	14	14	14	13	13	13	12	11	11	10
<b>Public Works</b>										
Miles of streets	98.73	98.73	97.57	97.57	96.28	96.00	N/A	N/A	N/A	N/A
Traffic lights and signals	4	3	3	3	3	3	3	3	3	3
Street lights in City limits	1,241	1,241	1,204	1,199	1,095	1,095	N/A	N/A	N/A	N/A
Miles of water lines	109	109	108	107	102	N/A	N/A	N/A	N/A	N/A
Miles of sanitary sewers	103	103	102	101	97	77	N/A	N/A	N/A	N/A
Miles of sidewalks	27	27	27	27	27	27	N/A	N/A	N/A	N/A
Number of wells	11	11	11	11	11	11	12	12	10	10
<b>Parks and Recreation</b>										
Number of parks	12	12	11	11	11	11	11	11	11	11
Acres of parks	202	202	202	202	202	202	202	202	202	202
Miles of walking trail	9.50	9.50	7.50	7.50	7.50	7.50	7.50	4.55	4.55	4.55
Playgrounds	7	7	7	6	6	6	6	6	6	6
Swimming Pools	1	1	1	1	1	1	1	1	1	1

Source: Various City Departments

N/A: Not available