



BUDGET PROCESS

Budget As Operating Plan

The budget for the City is an Annual Operating Plan serving as the guidebook for the fiscal year. It sets policy, identifies new initiatives and allocates the resources necessary to maintain City services and meet the objectives of the fiscal year. The fiscal year for the City of St. Louis runs from July 1 to June 30. In accordance with state law, the budget must be balanced when adopted.

Budget Basis

The General Fund and most special fund budgets are formulated on a modified accrual basis. Encumbrances, including outstanding purchase orders, are budgeted as expenses but revenues are recognized only when they are actually received. Enterprise fund appropriations including the Airport and Water Divisions are budgeted on a cash basis. Both expenditures and revenues are recognized when actually paid or received. The City's Comprehensive Annual Financial Report (CAFR) accounts for the City's finances according to generally accepted accounting principles (GAAP). This method differs from the budget basis primarily in that revenues are recognized when they are measurable and available as opposed to actually received and expenditures are recognized when the obligation is incurred rather than paid or encumbered. For this reason, the CAFR also contains financial statements expressed on a "budget" basis so that end-of-year results can be compared with the budget.

The Budget Process

- The budget process begins in the Fall when the Budget Division issues a request for departmental revenue estimates. The information submitted by the departments will be incorporated into the Budget Division's initial revenue estimate for the coming fiscal year.
- At the same time the department heads are asked to identify any new initiatives or programs so that they may be included in the budget planning process.



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- In January, having arrived at a preliminary revenue estimate for the coming fiscal year and incorporating any new initiatives or areas that will experience an increase in costs, the Budget Division issues budget allocations to departments.
 - Departments respond by submitting their budget requests and service level information to the Budget Division.
 - In February, the Budget Division holds budget meetings with the departments and the administration to discuss budget requests and, where necessary, reconcile discrepancies between allocations and requests.
 - Revenue estimates are continually updated throughout this period. In March, departmental budget proposals are adjusted to reflect the latest revenue projections.
 - In April, the Budget Division prepares the budget document and submits its proposed budget to the Board of Estimate and Apportionment, (E&A) comprised of the Mayor, the Comptroller and the President of the Board of Aldermen. The Board of E&A reviews the proposed budget, holds hearings with departments and conducts a public hearing at which citizens may voice their concerns. Following the hearings, the Board of E&A may recommend changes to the proposed budget.

Next Steps - Charter Requirements

- The Board of E&A must submit its proposed budget to the Board of Aldermen not less than 60 days prior to the beginning of the fiscal year, or May 1.
- During May and June, the Ways and Means Committee of the Board of Aldermen conducts public hearings on each segment of the proposed budget prior to taking any action. The proposed budget is reviewed and then considered by the Board of Aldermen.



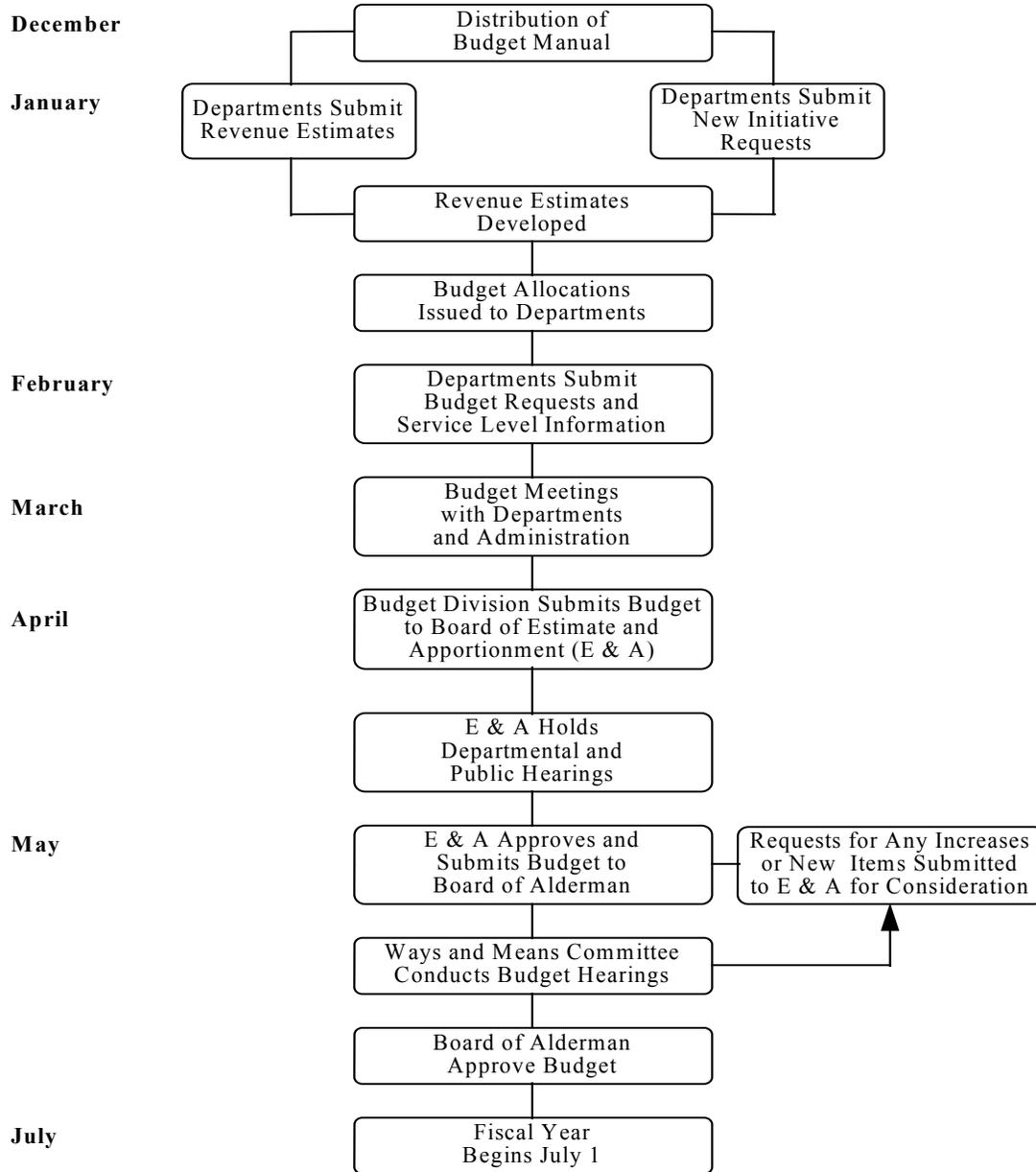
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- The Board of Aldermen may reduce the amount of any item in a budget bill, except amounts fixed by statute or ordinance obligations. The Board of Aldermen may not increase any appropriation amount nor insert new items unless specifically approved by the Board of E&A. (As a general rule, should increases for particular items be desired, the Ways and Means committee will submit a list of items for the Board of E&A to consider, with which it may or may not agree.)
 - If the Board of E&A does not submit its proposed budget to the Board of Aldermen by May 1, the Budget Director would be required to submit a budget directly to the Board of Aldermen.
 - If the Board of Aldermen does not approve a budget by the beginning of the fiscal year, the proposed budget by the Board of E&A or, in its absence, the submission by the Budget Director, shall be deemed to have been approved by the Board of Aldermen.

Budget / Operating Plan Administration

- As needs arise during the fiscal year, limited transfers within or among departments or funds may occur with approval of the Board of Estimate and Apportionment. Any accruing or unappropriated City revenue may be appropriated by ordinance recommended by the Board of E&A and passed by the Board of Aldermen.



BUDGET PROCESS



FINANCIAL AND BUDGETARY POLICIES

The budget document for the City is an Annual Operating Plan serving as the guidebook for the fiscal year. It sets policy, identifies new initiatives and allocates the resources necessary to maintain City services and meet the objectives of the fiscal year.

A summary of the new initiatives and how the budget allocates this year's resources is described in the Executive Summary section of the budget document. Financial and budgetary policies are outlined below.

BUDGET PREPARATION AND ADMINISTRATION

- 1) Annual budgets will be developed for the general and all required special funds by the Budget Division for review by the Board of Estimate and Apportionment
- 2) A five-year expense and revenue projection will be developed for the general fund and the capital improvements fund to match revenue capacity with expenditure needs as a planning and decision making tool.
- 3) Appropriations will be based on reasonable estimates of revenue
- 4) Revenue and expenditures will be accounted for on a cash basis for budgetary purposes
- 5) The City will prepare a Comprehensive Annual Financial Report which it believes will meet all of the guidelines necessary to receive the Certificate of Achievement for Excellence in

Financial Reporting from the Government Finance Officers Association

- 6) Annual budget appropriations will be made in a timely manner. In accordance with the City Charter, the Board of Estimate and Apportionment shall submit a balanced budget proposal to the Board of Aldermen at least sixty days before the beginning of the new fiscal year.

GENERAL FUND BUDGET

- 1) Revenue estimates will be developed for the ensuing fiscal year by the Budget Division, with independent review and commentary provided by the staff of the City Comptroller.
- 2) A revenue manual will be developed and updated annually with information concerning the assumptions underlying the projections.

FINANCIAL AND BUDGETARY POLICIES

GENERAL FUND BUDGET (cont.)

- 3) The City will maintain the unreserved portion of the General Fund Balance at a minimum of 5% of the total General Fund Budget.
- 4) The general fund budget for on-going operations will be developed to match recurring revenues.
- 5) Revenues will be monitored monthly with official review and updates provided to the Board of Estimate and Apportionment on a quarterly basis.
- 6) Apparent shortfalls will be analyzed for their impact on future years.
- 7) Expenditures will be monitored monthly and apparent overspending will be handled on a departmental basis.
- 8) Known cyclical costs such as the 27th pay which occurs every eleven years will be funded at an appropriate amount in each budget.
- 9) Appropriations will be made annually to cover the expenses of the self-insurance fund.
- 10) Each request for a new program must be accompanied by an analysis that shows the long-term impact of the program on existing revenue sources and on existing programs.

CAPITAL IMPROVEMENTS

- 1) The City shall prepare a five-year Capital Improvements Plan and a Capital Budget annually in accordance with its Policy and Procedures Manual.
- 2) The five-year Capital Improvement Plan shall identify sources of funding.
- 3) For major capital projects, an analysis should accompany the proposed projects with information on expected annual operating costs, projected revenue benefits (if any) and any other indirect costs or benefits to the City.
- 4) The City shall fund capital projects with resources made available to the Capital Fund including but not limited to the proceeds from the 1/2 cent sales tax.

CITY DEBT

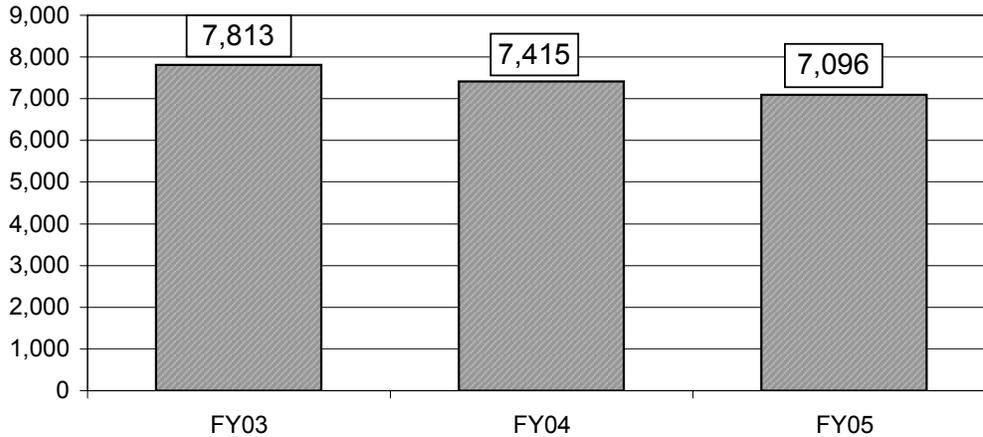
- 1) Bonding should be used to finance or refinance only those long-term assets or projects that benefit a significant portion of citizens in St. Louis and for which repayment sources have been identified.
- 2) The scheduled maturity of bond issues shall not exceed the expected useful life of the capital project or asset financed.
- 3) For property tax supported bonds, the Comptroller will strive for a debt service reserve in an amount not less than the succeeding year' principal and interest requirements. Reserve requirements for other bond issues will be set forth in respective bond covenants.

FINANCIAL AND BUDGETARY POLICIES

- 4) All long term debt shall be structured with prepayment options, except when alternative structures are more advantageous to the City. The City will consider prepayments when available resources are identified.
- 5) Bond refunding shall be considered if one or more of following conditions exist:
 - 1) present value savings of 3% of par value of the refunding bonds
 - 2) bond covenants restrictive or outdated
 - 3) restructuring debt is deemed desirable
- 6) Bond insurance shall be considered when present value of debt service savings is equal to or greater than the insurance premium.
- 7) The City will take all steps necessary to maintain its credit rating on outstanding debt and comply with bond covenants.
- 8) The Comptroller will select underwriters and bond counsel from a pre-qualified list to be revised at least every two years.

PERSONNEL SUMMARY

PERSONNEL TOTALS FY03 - FY05



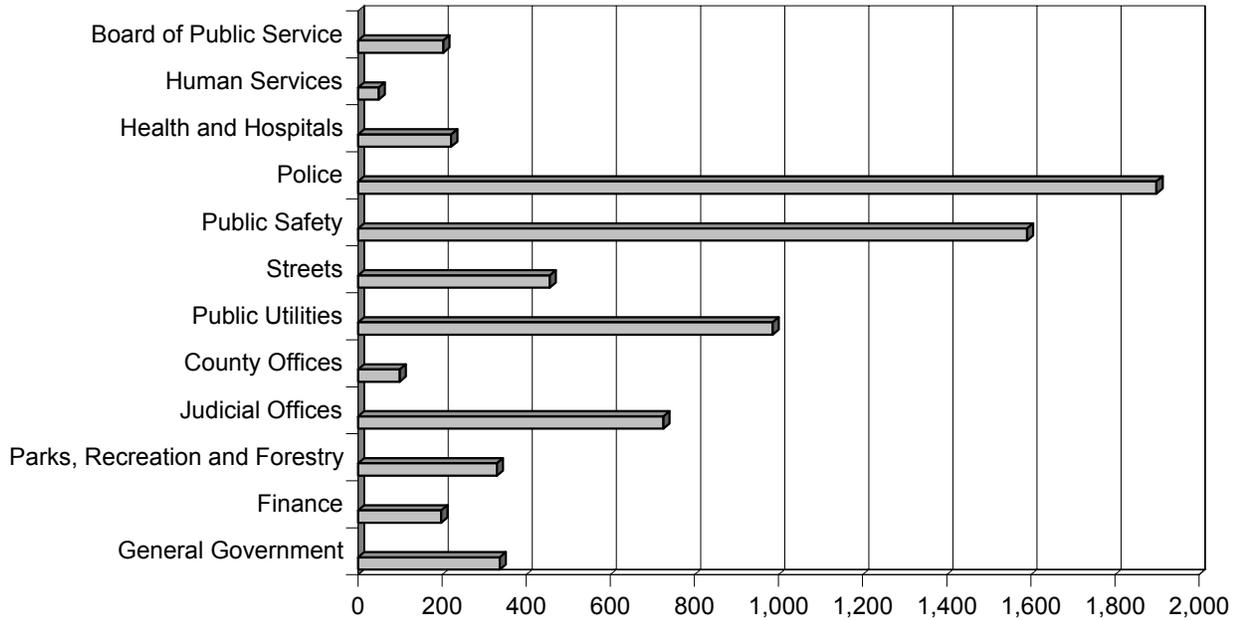
Personnel Trends FY03 - FY05

FY05 will continue a recent pattern of position reductions with the number of budgeted positions for all funds decreasing by 319 positions from FY04's total. Of this number, 271 positions are from the General Fund. The Department of Corrections with over a year of operating experience with the new Justice Center will be reduced by 50 positions. The Police Department will decline by 153 positions of which about 30 are in civilian roles. Uniformed officer positions will be reduced through attrition. The Board of Public Service is reorganizing its internal structure and oversight of facilities management and is consolidating some vehicle maintenance work with the Police Department. Net reductions in BPS total 41 positions. The Department of Health and Hospitals will be coordinating a certain amount of its existing services with federally funded neighborhood clinics. This will allow for the reduction of 30 positions in that department. Administrative and finance offices have been cut by a total of 21 positions. Other reductions are scattered throughout remaining departments.

In the enterprise funds, Lambert International Airport reduced over 100 positions during FY04. While no major reductions are set for FY05, a net total reduction 11 positions have occurred primarily in o departments in supportive Airport functions. The Water Division will also decline by an additional 5 positi Grant funded positions will be reduced in part due to expiring hiring grants in the Police Department.

PERSONNEL SUMMARY

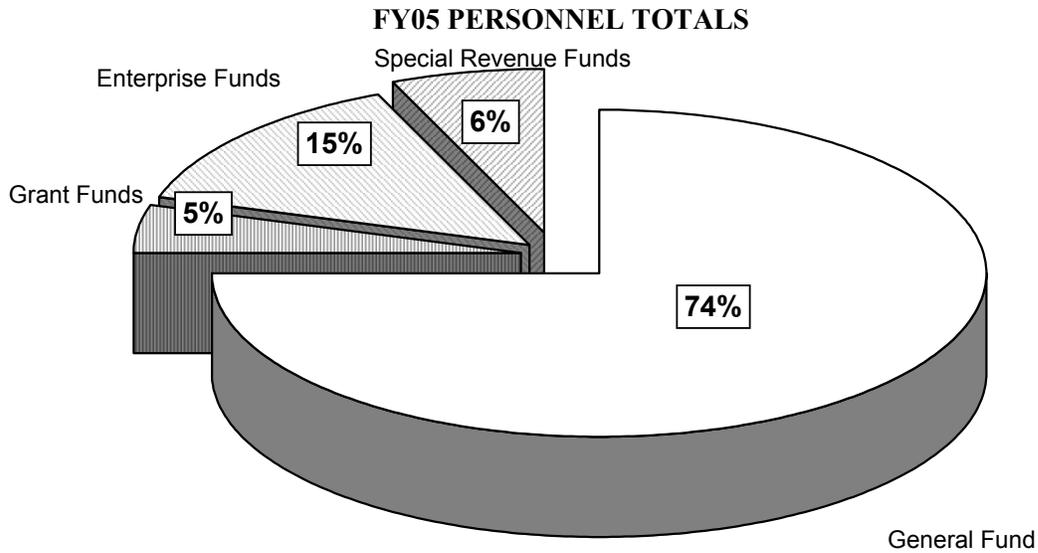
FY05 PERSONNEL TOTALS BY DEPARTMENT



Authorized Full-Time Personnel Totals - By Department All Funds

Department	FY03	FY04	FY05
General Government	379.00	354.00	337.00
Finance	214.00	202.00	198.00
Parks, Recreation and Forestry	334.00	336.00	330.00
Judicial Offices	733.00	731.00	726.00
County Offices	101.00	98.00	99.00
Public Utilities	1,190.00	994.00	986.00
Streets	472.00	466.00	456.00
Public Safety	1,673.00	1,641.00	1,591.00
Police	2,075.00	2,051.00	1,899.00
Health and Hospitals	318.75	251.02	221.50
Human Services	40.00	47.00	49.00
Board of Public Service	283.00	244.00	203.00
Totals	7,812.75	7,415.02	7,095.50

PERSONNEL SUMMARY



Authorized Full-Time Personnel Totals - By Fund

Fund	FY03	FY04	FY05
General Fund	5,794.74	5,586.46	5,315.09
Special Revenue Funds			
Local Use Tax Funds	151.73	174.00	205.50
Assessment Fund	75.00	68.00	72.00
Communications Fund	19.00	20.00	19.00
Lateral Sewer Fund	12.62	16.51	16.51
1116-9 Special Funds	81.50	102.50	89.50
Surface Transportation Projects Fund	5.00	3.00	2.00
Street Improvements Fund	32.00	38.00	39.00
Tax Increment Financing Fund	1.00	2.39	1.90
Mail Center - Special Fund	7.00	7.00	7.25
Employees Health and Hospital Fund	8.15	8.15	8.15
Grant Funds			
SLATE	37.00	39.00	39.00
Community Development Block Grant	112.44	115.43	111.11
Other Grant Funds	289.26	243.20	194.11
Enterprise Funds			
Water Division	392.00	390.00	385.00
Airport	794.31	601.38	590.38
Totals	7,812.75	7,415.02	7,095.50

CITY DEBT

General

The City of St. Louis is authorized to issue general obligation bonds payable from unlimited and ad valorem taxes to finance capital improvements upon a two-thirds majority vote of the qualified voters voting on the specific proposition. The Missouri Constitution provides that the amount of bonds payable out of tax receipts (which includes bonds payable from special assessments) shall not exceed 10% of the total assessed valuation of the taxable property of the City. The Constitution permits the City to become indebted for an additional 10% of the value of the taxable tangible property for the purpose of acquiring a right-of-way, constructing, extending and improving a sanitary or storm sewer system.

The City is also authorized to issue revenue bonds to finance capital improvements to its water system, sewer system and airport facilities. These types of revenue bonds require a two-thirds vote of the qualified electorate voting on the specific proposition. All revenue bonds issued by the City are payable solely out of the revenue derived from the operation of the facility that is financed from the proceeds of such bonds. Revenue bonds do not pledge the full faith and credit of the City in servicing the bonded indebtedness and such bonds are not considered in determining the legal debt margins resulting from the limitations described above.

The City is also authorized by statute to issue "Tax Increment Financing" obligations pertaining to development projects. In July, 1991, the City issued \$15,000,000 of Tax Increment Revenue Bonds for the St. Louis Marketplace project. Such obligations are secured by increments of revenues attributable to property and other taxes generated by improvements to the project area, and may also be secured by annual appropriations from the City's General Fund. As part of the St. Louis Marketplace financing, the City covenanted to request annual appropriations from the General Fund beginning in fiscal year 1993 to cover any shortfalls in the payments of debt service on these bonds until such time as the aforementioned incremental revenues are at least equal to 150% of the annual debt service payments on said bonds for five consecutive years. According to the Comptroller's office, the City has not covered any shortfalls to date; however there can be no assurances that they will not be called upon to do so in the future.

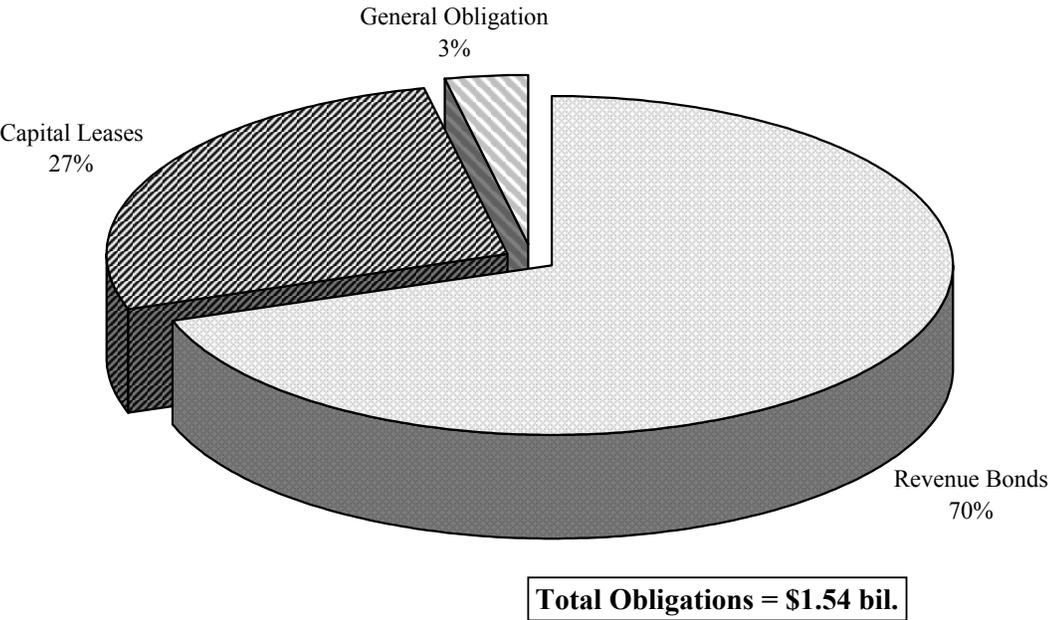
(Excerpts from official statement for Leasehold Revenue Refunding Bonds, Series 2003 (Convention Center Project))

CITY DEBT

Outstanding Debt and Lease Obligations

In addition to those financing mechanisms already discussed, the City uses capital leases as a means of financing major development and construction projects. The City's total outstanding debt and lease obligations at the end of February, 2003 amount to about \$1.5 billion. As illustrated below, over two thirds of this amount is in the form of revenue bonds issued primarily by the Airport and to a lesser extent the Water and Parking Divisions.

TOTAL CITY DEBT AND LEASE OBLIGATIONS



Outstanding obligations as of 3/31/04 per Office of the Comptroller

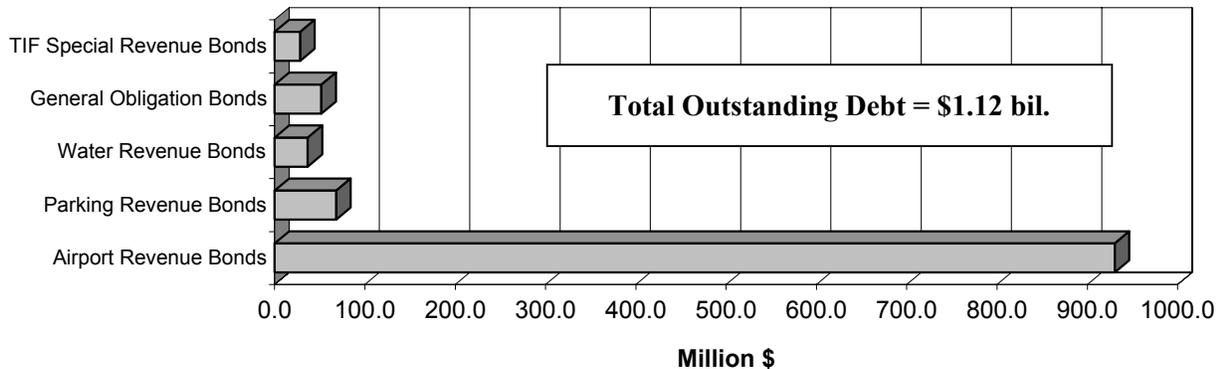
CITY DEBT

General Obligation and Revenue Bonds

Payments on general obligation debt are made from ad valorem property tax and license receipts. In 1999, the City issued \$65 million in general obligation bonds. With the bond proceeds, the City's Fire Department is replacing its existing fire fighting fleet and conducting renovations to its firehouses. The St. Louis Police Department has received funds to upgrade its crime lab and make improvements to its headquarters building on Clark Street. The bonds have also provided \$11 million for the demolition of abandoned and derelict buildings throughout the City. Another debt instrument known as revenue bonds are limited obligations of the City payable solely from the revenues of the department or facility financed by the bonds. By far the largest component of debt in this or any other debt category are the revenue bonds related to the Airport expansion project.

Bond Type	Amount Outstanding as of March 31, 2004
General Obligation Bonds	\$51,719,742
Water Revenue Bonds	36,685,000
Parking Revenue Bonds	68,147,000
Airport Revenue Bonds	930,510,000
Tax Increment Special Revenue Bonds	28,276,000
Total	\$1,115,337,742

OUTSTANDING DEBT



CITY DEBT

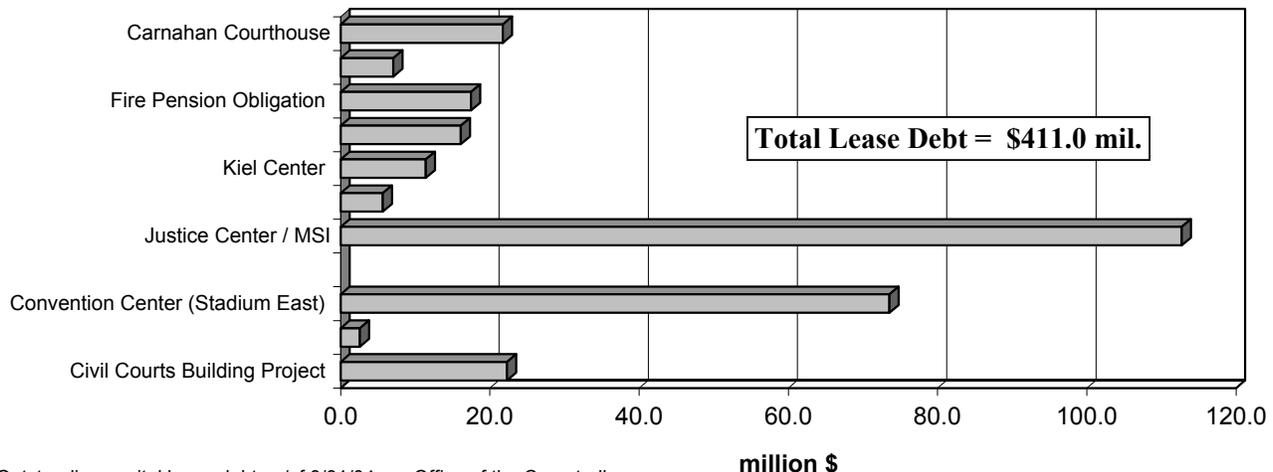
Capital Leases

The City has outstanding a number of lease-purchase agreements which can be characterized as capital leases. In capital lease financing, a non-profit authority issues debt to fund a project. This debt is secured by lease payments to the authority by a municipality leasing the project or equipment that is being financed. A list of the City's major existing agreements is presented below.

Description	Amount Outstanding March 31, 2004	Remaining Term In Years	Issue Date
Civil Courts Building Project	\$22,315,000	9	Jun-94
Convention Center (East) ¹	73,542,000	18	Feb-97
Convention Center - 1993A	2,567,205	10	Jun-93
Convention Cntr Leasehold Refunding - 2003	118,575,000	10	Jun-93
Kiel Center Refunding- A	6,495,000	17	Aug-97
Kiel Center Refunding -B	4,925,000	13	Aug-97
Police Area Command Stations	5,645,000	4	Jun-94
Justice Center - 1996A	8,990,000	4	Aug-96
Justice Center - 1996B	22,290,000	9	Aug-96
Forest Park - 1997	16,120,000	18	Mar-97
Fire Pension Obligation Bonds	17,470,000	5	Apr-98
Justice Center - 2000	19,245,000	16	Feb-00
Justice Center - 2001	62,205,000	16	Sep-01
Carnahan Courthouse	21,750,000	23	Apr-02
Rolling Stock	7,057,021	14	Mar-00
MDNR Energy Efficiency Program	1,845,307	5	Jul-01
Total	\$411,036,533		

¹ Pertains to the lease financing by the City, County and State of Missouri of an east expansion of the Convention Convention Center. Includes \$1M per year in asset preservation funds to the Regional Convention and Sports Authority through the term of the bonds.

CAPITAL LEASE DEBT



Outstanding capital lease debt as of 3/31/04 per Office of the Comptroller.

CITY DEBT

Capital Leases (cont.)

While General Obligation debt is funded through property tax revenues and revenue debt is paid through the revenues of the project being financed, capital lease debt does not specifically have a dedicated revenue source for making lease payments. These payments are generally obligations of the City's General Fund. In as much as possible, the City has sought to lessen this burden on the general fund by pursuing new sources of revenue that may directly or indirectly be linked to the particular project being financed. The southern expansion of the convention center for instance, was accompanied by the successful propositions of a 1/2 cent restaurant tax and a hotel sales tax, with the idea that these two industries are the most likely beneficiaries of increased convention activity. The civil courts building improvement financing was followed by the imposition of a fee on court cases to help offset the cost of debt service. Likewise, the debt service on the new justice center is being funded in part by reimbursements the City receives from the state for holding prisoners charged with state criminal violations. Police Department and Forest Park improvement leases are funded utilizing 1/2 cent sales tax proceeds that are dedicated to those departments.

In FY05, the City will see an increase in Convention Center debt payments of \$8.5M following a one-time savings produced from a refinancing of the Convention Center debt for FY04. The City Traffic Division has also scheduled payments of \$374,000 to the Missouri Department of Natural Resources for repayment of a loan to replace traffic signal lights with energy efficient LED's. Utility costs saved through this project are used as the source for repayment of the loan. Of the approximate \$42.8 million in scheduled lease debt payments in FY05, about \$23.4 million or 55% of the debt service amount can be linked to direct sources of revenue to the general and capital funds. This does not include those revenues attributable to the net fiscal benefit created by the operation of a project such as the convention center / stadium facility.

Schedule of Lease Debt Payments - FY05	
Cervantes Convention Center - 1993 (refinanced)	\$12,477,000
Civil Courts Lease - 1994	2,771,000
Convention Center East / Stadium - 1997 *	6,000,000
Fire Pension Obligation Bonds - 1998	3,117,000
Forest Park Lease - 1997	1,385,000
Justice Center Lease - 1996	5,837,000
Justice Center Lease - 2000	1,868,000
Justice Center Lease - 2001	3,056,000
Kiel Center - 1997	990,000
Police Area Command Stations - 1994	1,320,000
Rolling Stock Lease - 2000	2,488,000
Carnahan Courthouse -2002	1,144,000
MDNR Loan - 2001	374,000
Total	\$42,827,000

* includes asset preservation payment

CITY DEBT

Tax Increment Financing Projects

Tax Increment Financing (TIF) is a funding mechanism used to support financing of development projects. In a TIF financing, bonds are issued to finance infrastructure and other improvements related to a development project. A portion of the incremental tax revenues resulting from the development are then dedicated to service the debt. In most instances, the debt remains an obligation of the developer and debt service is dependent solely on the incremental taxes to be generated by the project. The City's first TIF project known as St. Louis Marketplace is unique in that City general revenue is to be made available should there be any shortfall in project revenue. So while the outstanding debt table listed earlier includes all outstanding TIF debt, only the Marketplace debt remains a potential obligation of the City. A listing of existing and pending TIF projects is listed below:

<u>TIF Project</u>	<u>Estimated TIF Cost</u>	<u>TIF Area Approved</u>
St. Louis Marketplace (Scullin)	\$15,000,000	07/20/90
Cupples	52,200,000	03/08/91
4548 West Pine	300,000	12/22/97
Argyle	3,000,000	12/11/98
Chouteau / Compton	3,600,000	12/17/98
Center for Emerging Technology	978,000	09/24/99
Edison Brothers	5,300,000	01/29/00
Robert E. Lee	600,000	01/29/00
100 North Condominium LLC	400,000	02/09/00
Convention Center Hotel	50,000,000	04/17/00
3800 Park	390,000	08/01/01
Gravois Plaza	4,049,000	11/30/01
4100 Forest Park	7,000,000	12/20/01
Lafayette Square	2,040,250	12/26/01
Tech Electronics	900,000	02/21/02
MLK Development	2,250,000	03/18/02
4200 Laclede	925,400	06/20/02
Post Office Square	6,655,220	07/23/02
1505 Missouri	621,100	08/05/02
Grand Center	80,000,000	02/02/02
1141-1151 S. Seventh St.	1,136,800	12/10/02
Paul Brown / Arcade	3,264,200	12/10/02
1100 Locust - Louderman Building	2,444,400	12/21/02
920 Olive / 1000 Locust	2,667,732	12/21/02
Walter Knoll Florist	1,036,000	12/21/02
Grace Loft	1,550,000	02/25/03
1312 Washington Ave.	500,000	04/25/03

CITY DEBT

<u>TIF Project</u>	<u>Estimated TIF Cost</u>	<u>TIF Area Approved</u>
Terra Cotta Annex / Parking	\$3,500,000	04/25/03
1601 Washington	3,000,000	07/23/03
2500 South 18th Street	550,000	07/23/03
City Hospital Complex	5,000,000	07/23/03
Fashion Square Lofts	3,700,000	07/23/03
Pinter's Lofts	3,880,000	07/24/03
Soulard Market Apartments	4,800,000	07/23/03
Southtown Centre	7,500,000	07/23/03
1619 Washington	1,583,379	03/10/04
The Security Building	3,000,000	03/10/04
Highland at Forest Park	2,400,000	03/21/04
Catalin Townhomes	415,000	03/30/04
Shenandoah Place	231,540	03/30/04

Source: Office of the Comptroller

CITY DEBT

Legal Debt Margin

as of March 31, 2004

	<u>City Purposes Basic Limit</u>	<u>Streets and Sewers Additional Limit</u>
2003 Assessed Value	\$3,363,735,508	\$3,363,735,508
Debt Limit - 10% of Assessed Value	336,373,550	336,373,550
Less: General Obligation Bonds	<u>51,719,742</u>	<u>0</u>
	<u><u>\$284,653,808</u></u>	<u><u>\$336,373,550</u></u>

Source: Office of the Comptroller, City of St. Louis

Principal and Interest Requirements on Direct Debt

Fiscal Year	<u>General Obligation Bonds</u>		
	Principal	Interest	Total
2004-2005	3,100,000	2,540,000	5,640,000
2005-2006	3,245,000	2,400,000	5,645,000
2006-2007	3,400,000	2,253,000	5,653,000
2008-2012	13,645,000	12,250,000	25,895,000
2013-2017	19,185,000	5,369,000	24,554,000
2018-2019	<u>9,145,000</u>	<u>709,000</u>	<u>9,854,000</u>
	<u><u>\$51,720,000</u></u>	<u><u>\$25,521,000</u></u>	<u><u>\$77,241,000</u></u>

Source: Office of the Comptroller, City of St. Louis

CITY DEBT

Debt Ratios

as of March 31, 2004

	<u>Net Debt Per Capita</u>
Direct Debt (incl. Lease debt)	\$1,427
Overall Debt	\$2,033

Source: City of St. Louis Budget Division: based on 2000 U.S. census population of 348,189

The \$51.7 million in outstanding Public Safety General Obligation bonds is the sole outstanding issue of general obligation debt and the City well remains well under the 10% cap established by the Missouri Constitution. Overall net debt for the City remains moderate at about \$2,033 per capita. The City's ability to manage its finances and maintain positive fund balances are key to the City's debt issuance policy. On June 1, 1999, Moody's Investors Service assigned an underlying rating of A3 to the City's pending General Obligation Debt. This was an upgrade from the prior rating of Baa1. On June 2, 1999, Fitch Investor Services also raised its rating to A- from a previous rating of BBB+. Along with a reaffirmed rating of A- from Standard and Poor's Corporation following rating increases in recent years, the City's general obligation bond rating among the major rating agencies remains the strongest it has been in over twenty years.

CITY OF ST. LOUIS PROFILE

The City of St. Louis is located on the Mississippi River, the eastern boundary of the State of Missouri, just below its confluence with the Missouri River. The City occupies approximately 61.4 square miles of land and its area has remained constant since 1876. The City, a constitutional charter city not part of any county, is organized and exists under and pursuant to its Charter and the Constitution and the laws of the State of Missouri.



The City is popularly known as the "Gateway to the West," due to its central location and historic role in the nation's westward expansion. Commemorating this role is the 630-foot stainless steel Gateway Arch, the world's tallest man-made monument, which is the focal point of the 86-acre Jefferson National Expansion Memorial on the downtown riverfront.

City of St. Louis

Date of Incorporation	1823
City Charter Adopted	1914
Form of Government	Mayor/Council
Population (2000)	348,189

City Government By The Numbers

Wards	28		Parks	105	
Precincts	360		Park Acreage	3,000	
Registered Voters	194,092		Recreation Centers	9	
Authorized No. Fire Fighters	631		Golf Courses	3	
Fire Stations	30		Streets (miles)	11,100	
Auth. No. Police Officers	1,502		Alleys (miles)	400	
Auth. No. Civ. Police Emp.	549		Intersections w/ Signals	630	
Police Area Command Bldgs.	3		Street Lights	51,500	
Airport - Major Airlines	8		Alley Lights	16,000	
Airport - Commuter Airlines	12		Easement Lights	2,100	
Airport - Air Cargo Carriers	9		Water Treatment Plants	2	
Airport - Enplanements (mil.)	11.8		Mil. Gal. capacity per day	340	
Aircraft Air Cargo (mil. lbs.)	279.8		Mil. Gal. storage capacity	128	
			Mil. Gal. daily demand	140	

Sources: *Comptroller's Annual Report, City Departments*

CITY OF ST. LOUIS PROFILE

City Economic Data



Personal Income 2001: ¹	\$27,984
Labor Force - April 2004 ²	159,586
No. Employed - April 2004	145,900
% Unemployed - April 2004	8.6%

Source:

¹ U.S. Bureau of Economic Analysis

² U.S. Bureau of Labor Statistics

City Building and Construction (Activity in mil. \$)



	Housing Value		Com./Ind.
	<u>New</u>	<u>Rehab</u>	<u>Dev.</u>
1999	\$31.24	\$19.55	\$205.60
2000	\$33.59	\$49.85	\$431.88
2001	\$24.63	\$42.01	\$366.74
2002	\$41.59	\$103.58	\$335.57
2003	\$112.02	\$113.17	\$263.96

Source: Building Division, City of St. Louis

Top 15 Employers - 2000

(excluding City of St. Louis)



<u>Company</u>	<u>Employees</u>
BJC Health Systems	15,772
Washington University	11,363
St. Louis Board of Ed.	8,668
St. Louis University	8,551
U. S. Postal Service	8,313
State of Missouri	7,143
Southwestern Bell	6,911
Anheuser Busch	6,322
A. G. Edwards	6,025
May Dept. Stores	5,805
Tenet Healthsystems	5,189
Schnucks	4,282
Bank of America	4,137
Natl. Finance Center	3,314
SSM Health Care	2,679

Source: City of St. Louis Col. of Revenue



City Employment By Industry Group - 4th Quarter, 2002

<u>Job Sector</u>	<u>Emp.</u>	<u>% of Total</u>	<u>Job Sector</u>	<u>Emp.</u>	<u>% of Total</u>
Services	80,695	33.9%	Transport., Comm. & Public Utility	19,636	8.3%
Manufacturing	31,423	13.2%	Wholesale Trade	12,606	5.3%
Government	40,602	17.1%	Construction	8,075	3.4%
Retail Trade	25,616	10.8%	Other	710	0.3%
Finance	18,490	7.8%	Total All Groups	237,853	100.0%

Source: Missouri Dept. of Labor and Industrial Relations

CITY OF ST. LOUIS PROFILE

America's Center - Convention Center

Contiguous Exhibit Space - sq. ft.	502,000
Flexible Meeting Rooms	84
3-Level Lecture Hall - Seats	1,411
Grand Ball Room - sq. ft.	28,000
Downtown Hotel Rooms (approx.)	7,600



Source: *America's Center*

Largest Tourist Attractions

	2002 Attendance	
Jefferson National Expansion Memorial (Arch)	3,598,125	
St. Louis Baseball Cardinals (MLB)	3,011,756	
St. Louis Zoo	2,922,130	
President Casino on the Admiral	1,655,707	
St. Louis Science Center	1,446,919	
Missouri Botanical Garden	891,959	
St. Louis Blues Hockey (NHL) (2001)	800,319	
St. Louis Rams Football (NFL)	660,000	
Cathedral Basilica of St. Louis (New Cathedral)	650,000	
The Fox Theatre	620,000	
St. Louis Art Museum	479,813	
The Municipal Opera (Muny)	390,282	
St. Louis Symphony Orchestra	353,541	

Source: *St. Louis Business Journal*



GLOSSARY

Affordable Housing Trust Fund

Fund created in 2001 from a portion of receipts of the local use tax. Funds are dedicated to providing for the development and preservation of affordable and accessible housing in the City. Loan and grant programs are administered by the Affordable Housing Commission. In November 2002, City voters replaced the existing local use tax with a new local use tax. Under a new allocation formula, a total of \$5.0 mil. per year is to be allocated to the Affordable Housing Trust Fund beginning in FY04.

Airport, City of St. Louis

An enterprise fund used to account for the revenues and expenses of Lambert-St. Louis International Airport. The Airport is owned by the City of St. Louis and operated by an Airport Commission. The use of Airport revenues, derived primarily from airline payments for use of the facilities, parking fees and interest earnings, are limited to purposes of the Airport.

Aldermen, Board of

28 elected individuals representing the 28 wards of the City and a President elected citywide who make up the City's legislative body.

Appropriation

A legal authorization to make expenditures and incur obligations for specific purposes.

Assessment

The valuation of property for the purpose of taxation.

Assessment Fund

Fund which supports the operations of the Assessor's office.

Balanced Budget

A budget in which resources available for appropriation equal or exceed planned expenditures.

Battered Persons Shelter Fund

Established by ordinance in 1992, the Battered Persons Shelter fund is used solely for providing operating expenses for shelters for battered persons. The fund is supported by a \$1.00 fee imposed on municipal ordinance violations cases filed in municipal court.



Budget

A financial plan based on anticipated revenues and expenditures for a given period.

Building Demolition Fund

Fund established to finance the demolition and board-up of dangerous buildings. The Building Demolition Fund is funded through a fee of \$2.00 per \$1,000 estimated value of any building permit issued by the City.

Capital Improvements Fund

Fund for long-term improvements and maintenance of the City's infrastructure and/or acquisition of equipment or property for public use.

Capital Improvement Sales Tax Trust Fund

Fund established for revenues received from the one-half cent sales tax for capital improvements. This fund consists of the following five accounts: Ward Capital Improvements Account (50%), Major Park Capital Improvements Account (17%), Recreation Center Capital Improvements Account (3%), Citywide Capital Improvements Account (20%) and Police Department Capital Improvements Account (10%).

Child Support Unit (Parent Locator Fund)

State supported fund through which the Circuit Attorney's Office conducts its program for recovering child support payments.

Columbia Bottoms Fund

Fund established to account for transactions relating to Columbia Bottoms, a parcel of land along the Missouri River which the City owns and leases out for private farming. With the recent sale of most of the property to the Missouri Department of Conservation, activity in this fund has been significantly reduced.

Communications (Cable) Fund

Fund established for the purpose of overseeing the cable television and communications industry in the city and establishing and managing a government access channel and necessary studio facilities. The Cable Division is funded through a 5% franchise fee imposed on Cable operators.

Community Development Agency

City agency responsible for planning and implementing the housing and economic development plans of the City of St. Louis. CDA also oversees operation, administration and programmatic and compliance monitoring of the Community Development Block Grant program as well as other federal housing programs.



Convention and Tourism Fund

Fund established to foster and promote the City's convention and tourism industry. Expenditures from the fund are approved by members of the C & T Board consisting of the Mayor, the Comptroller and the President of the Board of Aldermen.

Convention and Sports Facility Trust Fund

Fund established to help pay for the construction of the convention center expansion project. Revenues to the fund consist of the 3.5% gross receipts tax on hotel/motel receipts. These revenues are transferred to the City's General Fund and used to help pay the City's debt on the convention facility.

Debt Service

Expenditures for principal and interest payments on loans, notes and bonds.

Debt Service Fund

Fund used to specifically track payments of principal, interest and expenses on general obligation debt.

Department

Major unit of organization in the City comprised of subunits called divisions.

Employee Health & Hospital (Benefits) Fund

A fund financed jointly by the City, its employees and retirees to ensure adequate health and hospital care for employees and retirees of the City. The income for this fund is derived from appropriations made in other City funds.

Encumbrance

An obligation for which payment is anticipated but has not yet been made. Typically encumbrances represent outstanding purchase orders or contracts. The funds appropriated for these expenses are set aside in a reserve for payment. An item will remain an encumbrance until the obligation is paid or otherwise released.

Enterprise Fund

A fund used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the cost of providing goods or services to the public on a continuing basis be financed or recovered primarily through user charges. The City's Airport, Water and Parking Meter Divisions are enterprises.



Estimate and Apportionment, Board of

The City's chief fiscal body - comprised of the Mayor, the Comptroller and the President of the Board of Aldermen.

Expenditure

Money actually spent by the City for the programs and projects included in the approved budget.

Federal Mandate

A regulation or requirement imposed on state or local governments by the Federal government. Federal mandates include the Clean Air Act, Clean Water Act, Americans with Disabilities Act and Underground Storage Tank Regulations.

Fiscal Year

Twelve month period to which the budget applies. In St. Louis this is July 1 to June 30.

Fund Balance

The level of funds remaining as measured generally at the conclusion of a fiscal year, after allocating for all encumbrances and other commitments. The fund balance often includes reserves set-aside to meet future obligations, (e.g. 27th pay reserve, rainy day reserve). From a fiscal policy standpoint, emphasis is often placed on the level of "unreserved" fund balance as an indicator of fiscal stability. The City's policy is to achieve and maintain an unreserved general fund balance at a minimum of 5% of the general fund budget.

General Fund

The main operating fund of the City.

Health Care Trust Fund

Fund created in 2001 from a portion of receipts from the local use tax. Funds are dedicated to providing public health care services within the City of St. Louis. In November 2002, voters replaced the existing local use tax with a new local use tax. Under a new allocation formula, a total of \$5.0 mil. per year is to be allocated to the Health Care Trust Fund beginning in FY04.

Lateral Sewer Repair Fund

Fund established in 1989 to provide the cost of the repairs of leaking lateral sewer service lines on residential properties. The Lateral Sewer Repair Program is funded by a \$28.00 annual fee on all residential property having six or less dwelling units.

Local Use Tax

Originally approved by City voters in April, 2001, the local use tax is a tax imposed on purchases made from out of state vendors. The local use tax rate is equal to the City's local sales tax rate.



The local use tax was replaced by voters in November, 2002 with a new local use tax. Proceeds from the new local use tax are to be allocated each fiscal year in the amount of \$5 million each to the Health Care Trust Fund and the Affordable Housing Trust Fund, \$3 million for derelict building demolition and any excess amounts shall be dedicated collectively to any of the following: derelict building demolition, public safety, neighborhood preservation, development and preservation of affordable and accessible housing and public health care services.

Parking Funds

Funds used to track revenues and expenses of the Parking Meter Division and Kiel Parking Facility. Both of these operations are managed as separate enterprise funds by the Treasurer's Office.

Port Authority Fund

Fund established to manage all phases of the harbor and wharves operation including enforcement of all regulations with the guidance of a Port Development Commission.

Program

A set of activities conducted by a department or division to provide a specific service.

Property Tax

A tax levied on the assessed value of property (e.g. personal, real estate).

Public Facilities Protection Corporation

A not-for-profit corporation established to provide the City with Surety Bond and Insurance coverage and general protection from judgements rendered against the City. Each year the City makes a contribution to PFPC out of the General Fund.

Revenue

Income received by the City government from sources, such as taxes, fees, user charges, grants and fines, which is used to support the government's facilities and services to the community.

Riverboat Gaming Fund

Fund established to account for revenues from riverboat gaming. Appropriations from this fund are used for three primary purposes, 1) public safety on the riverfront, 2) capital expenditures (i.e. local bridge match, etc.) and 3) economic development. Revenue from riverboat gaming leases is received through the Port Authority Fund.



Special Revenue Fund

A fund used to 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.

Street Improvement Fund (St. Louis Works)

A street and sidewalk improvement program funded primarily from a portion of City utility taxes and State motor vehicle sales tax revenues. St. Louis Works funds are appropriated under a separate ordinance on a calendar year basis.

Tax Increment Financings

Funding mechanism that uses the tax benefits generated by a development to pay the debt for improvements related to the development.

Transportation Fund

Fund used to account for revenues and appropriations from the 0.5% transportation sales tax and the 0.25% metrolink sales tax. All revenues into the transportation fund are currently appropriated to the Bi-State Development Agency that operates the regional mass transit system.

Trust and Agency Funds

Funds used to account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or funds.

Twenty-Seventh Pay Reserve

Reserve set aside for fiscal years in which a 27th pay day occurs. With bi-weekly pay periods, a 27th pay day will occur once every 11 years. A 27th pay day last occurred in FY95 and will occur again in FY06.

User Fees

Fees paid directly by citizens for a service used (i.e. park fees, bus fares).

Water Division Fund

An enterprise fund used to account for the revenues and expenses of the Water Division, which is owned and operated by the City and funded primarily through water sales.



COMMON ACRONYMS

ADA	Americans with Disabilities Act	ESD	Equipment Services Division
BPS	Board of Public Service	ITSA	Information Technology Services Agency
CDA	Community Development Agency	ISTEA	Inter-modal Surface Transportation Efficiency Act
CDBG	Community Development Block Grant	LLEBG	Local Law Enforcement Block Grant
CEMA	City Emergency Management Agency	MSI	Medium Security Institution
CJC	City Justice Center	NSO	Neighborhood Stabilization Officer
COPS	Community Oriented Policing Services	PFPC	Public Facilities Protection Corporation
CORR	Community Outreach for Risk Reduction	REJIS	Regional Justice Information Service
CREA	Civil Rights Enforcement Agency	SLAA	St. Louis Area Agency on Aging
C&T	Convention and Tourism Fund	SLATE	St. Louis Agency on Training and Employment
CSB	Citizen Service Bureau	SLDC	St. Louis Development Corporation
E&A	Board of Estimate and Apportionment	SLPD	St. Louis Metropolitan Police Department
EMS	Emergency Medical Service		