

CITY OF WENTZVILLE, MISSOURI



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2008

CITY OF WENTZVILLE, MISSOURI

**Comprehensive Annual Financial Report
For The Fiscal Year Ended December 31, 2008**

Prepared by:
Finance Department

CITY OF WENTZVILLE, MISSOURI

FINANCIAL REPORT

	Page
INTRODUCTORY SECTION	
Principal Officials	ii
Organizational Chart	iii
Letter of Transmittal	iv
 FINANCIAL SECTION	
Independent Auditors' Report	2
Management's Discussion and Analysis	4
Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	14
Statement of Activities	15
Fund Financial Statements:	
Balance Sheet - Governmental Funds	16
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	17
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Statement of Net Assets - Proprietary Funds	20
Statement of Revenues, Expenses, and Changes in Net Assets - Proprietary Funds	21
Statement of Cash Flows - Proprietary Funds	22
Statement of Net Assets - Fiduciary Fund	23
Notes to Financial Statements	24
Required Supplemental Information:	
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
General Fund	50
Park Special Revenue Fund	52
Transportation Special Revenue Fund	53
Notes to Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	54
Other Supplemental Information:	
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
Capital Improvement Capital Projects Fund	56
Neighborhood Improvement District Capital Projects Fund	57
Schedule of Changes in Assets and Liabilities - Fiduciary Fund	58
 STATISTICAL SECTION	
Net Assets by Component - Last Six Fiscal Years	61
Changes in Net Assets - Last Six Fiscal Years	62
Fund Balances, Governmental Funds - Last Six Fiscal Years	64

CITY OF WENTZVILLE, MISSOURI
FINANCIAL REPORT (Continued)

	Page
STATISTICAL SECTION (Continued)	
Changes in Fund Balances, Governmental Funds - Last Six Fiscal Years	65
Program Revenues by Functions/Programs - Last Six Fiscal Years	66
Tax Revenues by Source, Governmental Funds - Last Six Fiscal Years	67
Assessed and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	68
Property Tax Rates - Direct and All Overlapping Governments - Last Ten Fiscal Years	69
Principal Taxpayers - Current Year and Nine Years Ago	70
Property Tax Levies and Collections - Last Ten Fiscal Years	71
Ratios of Outstanding Debt by Type - Last Six Fiscal Years	72
Direct and Overlapping Governmental Activities Debt	73
Legal Debt Margin Information - Last Ten Fiscal Years	74
Demographic and Economic Statistics - Last Ten Fiscal Years	75
Principal Employers - Current Year and Nine Years Ago	76
Full-time Equivalent City Government Employees by Functions/Programs - Last Seven Fiscal Years	77
Operating Indicators by Functions/Programs - Last Ten Fiscal Years	79
Capital Assets Statistics by Functions/Programs - Last Ten Fiscal Years	80

INTRODUCTORY SECTION

CITY OF WENTZVILLE, MISSOURI

PRINCIPAL OFFICIALS

DECEMBER 31, 2008

MAYOR

Paul Lambi

ALDERMEN

Nick Guccione

John Luby

Peggy Meyer

Patrick Moody

Bill Schuette

Cheryl Kross

CITY ADMINISTRATOR

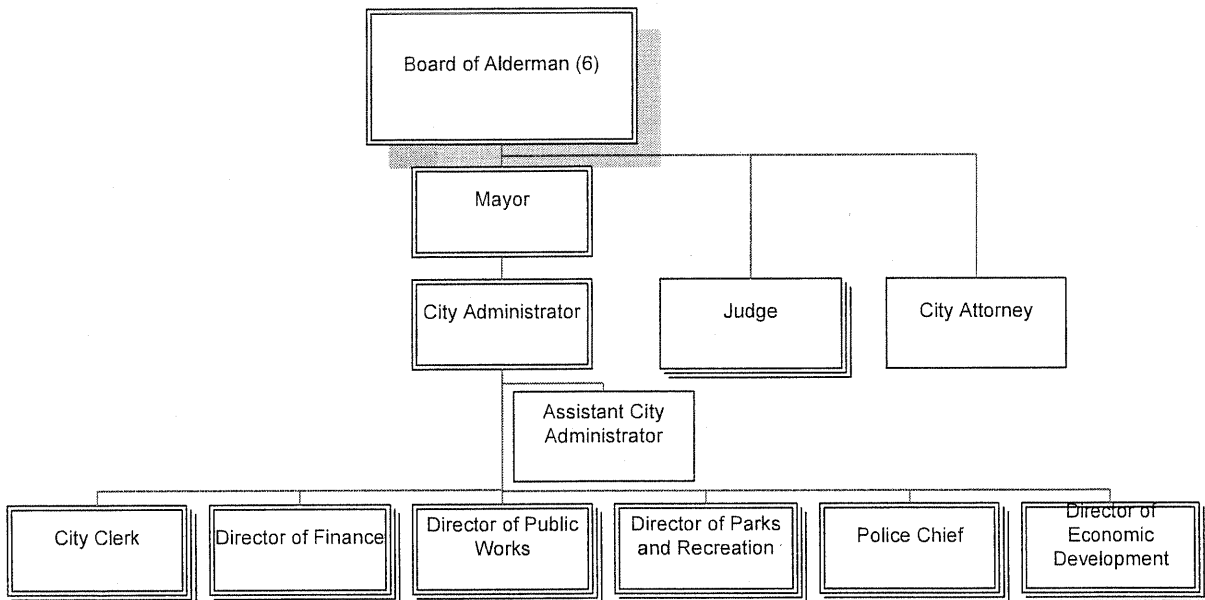
Dianna Wright

FINANCE DIRECTOR

Dennis Walsh

CITY OF WENTZVILLE, MISSOURI

ORGANIZATIONAL CHART





*The City of Wentzville
is a community of neighbors
working together to build
a better future.*

June 29, 2009

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

The Comprehensive Annual Financial Report (CAFR) of the City of Wentzville, Missouri (the City) for the fiscal year ended December 31, 2008, is hereby submitted. This report was prepared by the Finance Department and staff. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rest with the City. The financial statements and supporting schedules have been prepared in accordance with U.S. generally accepted accounting principles (GAAP). To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is designed to fairly present the financial position and results of the various funds and operations of the City.

To provide a reasonable basis for making these representations, management of the City has established internal controls that is designed to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformance with GAAP. Because the cost of internal controls should not outweigh their benefits, the internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a 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. This year's CAFR is the sixth year that the City has presented its financial statements under the new reporting model required by the Governmental Accounting Standards Board Statement No. 34 (GASB).

PROFILE OF THE GOVERNMENT

The City was founded in 1855 as a railroad depot and incorporated in 1892. In compliance with Missouri State Statutes, the duties of the City are vested in the Mayor and Board of Aldermen consisting of six members.

City Hall	Municipal Court	Police Department	Parks Department	Public Works
310 West Pearce Blvd. Wentzville, Missouri 63385 636.327.5101 • 636.332.5101 fax: 636.639.2017	1019 Schroeder Creek Blvd. Wentzville, Missouri 63385 636.327.5141 fax: 636.639.6217	1019 Schroeder Creek Blvd. Wentzville, Missouri 63385 636.327.3109 fax: 636.327.5896	968 Meyer Road Wentzville, Missouri 63385 636.327.7665 • 636.332.9236 fax: 636.327.3066	200 Fourth Street Wentzville, Missouri 63385 636.327.5102 • 636.332.5102 fax: 636.327.4892

The City is located in western St. Charles County at the intersection of Interstate Highway 70, Highway 40 (I64), and Highway 61.

LOCAL ECONOMY

The City has been fortunate seeing an increase in sales tax revenue during this period of a national economic slowdown. Although not large, we have seen growth in property and sales tax revenue over the past few years. Property taxes on both residential and commercial properties are one of the primary sources of revenue. The City relies on sales tax from local businesses as one of its primary source of revenue.

Housing sales follow national trends and the City has seen an increase in the number of homes being sold throughout the community. Home values remain stable and the City continues to be a desirable community in which to live due to our low taxes, superior services, and proximity to shopping and major highways.

The City has a diverse economic base represented by a mixture of industrial enterprises, commercial enterprises, support services, and medical facilities. Two Fortune 500 companies are located in the City: General Motors and Century Tel. There are several retail areas located throughout the City including big box retailers, several strip shopping centers, and numerous shops in the City's quaint central business district.

MAJOR INITIATIVES

The City desires to plan for the success of the City for decades to come. To encourage growth and stability, the City has actively sought out and supported residential and commercial development. TIF, CID, and NID financing have been approved by the Board to assist various projects.

The City is in various stages of many road enhancement projects including West Meyer Road Phase II, Outer Beltway, and Interstate Drive Phase II. Also, the wastewater treatment plant expansion Phase II design is being completed.

LONG-TERM FINANCIAL PLANNING

The voters approved a ½ cent capital improvement sales tax. These funds are being used to pay the annual debt requirement leasehold revenue bonds issued to build a new law enforcement center and for stormwater projects. The remaining funds are to purchase equipment for the City departments.

The voters also passed a ½ cent sales tax for transportation. The City uses this tax for transportation improvements. The revenues from this tax pay for the debt service for the reconstruction of the 170/Wentzville Parkway overpass and for the City's share of the new construction and improvements of roads such as the one previously stated.

INDEPENDENT AUDIT

City ordinances require an annual audit by independent certified public accountants. The certified public accounting firm of Hochschild, Bloom & Company LLP was selected by the Board of Aldermen to perform this year's audit. The auditors' report is included in this report.

AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) awards the Certificate of Achievement for Excellence in Finance Reporting. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized CAFR. Such CAFR must satisfy both GAAP and applicable legal requirements.

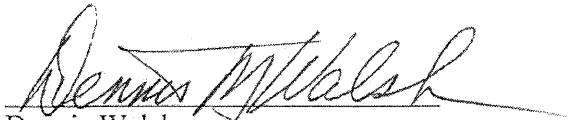
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for the certificate.

ACKNOWLEDGMENTS

The preparation of the CAFR on a timely basis was made possible by the dedicated service and cooperation of the entire staff of the City. Each member has my sincere appreciation for their contributions made in the preparation of this report. We would also like to acknowledge the assistance of our independent public accountants, Hochschild, Bloom & Company LLP, in formulating this report.

In closing, without the support of the Mayor, Board of Aldermen, and City Administrator, preparation of this report would not have been possible.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Dennis Walsh", is written over a horizontal line.

Dennis Walsh
Assistant City Administrator/
Finance Director

FINANCIAL SECTION



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

INDEPENDENT AUDITORS' REPORT

June 24, 2009

Honorable Mayor and the Board of Aldermen
CITY OF WENTZVILLE, 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 WENTZVILLE, MISSOURI** (the City) as of and for the year ended December 31, 2008, which collectively comprise the City's financial statements as listed in the accompanying 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 December 31, 2008, 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 June 24, 2009, 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 pur-

- ☐ 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

pose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and 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 financial statements but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, are 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 on them.

Hochschild Bloom & Company LLP
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF WENTZVILLE, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2008

Our discussion and analysis of the City of Wentzville, Missouri's (the City) financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2008. Please read it in conjunction with the City's financial statements, which follows this section.

FINANCIAL HIGHLIGHTS

- For the fiscal year ended December 31, 2008, the City's total net assets increased by \$13,077,471 from \$117,266,462 to \$130,343,933, or 11% from the prior year.
- During the year, the City's expenses for governmental activities were \$21,917,790 and were funded by program revenues of \$12,404,320 and further funded with taxes and other general revenues that totaled \$19,242,809.
- In the City's business-type activities, such as utilities, revenues exceeded expenses by \$3,348,132.
- General Fund fund balance decreased \$845,139. At December 31, 2008, the General Fund fund balance of \$7,523,327 is a decrease of 10% from the prior year.
- Park Fund has a fund balance of \$1,244,608 after receiving transfers totaling \$1,005,826 from the General Fund and the Capital Improvement Fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include all of the activities of the City and its component units using the integrated approach as prescribed by GASB Statement No. 34. Included in this report are government-wide statements for each of three categories of activities - governmental and business-type - along with blended component units. The government-wide financial statements present the complete financial picture of the City from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business-type activities separately and combined. These statements include all assets of the City (including infrastructure capital assets) as well as all liabilities (including all long-term debt).

Reporting the City as a Whole

Statement of Net Assets and Statement of Activities

One of the most frequently asked questions about the City's finances is, "Has the City's overall financial condition improved, declined, or remained steady over the past year?" The statement of net assets and the statement of activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two government-wide statements report the City's net assets and changes in them from the prior year. You can think of the City's net assets - the difference between assets and liabilities - as one way to measure the City's financial condition, or position. Over time, increases or decreases in the City's net assets are one indicator of whether its financial health is improving, deteriorating, or remaining steady. However, you must consider other nonfinancial factors, such as changes in the City's tax base, the condition of the City's roads, and the quality of services to assess the overall health and performance of the City.

As mentioned above, in the statement of net assets and the statement of activities, we divide the City into three kinds of activities:

CITY OF WENTZVILLE, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2008

- Governmental activities -- Most of the City's basic services are reported here, including the police, general administration, streets, and parks. Sales taxes, franchise fees, fines, and state and federal grants finance most of these activities.
- Business-type activities -- The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water, wastewater, and sanitation activities are reported here.
- Component units -- These account for activities of the City's reporting entity that meet the criteria, specifically Community Improvement District.

Reporting the City's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

Governmental funds -- Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statements provide a detailed short-term view of the City's general government operations and the basic service it provides. Governmental funds information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences of results in the governmental funds financial statements to those in the government-wide financial statements are explained in a reconciliation following each governmental funds financial statement.

Proprietary funds -- When the City charges customers for the services it provides - whether to outside customers or to other units of the City - these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net assets and the statement of activities. In fact, the City's Enterprise Funds are essentially the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows. This includes an Internal Service Fund where cost is centralized then fully allocated out to the departments of the City.

Fiduciary funds -- The City is responsible for assets that - because of a trust arrangement or other fiduciary requirement - can be used only for trust beneficiaries or others parties. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose. All of the City's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance operations.

A FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Assets

The City's combined net assets increased from \$117,266,462 to \$130,343,933 between fiscal years 2007 and 2008. Looking at the net assets of governmental and business-type activities separately, governmental activities at \$9,729,339 had a larger increase than business-type activities at \$3,348,132 (amounts prior to reclassifications).

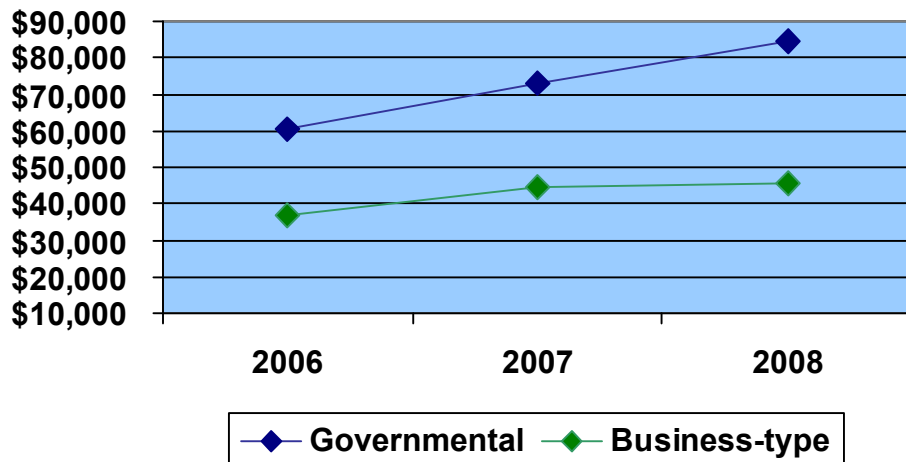
CITY OF WENTZVILLE, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2008

	Governmental Activities			Business-type Activities			Total		
	2006	2007	2008	2006	2007	2008	2006	2007	2008
ASSETS									
Current and other assets	\$11,997,372	14,854,920	18,058,843	33,230,196	29,996,297	26,107,560	45,227,568	44,851,217	44,166,403
Capital assets, net	58,236,873	68,834,235	84,740,607	57,838,945	72,188,807	68,266,114	116,075,818	141,023,042	153,006,721
Total Assets	70,234,245	83,689,155	102,799,450	91,069,141	102,185,104	94,373,674	161,303,386	185,874,259	197,173,124
LIABILITIES									
Current liabilities	3,058,352	1,883,001	2,627,029	12,034,793	16,679,916	16,289,604	15,093,145	18,112,917	18,916,633
Noncurrent liabilities	6,627,904	9,019,974	15,401,249	42,046,901	41,033,800	32,511,309	48,674,805	50,053,774	47,912,558
Total Liabilities	9,686,256	10,902,975	18,028,278	54,081,694	57,713,716	48,800,913	63,767,950	68,616,691	66,829,191
NET ASSETS									
Invested in capital assets, net of related debt	56,726,873	61,342,757	70,983,950	35,445,503	35,731,210	36,119,759	92,172,376	97,073,967	107,103,709
Restricted	437,669	2,442,209	4,154,537	2,408,302	2,407,613	1,415,515	2,845,971	4,849,822	5,570,052
Unrestricted	3,383,447	9,001,214	9,632,685	(866,358)	6,332,565	8,037,487	2,517,089	15,333,779	17,670,172
Total Net Assets	\$60,547,989	72,786,180	84,771,172	36,987,447	44,471,388	45,572,761	97,535,436	117,257,568	130,343,933

Net Assets
(in 000's)



CITY OF WENTZVILLE, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2008

Changes in Net Assets

For the year ended December 31, 2006, net assets of the primary changed as follows:

	Governmental Activities	Business-type Activities	Total
Revenues			
Program revenues	\$20,284,370	21,063,448	41,347,818
Taxes and other general revenues	16,330,070	711,814	17,041,884
Total Revenues	36,614,440	21,775,262	58,389,702
Expenses			
General government	4,734,747	-	4,734,747
Public safety	5,069,540	-	5,069,540
Community development	5,371,645	-	5,371,645
Parks and recreation	2,007,723	-	2,007,723
Interest on long-term debt	224,529	-	224,529
WEDC	-	1,704,047	1,704,047
Trash/natural gas	-	1,313,118	1,313,118
Water and wastewater	-	6,084,130	6,084,130
Total Expenses	17,408,184	9,101,295	26,509,479
Revenues over (under) expenses	19,206,256	12,673,967	31,880,223
Transfers	(17,495)	17,495	-
Changes in Net Assets	\$19,188,761	12,691,462	31,880,223

For the year ended December 31, 2007, net assets of the primary changed as follows:

	Governmental Activities	Business-type Activities	Total
Revenues			
Program revenues	\$13,316,302	17,046,454	30,362,756
Taxes and other general revenues	19,001,317	1,206,204	20,207,521
Total Revenues	32,317,619	18,252,658	50,570,277
Expenses			
General government	4,081,220	-	4,081,220
Public safety	5,799,258	-	5,799,258
Community development	7,758,672	-	7,758,672
Parks and recreation	2,274,789	-	2,274,789
Interest on long-term debt	150,386	-	150,386
WEDC	-	1,730,263	1,730,263
Trash/natural gas	-	1,492,685	1,492,685
Water	-	3,559,571	3,559,571
Wastewater	-	4,001,301	4,001,301
Total Expenses	20,064,325	10,783,820	30,848,145
Revenues over (under) expenses	12,253,294	7,468,838	19,722,132
Transfers	(15,103)	15,103	-
Changes in Net Assets	\$12,238,191	7,483,941	19,722,132

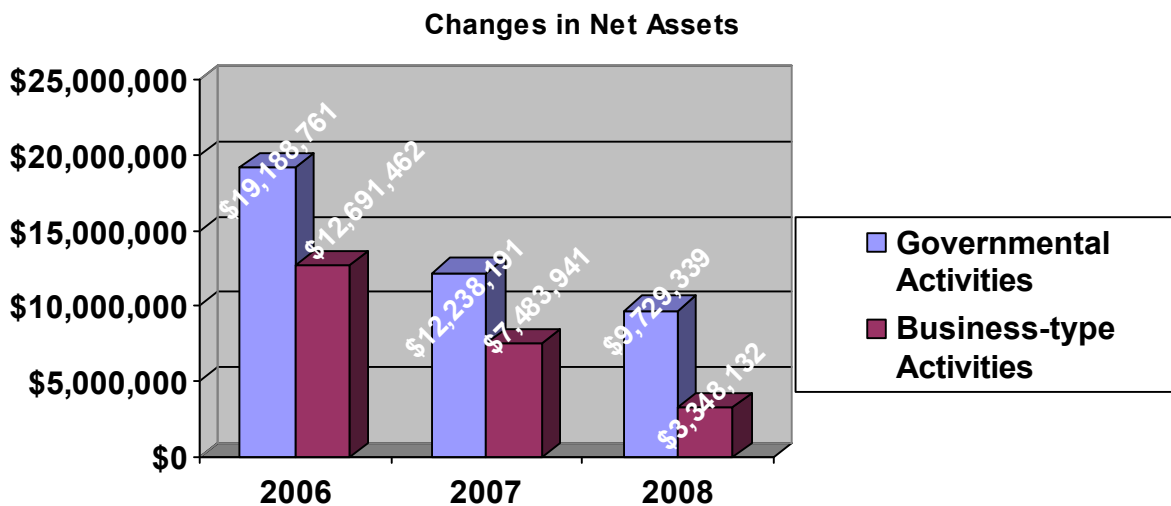
CITY OF WENTZVILLE, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2008

For the year ended December 31, 2008, net assets of the primary changed as follows:

	Governmental Activities	Business-type Activities	Total
Revenues			
Program revenues	\$12,404,320	13,605,458	26,009,778
Taxes and other general revenues	20,055,647	1,003,127	21,058,774
Total Revenues	32,459,967	14,608,585	47,068,552
Expenses			
General government	4,996,668	-	4,996,668
Public safety	6,601,295	-	6,601,295
Community development	7,466,815	-	7,466,815
Parks and recreation	2,389,735	-	2,389,735
Interest on long-term debt	463,277	-	463,277
Water	-	4,883,676	4,883,676
Wastewater	-	5,474,346	5,474,346
Stormwater and trash	-	1,715,269	1,715,269
Total Expenses	21,917,790	12,073,291	33,991,081
Revenues over (under) expenses	10,542,177	2,535,294	13,077,471
Transfers	(812,838)	812,838	-
Changes in Net Assets	\$ 9,729,339	3,348,132	13,077,471



Governmental Activities

To aid in the understanding of the statement of activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical statement of revenues, expenditures, and changes in fund balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a net revenues (expenses). The reason for this kind of format is to highlight the relative financial burden of each of the functions on the City's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants or contributions. All other governmental revenues are reported as gen-

CITY OF WENTZVILLE, MISSOURI

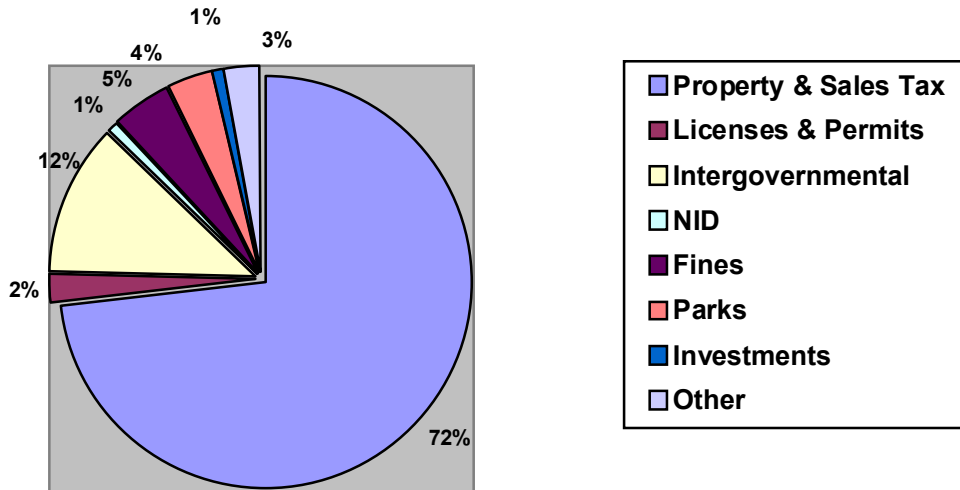
MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2008

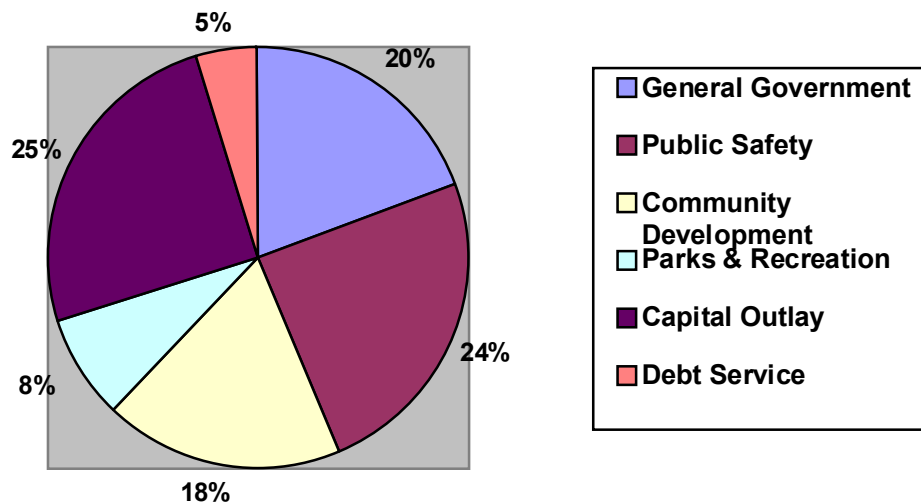
eral. It is important to note all taxes are classified as general revenues even if restricted for a specific purpose.

For the year ended December 31, 2008, the City's governmental funds activities were as follows:

Governmental Funds Revenues



Governmental Funds Expenditures



**CITY OF WENTZVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

Governmental Activities

	<u>Total Expenses of Services</u>	<u>Net Revenues (Expenses) of Services</u>
	<u>2008</u>	<u>2008</u>
General government	\$ 4,996,668	(3,654,981)
Public safety	6,601,295	(6,562,863)
Community development	7,466,815	2,649,270
Parks and recreation	2,389,735	(1,481,619)
Interest on long-term debt	463,277	(463,277)
Total	\$21,917,790	(9,513,470)

The City's governmental activities increase in net assets of \$9,729,339 represents a 13% increase in net assets from the prior year. In governmental activities revenues increased from \$32,317,619 to \$32,361,737 or \$44,118. While taxes and other general revenues increased \$956,100, program revenues decreased \$911,982. Charges for services increased by \$266,578. Operating grants decreased by \$511,752 and capital grants for road projects decreased by \$666,808.

Government-wide expenses increased by 9% or \$1,853,465 from \$20,064,325 to \$21,917,790. Of these total expenses, taxpayers and other general revenues before transfers funded \$19,957,417, while those directly benefiting from the programs funded \$10,302,297 from grants and other contributions and \$2,102,023 from charges for services.

Of the increase in expenditures \$915,448 or 49% of the increase was in general government and \$802,037 or 43% was in public safety. \$577,000 was paid to the Missouri Department of Transportation for improvements made to the I70/Wentzville Parkway overpass. There were six public safety officers added in 2008 and salary increases of 3%. Meanwhile community development decreased \$291,857 or 4% from its 2007 amount.

Business-type Activities

In reviewing the business-type activities net revenues (expenses), the following highlights should be noted:

- Total business-type activities reported program related revenues of \$13,605,458 and expenses of \$12,073,291 for a net increase of \$1,532,167.

	<u>Total Expenses of Services</u>	<u>Net Revenues (Expenses) of Services</u>
	<u>2008</u>	<u>2008</u>
Water	\$ 4,883,676	1,423,953
Wastewater	5,474,346	185,343
Stormwater	103,516	(103,516)
Trash	1,611,753	26,387
Total	\$12,073,291	1,532,167

In business-type activities program revenues decreased by \$3,440,996 or 20%, meanwhile expenses increased by \$1,289,471 or 12%. Revenue reductions are related to the decrease in housing starts and the wet weather lowering consumption of water. There was a reclassification of WEDC revenue to the governmental funds. The increase in expenses is related to the water and sewer utilities, which in 2008 had expenses of \$10,358,022 compared to \$7,560,872 in 2007. The Water Fund cost for water from

CITY OF WENTZVILLE, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2008

PWSD #2 increased approximately \$500,000 due to a rate increase by the district. There was an additional depreciation of \$100,000. Also a Stormwater Fund was added with \$103,516 in expenditures.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed its 2008 fiscal year, the governmental funds reported a combined fund balance of \$12,803,125, a \$1,066,551 (9%) increase from the prior year. The Enterprise Funds reported combined net assets of \$45,572,761 or an 8% increase from 2007.

Other fund highlights include:

- For the year ended December 31, 2008, the General Fund's total fund balance decreased by \$845,139 or 10%.
- The Park Special Revenue Fund's total fund balance increased by \$176,814 including a transfer in of \$1,005,826.
- The Water Fund reported an increase in net assets for the year ended December 31, 2008 of \$1,774,849 (9%) and the Wastewater Fund reported an increase of \$817,347 (3%).
- The wastewater treatment plant expansion, financed by \$19,430,000 in revenue bonds through the State of Missouri Department of Natural Resources revolving fund program, was on line in 2007. The next phase, another \$19 million dollars, is scheduled to begin the end of 2009. The voters actually passed authority for an additional \$50 million dollars worth of bonds, thus making \$60 million dollars authorized for bonds for remaining future phases of expansion.

General Fund Budgetary Highlights

Actual revenues were \$15,263,170 or 0.36% more than the revised budget. Expenditures were \$14,384,807 or 6% under revised budget. The City performed a midyear budget review and made necessary adjustments to compensate for the downturn in the economy.

Fiscal year 2008 revenues were budgeted originally at \$125,873 less than the 2007 actual, a 0.8% decrease. The actual increase of 2008 over 2007 is \$319,336 or 2%. The increase in revenues from 2007 actual to 2008 actual occurred in property and sales tax \$969,797, or 304% of the total increase. Permits reported a decrease of \$585,635 primarily related to the down turn in the housing market and national economy.

Expenditures were originally budgeted to increase \$1,900,345 or 14% over 2007 actual, the actual increase in expenditures was \$1,262,999 or 10% over the 2007 actual. The primary increases were personnel among all departments; this included a 3% raise for employees and six additional personnel in public safety and one person in finance.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of December 31, 2006, the City had \$116,075,818 invested in capital assets, net of depreciation, including police equipment, buildings, park facilities, water lines, and sewer lines. At the end of December 31, 2007, the amount had increased to \$141,023,042, an increase of \$24,947,224 or 21%. By the end of 2008 the amount has risen to \$153,006,721, an increase of \$11,983,679 or 8% for 2008. Thus the City's assets continue to grow at a very good pace.

CITY OF WENTZVILLE, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED DECEMBER 31, 2008

Primary Government Capital Assets (net of accumulated depreciation)

	Governmental Activities			Business-type Activities			Total		
	2006	2007	2008	2006	2007	2008	2006	2007	2008
Land	\$ 8,709,249	9,315,365	9,315,365	1,230,161	1,276,331	1,276,331	9,939,410	10,591,696	10,591,696
Buildings	2,088,555	7,450,849	7,080,265	6,287,465	19,453,483	18,954,001	8,376,020	26,904,332	26,034,266
Infrastructure	38,059,486	44,238,120	56,798,657	32,801,455	42,638,613	45,013,976	70,860,941	86,876,733	101,812,633
Equipment	2,878,059	3,169,296	3,789,415	745,923	868,845	996,510	3,623,982	4,038,141	4,785,925
Construction in progress	6,501,524	11,039,232	7,756,905	16,773,941	1,572,908	2,025,296	23,275,465	12,612,140	9,782,201
Totals	\$58,236,873	75,212,862	84,740,607	57,838,945	65,810,180	68,266,114	116,075,818	141,023,042	153,006,721

General activities increased by \$9,527,745 and business activities increased by \$2,455,934.

See Note C to the financial statements for more detail information on the City's capital assets and changes therein.

Primary Government Long-term Debt

In 2005 the City incurred \$4,714,771 in notes payable for the purchase of 28 acres for the Park Department. The sewerage system revenue bond of \$19,430,000 and the Series 2005 leasehold bonds of \$7,540,000 were new debt. The sewerage system bonds were to finance the expansion of the wastewater treatment plant. The Series 2005 leasehold bonds were for the construction of a water tower, booster pumping station, and associated water mains. These projects were completed during 2007.

In 2007, the City added the tax incremental financing notes for M&B Sachs TIF. Also, now included in the schedule are various other notes payable that include \$581,400 for the purchase of 75 acres of park land and \$900,088 in various street projects that have been funded by developers and are being paid back over time, usually 3 years. The City's changes in long-term debt by type of debt are as follows:

	Governmental Activities			Business-type Activities			Total			Percentage Change
	2006	2007	2008	2006	2007	2008	2006	2007	2008	2007-2008
Accrued absences	\$ 530,959	588,398	628,992	26,666	35,145	44,172	557,625	623,543	673,164	1%
Notes payable/ revenue bonds	4,714,771	4,664,552	4,664,552	-	-	-	4,714,771	4,664,552	4,664,552	-
Notes payable other	-	1,481,488	1,278,475	-	-	-	-	1,481,488	1,278,475	(14)
TIF notes	-	1,002,000	1,002,000	-	-	-	-	1,002,000	1,002,000	-
Neighborhood Improvement District bonds	1,510,000	1,400,000	1,285,000	-	-	-	1,510,000	1,400,000	1,285,000	(8)
Sewerage system revenue bonds	-	-	-	19,430,000	19,430,000	18,595,000	19,430,000	19,430,000	18,595,000	(4)
Leasehold revenue bonds	-	6,145,000	7,212,440	23,175,000	15,955,000	13,832,560	23,175,000	22,100,000	21,045,000	(5)
Totals	\$6,755,730	15,281,438	16,071,459	42,631,666	35,420,145	32,471,732	49,387,396	50,701,583	48,543,191	(4%)

See Note H to the financial statements for more detail information on the City's long-term debt and changes therein.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

**CITY OF WENTZVILLE, MISSOURI
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2008**

The 2009 budget includes expenditures of \$63,592,452 and revenues of \$62,561,996 excluding any transfers between funds. These amounts include \$19,000,000 in revenue bonds for expansion of the wastewater treatment plant. If both revenues and expenditures are reduced by this amount, the 2009 revenues are decreased by \$1,900,000 from the 2008 amended budget. The decrease is primarily due to the downturn in the economy that has affected property taxes, sales taxes, the housing market, and even the utility revenues. Sales taxes are flat with a zero to one percent growth rate. Most other major revenue sources are decreasing including property taxes, as home values decline, use tax, and building permits, as the building industry has slowed. Even utility revenue has taken a hit as manufacturers have cut back their use mainly by closing down for weeks at a time.

The adjusted expenditures for 2009 will be decreased \$44,592,452 from the 2008 amended budget of \$50,702,779, again because of the economy the City has taken necessary steps to cut back expenditures and balance the budget. Because of the growth of the City, from a population of 6,800 in 2000 to over 25,000 at the end of 2008, the base budget has increased. The City has delayed adding any new personnel and scrutinizes any discretionary spending to meet the challenges of economic conditions.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director's office at 5 W. Pearce, Wentzville, MO 63385 or by phone (636) 639-2155.

CITY OF WENTZVILLE, MISSOURI

STATEMENT OF NET ASSETS

DECEMBER 31, 2008

	Primary Government			Component
	Governmental Activities	Business-type Activities	Total	Unit - Community Improvement District
ASSETS				
Cash and cash equivalents	\$ 4,722,730	6,926,950	11,649,680	134
Investments	2,334,879	-	2,334,879	-
Receivable:				
Property tax, net	3,063,175	-	3,063,175	12,438
Other taxes	2,966,293	-	2,966,293	141,304
Accounts, net	1,514,849	714,039	2,228,888	-
Accrued interest	35,787	38,118	73,905	-
Internal balances	(95,574)	95,574	-	-
Inventories	181,229	273,714	454,943	-
Prepaid items	523,022	65,989	589,011	-
Restricted assets:				
Cash and cash equivalents	2,635,082	5,040,508	7,675,590	-
Investments	-	12,505,179	12,505,179	-
Deferred charges	177,371	447,489	624,860	22,833
Capital assets:				
Land and construction in progress	17,072,270	3,301,627	20,373,897	-
Other capital assets, net of accumulated depreciation	67,668,337	64,964,487	132,632,824	-
Total Assets	102,799,450	94,373,674	197,173,124	176,709
LIABILITIES				
Accounts payable	1,539,688	587,117	2,126,805	-
Retainage payable	143,712	15,126	158,838	-
Accrued liabilities	478,819	660,098	1,138,917	-
Interest payable	408,546	666,915	1,075,461	382,886
Customer deposits	2,500	410,159	412,659	-
Payable from restricted assets:				
Court bonds	47,685	-	47,685	-
2005 SRF reserve deposit	-	12,975,697	12,975,697	-
Unearned revenues	-	974,492	974,492	-
Net OPEB obligation	6,079	-	6,079	-
Noncurrent liabilities:				
Due within one year	939,077	1,654,294	2,593,371	-
Due in more than one year	14,462,172	30,857,015	45,319,187	3,735,134
Total Liabilities	18,028,278	48,800,913	66,829,191	4,118,020
NET ASSETS				
Invested in capital assets, net of related debt	70,983,950	36,119,759	107,103,709	-
Restricted for protested taxes	73,008	-	73,008	-
Restricted for capital improvements	33,768	-	33,768	-
Restricted for NID projects	1,502,877	-	1,502,877	-
Restricted for debt service	2,544,884	1,415,515	3,960,399	-
Unrestricted	9,632,685	8,037,487	17,670,172	(3,941,311)
Total Net Assets	\$ 84,771,172	45,572,761	130,343,933	(3,941,311)

See notes to financial statements

CITY OF WENTZVILLE, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

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	
Primary Government								
Governmental Activities								
General government	\$ 4,996,668	1,175,475	-	166,212	(3,654,981)	-	(3,654,981)	-
Public safety	6,601,295	20,632	17,800	-	(6,562,863)	-	(6,562,863)	-
Community development	7,466,815	-	3,074,187	7,041,898	2,649,270	-	2,649,270	-
Parks and recreation	2,389,735	905,916	2,200	-	(1,481,619)	-	(1,481,619)	-
Interest and fiscal charges	463,277	-	-	-	(463,277)	-	(463,277)	-
Total Governmental Activities	<u>21,917,790</u>	<u>2,102,023</u>	<u>3,094,187</u>	<u>7,208,110</u>	<u>(9,513,470)</u>	<u>-</u>	<u>(9,513,470)</u>	<u>-</u>
Business-type Activities								
Water	4,883,676	4,568,732	-	1,738,897	-	1,423,953	1,423,953	-
Sewer	5,474,346	3,574,983	-	2,084,706	-	185,343	185,343	-
Stormwater	103,516	-	-	-	-	(103,516)	(103,516)	-
Trash	1,611,753	1,598,320	39,820	-	-	26,387	26,387	-
Total Business-type Activities	<u>12,073,291</u>	<u>9,742,035</u>	<u>39,820</u>	<u>3,823,603</u>	<u>-</u>	<u>1,532,167</u>	<u>1,532,167</u>	<u>-</u>
Total Primary Government	<u>\$ 33,991,081</u>	<u>11,844,058</u>	<u>3,134,007</u>	<u>11,031,713</u>	<u>(9,513,470)</u>	<u>1,532,167</u>	<u>(7,981,303)</u>	<u>-</u>
Component Unit								
Community Improvement District	<u>\$ 332,529</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(332,529)</u>
General Revenues								
Sales tax					8,847,921	-	8,847,921	230,460
Property tax					6,180,219	-	6,180,219	-
Other taxes					309,431	-	309,431	-
Licenses and permits					518,995	-	518,995	-
Investment income					260,005	966,875	1,226,880	817
Other					3,939,076	36,252	3,975,328	-
Transfers					<u>(812,838)</u>	<u>812,838</u>	<u>-</u>	<u>-</u>
Total General Revenues And Transfers					<u>19,242,809</u>	<u>1,815,965</u>	<u>21,058,774</u>	<u>231,277</u>
CHANGE IN NET ASSETS					9,729,339	3,348,132	13,077,471	(101,252)
NET ASSETS, JANUARY 1					<u>75,041,833</u>	<u>42,224,629</u>	<u>117,266,462</u>	<u>(3,840,059)</u>
NET ASSETS, DECEMBER 31					<u>\$ 84,771,172</u>	<u>45,572,761</u>	<u>130,343,933</u>	<u>(3,941,311)</u>

See notes to financial statements

CITY OF WENTZVILLE, MISSOURI
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2008

	General Fund	Park Fund	Transportation Fund	Capital Improvement Fund	Neighborhood Improvement District Fund	WEDC Fund	Tax Increment Financing District Fund	Total Governmental Funds
ASSETS								
Cash and cash equivalents	\$ 2,007,360	1,117,878	414,382	-	114,748	-	100	3,654,468
Investments	2,334,879	-	-	-	-	-	-	2,334,879
Receivable:								
Property taxes, net	2,679,574	234,033	-	-	149,568	-	-	3,063,175
Other taxes	1,291,770	-	1,254,969	348,312	3,047	-	67,681	2,965,779
Other	118,050	55,642	-	-	1,235,514	105,129	-	1,514,335
Accrued interest	22,301	-	-	-	-	13,486	-	35,787
Inventories	168,073	7,447	5,709	-	-	-	-	181,229
Prepaid items	460,079	54,091	8,852	-	-	-	-	523,022
Restricted assets:								
Cash and cash equivalents	90,198	-	-	-	-	2,544,884	-	2,635,082
Due from other funds	216,294	-	-	-	-	-	-	216,294
Total Assets	<u>\$ 9,388,578</u>	<u>1,469,091</u>	<u>1,683,912</u>	<u>348,312</u>	<u>1,502,877</u>	<u>2,663,499</u>	<u>67,781</u>	<u>17,124,050</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 846,094	113,894	217,516	-	-	177,678	-	1,355,182
Retainage payable	10,398	-	107,886	-	-	25,428	-	143,712
Due to other funds	-	-	-	314,544	-	-	-	314,544
Accrued liabilities	425,769	61,031	-	-	-	-	-	486,800
Customer deposits	-	2,500	-	-	-	-	-	2,500
Payable from restricted assets - court bonds	47,685	-	-	-	-	-	-	47,685
Deferred revenue	535,305	47,058	-	-	1,388,139	-	-	1,970,502
Total Liabilities	<u>1,865,251</u>	<u>224,483</u>	<u>325,402</u>	<u>314,544</u>	<u>1,388,139</u>	<u>203,106</u>	<u>-</u>	<u>4,320,925</u>
Fund Balances								
Reserved for:								
Encumbrances	329,599	183,353	3,833,493	-	-	83,184	-	4,429,629
Protested taxes	73,008	-	-	-	-	-	-	73,008
Inventory and prepaid items	628,152	61,538	14,561	-	-	-	-	704,251
Debt service	-	-	-	-	-	2,544,884	-	2,544,884
Unreserved:								
General Fund	6,492,568	-	-	-	-	-	-	6,492,568
Special Revenue Funds	-	999,717	(2,489,544)	-	-	-	67,781	(1,422,046)
Capital Projects Funds	-	-	-	33,768	114,738	(167,675)	-	(19,169)
Total Fund Balances	<u>7,523,327</u>	<u>1,244,608</u>	<u>1,358,510</u>	<u>33,768</u>	<u>114,738</u>	<u>2,460,393</u>	<u>67,781</u>	<u>12,803,125</u>
Total Liabilities And Fund Balances	<u>\$ 9,388,578</u>	<u>1,469,091</u>	<u>1,683,912</u>	<u>348,312</u>	<u>1,502,877</u>	<u>2,663,499</u>	<u>67,781</u>	<u>17,124,050</u>

See notes to financial statements

CITY OF WENTZVILLE, MISSOURI
RECONCILIATION OF THE BALANCE SHEET OF GOVERN-
MENTAL FUNDS TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2008

Total Fund Balances - Governmental Funds \$ 12,803,125

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 \$105,031,696 and the accumulated depreciation is \$20,291,089. 84,740,607

Other long-term assets are not available to pay for current period expenditures
and, therefore, are deferred in the governmental funds. 2,140,870

The Internal Service Fund is used by the City to charge for services provided
for insurance to individual funds. The assets and liabilities of the Internal
Service Fund are included in governmental activities in the statement of net
assets. 725,073

Net OPEB obligations are not financial uses and, therefore, are not reported
in the governmental funds. (6,079)

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

Accrued interest payable	(408,546)
Accrued compensated absences	(628,992)
Bonds and notes payable outstanding	(14,772,257)
Bond issuance cost, net	177,371

Total Net Assets Of Governmental Activities \$ 84,771,172

CITY OF WENTZVILLE, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	General Fund	Park Fund	Transportation Fund	Capital Improvement Fund	Neighborhood Improvement District Fund	WEDC Fund	Tax Increment Financing District Fund	Total Governmental Funds
REVENUES								
General property and sales taxes	\$ 13,111,045	536,975	2,411,734	2,245,668	-	257,755	67,746	18,630,923
Licenses and permits	515,205	-	-	-	-	-	-	515,205
Intergovernmental	25,300	-	3,066,687	-	-	-	-	3,091,987
NID assessments	-	-	-	-	166,212	-	-	166,212
Fines and forfeitures	1,203,573	-	-	-	-	-	-	1,203,573
Parks memberships and programs	-	905,916	-	-	-	-	-	905,916
Investment income	162,026	12,451	-	3,143	(1,221)	83,181	425	260,005
Other	246,021	22,845	-	-	-	419,506	-	688,372
Total Revenues	<u>15,263,170</u>	<u>1,478,187</u>	<u>5,478,421</u>	<u>2,248,811</u>	<u>164,991</u>	<u>760,442</u>	<u>68,171</u>	<u>25,462,193</u>
EXPENDITURES								
Current:								
General government	2,647,409	-	1,770,209	505,210	-	124	-	4,922,952
Public safety	6,043,183	-	-	-	-	-	-	6,043,183
Community development	4,587,180	-	-	-	-	-	-	4,587,180
Parks and recreation	-	2,038,786	-	-	-	-	-	2,038,786
Capital outlay	1,107,035	204,215	4,630,401	-	-	442,494	-	6,384,145
Debt service:								
Principal	-	64,600	360,486	-	115,000	221,830	-	761,916
Interest and fiscal charges	-	-	-	-	52,336	295,213	60,175	407,724
Total Expenditures	<u>14,384,807</u>	<u>2,307,601</u>	<u>6,761,096</u>	<u>505,210</u>	<u>167,336</u>	<u>959,661</u>	<u>60,175</u>	<u>25,145,886</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>878,363</u>	<u>(829,414)</u>	<u>(1,282,675)</u>	<u>1,743,601</u>	<u>(2,345)</u>	<u>(199,219)</u>	<u>7,996</u>	<u>316,307</u>
OTHER FINANCING SOURCES (USES)								
Sale of capital assets	-	402	-	-	-	-	-	402
Issuance of debt	-	-	222,073	-	-	1,289,270	-	1,511,343
Payment to refunding agent	-	-	-	-	-	(46,893)	-	(46,893)
Transfers in	-	1,005,826	2,101,484	-	-	-	-	3,107,310
Transfers out	(1,723,502)	-	-	(2,098,416)	-	-	-	(3,821,918)
Total Other Financing Sources (Uses)	<u>(1,723,502)</u>	<u>1,006,228</u>	<u>2,323,557</u>	<u>(2,098,416)</u>	<u>-</u>	<u>1,242,377</u>	<u>-</u>	<u>750,244</u>
NET CHANGES IN FUND BALANCES	<u>(845,139)</u>	<u>176,814</u>	<u>1,040,882</u>	<u>(354,815)</u>	<u>(2,345)</u>	<u>1,043,158</u>	<u>7,996</u>	<u>1,066,551</u>
FUND BALANCES, JANUARY 1	<u>8,368,466</u>	<u>1,067,794</u>	<u>317,628</u>	<u>388,583</u>	<u>117,083</u>	<u>1,417,235</u>	<u>59,785</u>	<u>11,736,574</u>
FUND BALANCES, DECEMBER 31	<u>\$ 7,523,327</u>	<u>1,244,608</u>	<u>1,358,510</u>	<u>33,768</u>	<u>114,738</u>	<u>2,460,393</u>	<u>67,781</u>	<u>12,803,125</u>

See notes to financial statements

CITY OF WENTZVILLE, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

Net Change In Fund Balances - Governmental Funds \$ 1,066,551

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 (\$6,229,951) exceeded depreciation (\$3,627,923) in the current period. 2,602,028

The net effect of various transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets. 6,925,717

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds adjusted for deferred revenue. (13,439)

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, discount, 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.

Debt issued:

Notes payable	(222,073)
Bonds payable	(1,289,270)

Repayments:

Bonds payable	336,830
Notes payable	425,086
Amortization	(28,134)

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	19,474
Net pension obligation	(6,079)
Accrued compensated absence liability - net increase	(40,594)

The Internal Service Fund is used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the Internal Service Fund is reported with governmental activities in the statement of activities. (46,758)

Change In Net Assets Of Governmental Activities \$ 9,729,339

See notes to financial statements

CITY OF WENTZVILLE, MISSOURI
STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
DECEMBER 31, 2008

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Fund
	Water Fund	Wastewater Fund	Stormwater Fund	Trash Fund	Eliminations	Totals	
ASSETS							
Current Assets							
Cash and cash equivalents	\$ 5,707,241	949,795	269,914	-	-	6,926,950	1,068,262
Receivable:							
Accounts, net	269,072	368,886	-	76,081	-	714,039	1,028
Other	-	4,303,125	-	-	(4,303,125)	-	-
Accrued interest	32,968	5,150	-	-	-	38,118	-
Inventories	241,975	31,739	-	-	-	273,714	-
Prepaid items	36,367	26,813	1,546	1,263	-	65,989	-
Due from other funds	1,340,158	-	64,396	-	-	1,404,554	-
Total Current Assets	7,627,781	5,685,508	335,856	77,344	(4,303,125)	9,423,364	1,069,290
Noncurrent Assets							
Capital assets:							
Land and construction in progress	387,225	2,433,345	315,784	165,273	-	3,301,627	-
Other capital assets, net of accumulated depreciation	19,694,986	46,149,406	138,308	-	(1,018,213)	64,964,487	-
Total Capital Assets	20,082,211	48,582,751	454,092	165,273	(1,018,213)	68,266,114	-
Restricted assets:							
Cash and cash equivalents	1,986,800	3,053,708	-	-	-	5,040,508	-
Investments	-	12,505,179	-	-	-	12,505,179	-
Total Restricted Assets	1,986,800	15,558,887	-	-	-	17,545,687	-
Deferred charges	118,285	329,204	-	-	-	447,489	-
Total Noncurrent Assets	22,187,296	64,470,842	454,092	165,273	-	86,259,290	-
Total Assets	29,815,077	70,156,350	789,948	242,617	(5,321,338)	95,682,654	1,069,290
LIABILITIES							
Current Liabilities							
Accounts payable	408,359	65,182	113,417	159	-	587,117	176,525
Retainage payable	6,486	3,294	5,346	-	-	15,126	-
Due to other funds	-	1,270,072	-	36,232	-	1,306,304	-
Accrued liabilities	28,675	627,575	2,816	1,032	-	660,098	-
Interest payable	141,175	2,803,865	-	-	(2,278,125)	666,915	-
Customer deposits	410,159	-	-	-	-	410,159	-
Deferred revenue	335,540	638,952	-	-	-	974,492	170,368
Compensated absences - current	4,513	3,882	351	88	-	8,834	-
Bonds payable - current	390,648	1,254,812	-	-	-	1,645,460	-
Total Current Liabilities	1,725,555	6,667,634	121,930	37,511	(2,278,125)	6,274,505	346,893
Noncurrent Liabilities							
Compensated absences	18,053	15,527	1,404	354	-	35,338	-
2005 SRF reserve deposit	-	12,975,697	-	-	-	12,975,697	-
Bonds payable	6,919,218	25,927,459	-	-	(2,025,000)	30,821,677	-
Total Noncurrent Liabilities	6,937,271	38,918,683	1,404	354	(2,025,000)	43,832,712	-
Total Liabilities	8,662,826	45,586,317	123,334	37,865	(4,303,125)	50,107,217	346,893
NET ASSETS							
Invested in capital assets, net of related debt	12,772,345	23,746,262	454,092	165,273	(1,018,213)	36,119,759	-
Restricted for debt service	691,961	723,554	-	-	-	1,415,515	-
Unrestricted	7,687,945	100,217	212,522	39,479	-	8,040,163	722,397
Total Net Assets	\$ 21,152,251	24,570,033	666,614	204,752	(1,018,213)	45,575,437	722,397
Adjustment to reflect the consoli- dation of the Internal Service Fund's activities related to Enterprise Funds							(2,676)
Net Assets Of Business- type Activities							\$ 45,572,761

CITY OF WENTZVILLE, MISSOURI
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
NET ASSETS - PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Fund
	Water Fund	Wastewater Fund	Stormwater Fund	Trash Fund	Eliminations	Totals	
OPERATING REVENUES							
Charges for services	\$ 4,686,069	3,454,361	-	1,598,320	-	9,738,750	1,986,892
Licenses and permits	3,285	-	-	-	-	3,285	-
Total Operating Revenues	<u>4,689,354</u>	<u>3,454,361</u>	<u>-</u>	<u>1,598,320</u>	<u>-</u>	<u>9,742,035</u>	<u>1,986,892</u>
OPERATING EXPENSES							
Personnel services	680,113	600,516	67,804	26,505	-	1,374,938	-
Other charges and services	2,484,975	729,702	7,168	21,940	-	3,243,785	1,557,368
Operating supplies	465,896	447,776	-	2,370	-	916,042	-
Repairs and maintenance	89,965	217,978	-	-	-	307,943	-
Depreciation and amortization	752,592	2,054,989	773	-	(56,566)	2,751,788	-
Contractual services	56,011	72,597	27,668	1,560,870	-	1,717,146	468,390
Total Operating Expenses	<u>4,529,552</u>	<u>4,123,558</u>	<u>103,413</u>	<u>1,611,685</u>	<u>(56,566)</u>	<u>10,311,642</u>	<u>2,025,758</u>
OPERATING INCOME (LOSS)	<u>159,802</u>	<u>(669,197)</u>	<u>(103,413)</u>	<u>(13,365)</u>	<u>56,566</u>	<u>(569,607)</u>	<u>(38,866)</u>
NONOPERATING REVENUES (EXPENSES)							
Investment income	279,891	889,484	-	-	(202,500)	966,875	17,644
Interest expense	(322,344)	(1,497,851)	-	-	202,500	(1,617,695)	-
Miscellaneous income	32,986	3,266	-	39,820	-	76,072	-
Loss on disposal of capital assets	(141,278)	-	-	-	-	(141,278)	-
Total Nonoperating Revenues (Expenses)	<u>(150,745)</u>	<u>(605,101)</u>	<u>-</u>	<u>39,820</u>	<u>-</u>	<u>(716,026)</u>	<u>17,644</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>9,057</u>	<u>(1,274,298)</u>	<u>(103,413)</u>	<u>26,455</u>	<u>56,566</u>	<u>(1,285,633)</u>	<u>(21,222)</u>
CAPITAL CONTRIBUTIONS	<u>1,738,897</u>	<u>2,084,706</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,823,603</u>	<u>-</u>
TRANSFERS							
Transfers in	-	-	705,631	8,977	-	714,608	-
Transfers in - capital assets	26,895	6,939	64,396	-	-	98,230	-
Total Transfers	<u>26,895</u>	<u>6,939</u>	<u>770,027</u>	<u>8,977</u>	<u>-</u>	<u>812,838</u>	<u>-</u>
CHANGES IN NET ASSETS	<u>1,774,849</u>	<u>817,347</u>	<u>666,614</u>	<u>35,432</u>	<u>56,566</u>	<u>3,350,808</u>	<u>(21,222)</u>
NET ASSETS, JANUARY 1	<u>19,377,402</u>	<u>23,752,686</u>	<u>-</u>	<u>169,320</u>	<u>(1,074,779)</u>	<u>42,224,629</u>	<u>743,619</u>
NET ASSETS, DECEMBER 31	<u>\$ 21,152,251</u>	<u>24,570,033</u>	<u>666,614</u>	<u>204,752</u>	<u>(1,018,213)</u>	<u>45,575,437</u>	<u>722,397</u>
Adjustment to reflect the consolidation of the Internal Service Fund's activities related to Enterprise Funds						(2,676)	
Net Assets Of Business-type Activities						<u>\$ 45,572,761</u>	

See notes to financial statements

CITY OF WENTZVILLE, MISSOURI
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Fund
	Water Fund	Wastewater Fund	Stormwater Fund	Trash Fund	Totals	
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS						
Cash flows from operating activities:						
Receipts from customers and users	\$ 4,685,506	3,247,269	-	1,557,319	9,490,094	-
Receipts from interfund services provided	-	-	-	-	-	2,008,446
Payments to suppliers	(2,849,236)	(1,542,832)	82,381	(1,585,735)	(5,895,422)	(1,962,052)
Payments to employees	(672,815)	(495,350)	(63,233)	(26,783)	(1,258,181)	-
Net Cash Provided By (Used In) Operating Activities	1,163,455	1,209,087	19,148	(55,199)	2,336,491	46,394
Cash flows from noncapital financing activities:						
Due to (from) other funds	(32,176)	(47,578)	(64,396)	6,402	(137,748)	-
Net transfers from other funds	-	-	705,631	8,977	714,608	-
Net Cash Provided By (Used In) Noncapital Financing Activities	(32,176)	(47,578)	641,235	15,379	576,860	-
Cash flows from capital and related financing activities:						
Purchase of capital assets	(385,905)	(950,645)	(390,469)	-	(1,727,019)	-
Proceeds from sale of capital assets	1,751	-	-	-	1,751	-
Proceeds from issuance of bonds	-	4,340,730	-	-	4,340,730	-
Principal payments	(365,000)	(5,590,045)	-	-	(5,955,045)	-
Interest paid	(316,894)	(1,656,779)	-	-	(1,973,673)	-
Net Cash Used In Capital And Related Financing Activities	(1,066,048)	(3,856,739)	(390,469)	-	(5,313,256)	-
Cash flows from investing activities:						
Investment income	270,455	904,094	-	-	1,174,549	17,644
Investments purchased	-	(12,505,179)	-	-	(12,505,179)	-
Investments sold	-	15,212,926	-	-	15,212,926	-
Reserve deposits	-	241,990	-	-	241,990	-
Miscellaneous income	32,986	3,266	-	39,820	76,072	-
Net Cash Provided By Investing Activities	303,441	3,857,097	-	39,820	4,200,358	17,644
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	368,672	1,161,867	269,914	-	1,800,453	64,038
CASH AND CASH EQUIVALENTS, JANUARY 1	7,325,369	2,841,636	-	-	10,167,005	1,004,224
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 7,694,041	4,003,503	269,914	-	11,967,458	1,068,262
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:						
Operating income (loss)	\$ 159,802	(669,197)	(103,413)	(13,365)	(626,173)	(38,866)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation and amortization	752,592	2,054,989	773	-	2,808,354	-
(Increase) decrease in:						
Accounts receivables	10,359	26,341	-	(41,001)	(4,301)	(1,028)
Other receivable	-	(202,500)	-	-	(202,500)	-
Inventories	175,091	(10,936)	-	-	164,155	-
Prepaid items	(6,909)	(6,721)	(1,546)	(21)	(15,197)	-
Deferred charges	7,616	106,519	-	-	114,135	-
Increase (decrease) in:						
Accounts payable	71,813	(163,641)	118,763	(534)	26,401	63,706
Accrued liabilities	5,626	99,020	2,816	268	107,730	-
Compensated absences	1,672	6,146	1,755	(546)	9,027	-
Customer deposits	(840)	-	-	-	(840)	-
Deferred revenue	(13,367)	(30,933)	-	-	(44,300)	22,582
Total Adjustments	1,003,653	1,878,284	122,561	(41,834)	2,962,664	85,260
Net Cash Provided By (Used In) Operating Activities	\$ 1,163,455	1,209,087	19,148	(55,199)	2,336,491	46,394
Noncash activities:						
Capital contributions from developers	\$ 1,738,897	2,084,706	-	-	3,823,603	-
Payables for capital assets, December 31	\$ -	3,294	-	-	3,294	-
Transfers of assets from governmental funds	\$ 26,895	6,939	64,396	-	98,230	-

See notes to financial statements

CITY OF WENTZVILLE, MISSOURI
STATEMENT OF NET ASSETS - FIDUCIARY FUND
DECEMBER 31, 2008

	<u>Agency Fund</u>
ASSETS	
Current Assets	
Cash	\$ 66,360
Accounts receivable	<u>87,029</u>
Total Current Assets	<u><u>\$ 153,389</u></u>
 LIABILITIES	
Current Liabilities	
Due to others	<u><u>\$ 153,389</u></u>

CITY OF WENTZVILLE, MISSOURI

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The **CITY OF WENTZVILLE, MISSOURI** (the City) was incorporated in March 1872 and established a Mayor/Board of Aldermen form of government. The City's major operations include public safety (police), highways and streets, culture and recreation, public improvements, planning and zoning, and general administrative services.

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

1. The Financial Reporting Entity

The City defines its financial reporting entity in accordance with provisions established by the Governmental Accounting Standards Board (GASB). Such standards require inclusion of component units based upon whether the City's governing body has any significant amount of financial accountability for potential component units (PCU). The City is financially accountable if it appoints a voting majority of a PCU's governing body and is able to impose its will on that PCU, or there is a potential for the PCU to provide specific financial benefits to, or impose specific financial burdens on, the City. The City's financial reporting entity consists of the City (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of operational or financial relationships with the City.

Wentzville Bluffs Community Improvement District (CID) -- The CID was incorporated in 2006. Three of the five directors of the CID are appointed by the City. The CID is organized to develop certain public and infrastructure improvements. The CID is a component unit of the City and is discretely presented as such in the financial statements.

Wentzville Economic Development Council (WEDC) -- The WEDC was formed in 1994 as a Missouri not-for-profit corporation for the purpose of facilitating the acquisition and construction of certain capital improvements and facilities solely for the benefit of the City. The WEDC is legally separate from the City; however, its governing body is substantively the same as the City's and, consequently, it is, in substance, the same as the primary government. As such, the balances and transactions of this component unit are blended into the accompanying financial statements and reported in a manner similar to the balances and transactions of the City itself.

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 and its component unit. For the most part, the effect of interfund activity has been removed from the statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the City is reported

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

separately from certain legally separate component units for which the City is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary fund, even though the latter is 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.

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

Property taxes, franchise taxes, licenses, court fines, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

Park Fund -- This fund is a Special Revenue Fund used to account for taxes and park programs revenue and for the activities related to the parks department.

Transportation Fund -- This fund is a Special Revenue Fund used to account for special revenues received from transportation taxes.

Capital Improvement Fund -- This fund is used to account for financial resources designated for the acquisition or construction of major capital facilities and improvements (other than those financed by proprietary funds).

Neighborhood Improvement District Fund -- This fund is used to account for the activities related to the District.

WEDC Fund -- This fund is used to account for the governmental activities related to WEDC capital projects.

Tax Increment Financing District Fund -- This fund is used to account for the activities related to the District.

The City reports the following major proprietary funds:

Water Fund -- This fund is used to account for operations of the City's water department.

Wastewater Fund -- This fund is used to account for operations of the City's wastewater department.

Stormwater Fund -- This fund is used to account for operations of the City's stormwater department.

Trash Fund -- This fund is used to account for revenues and expenses related to trash collections made by the City on behalf of its residents.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Additionally, the City reports the following fund types:

Internal Service Fund -- This fund is used to account for services provided to other departments of the City by the Self-Insurance Fund. Charges for services are allocated to various City departments on a cost recovery basis.

Agency Fund -- This fund is a Fiduciary Fund used to account for the receipt and disbursement of resources for the Transportation Development District.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with, or contradict guidance of GASB. Governments also have the option of following subsequent private-sector guidance for their business-type activities and Enterprise Funds, subject to this same limitation. The City has elected not to 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 rule are payment-in-lieu of taxes and other charges and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contribution, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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 operations. The principal operating revenues of the City's Enterprise Funds and Internal Service Fund are charges for sales and services. Operating expenses for Enterprise Funds and Internal Service Funds include the cost of sales 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.

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Cash, Cash Equivalents, and Investments

The City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, requires that all investments be reported in the financial statements at fair value. Fair value is established as readily determinable current market value for equity and debt securities. State statutes authorize the City to invest in obligations of the U.S. Treasury, federal agencies, commercial paper, corporate bonds, and repurchase agreements.

5. Special Assessments Receivable

Special assessments receivable represents the residents' portion of improvements related to the Neighborhood Improvement District which have been completed and billed. The City's portion of such improvements is expended as incurred. At the time of the levy, special assessments receivable in the amount of the levy and deferred revenue equal to the amount that is not currently available are recognized in the Neighborhood Improvement District Fund.

6. Inventories

Inventories in the governmental and proprietary funds are valued at cost (first-in, first-out) and the expense is recognized when inventory items are consumed in operations.

7. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the fiscal year-end are recorded as prepaid items. Prepaid items are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

8. Capital Assets

Capital assets, which include property, equipment, and infrastructure (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Infrastructure acquired prior to the implementation of GASB 34 has been reported.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Capital Assets (Continued)

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

Assets	Years
Buildings	10 - 30
Infrastructure	30 - 40
Equipment	3 - 10

9. Restricted Assets

Certain General Fund monies are classified as restricted assets on the balance sheet because their use is limited to refunding court bonds paid and protested taxes.

Certain cash and investments of the Enterprise Funds are restricted for the repayment of the outstanding bonds, interest, and capital improvements in accordance with bond ordinances and the related trust indentures.

10. Allowance for Doubtful Accounts

The allowance for uncollectible receivables is as follows:

	December 31, 2008	
	<u>Governmental</u>	<u>Business-type</u>
	<u>Activities</u>	<u>Activities</u>
General Fund	\$17,534	-
Park Fund	1,579	-
Water Fund	-	4,776
Wastewater Fund	-	3,181
Trash Fund	-	3,000
	<u>\$19,113</u>	<u>10,957</u>

11. Long-term Debt

The debt is to be liquidated by the related fund. Also, compensated absences payable are generally liquidated by the General Fund.

12. Deferred Revenues

The City reports deferred revenues on its combined balance sheet. Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Deferred Revenues (Continued)

for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has a legal claim to them. In subsequent periods, when both the revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

13. Long-term Liabilities

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discount, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are amortized over the term of the related debt.

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.

14. Compensated Absences

City employees generally earn vacation monthly based upon their length of service to the City. Regular full-time employees who are separated from service are compensated for vacation accrued up to the date of separation. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. Sick leave is accumulated based on length of service and is available only to provide compensation during periods of illness. No portion of sick leave is payable to the employee upon termination, but is payable upon retirement or death. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

15. Reserved Fund Balance

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for subsequent year appropriations or are legally restricted by outside parties for use for a specific purpose, if any.

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

16. Equity in Pooled Cash and Investments

The City maintains the majority of its cash and investments in a pooled cash and investments account. As a control, the City also maintains separate accounting records for each fund, so that in the accompanying financial statements, equity in pooled cash and investments reflects each fund's share of such accounts.

17. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental fund types. Encumbrances outstanding at year-end are reported as a reservation of fund balance. Encumbrances do not constitute current year expenditures or liabilities.

18. Grant Revenue

Resources received by the City from other governments are accounted for within applicable funds based on the purpose and requirements of each grant. Revenues are recognized on an accounting basis consistent with the fund's measurement objective.

Revenues related to expenditure-driven grants are recognized to the extent expenditures are incurred. Any excess or deficiency of grant revenues received compared to expenditures incurred is recorded as deferred revenue or amounts receivable from the grantor.

19. Property Taxes

The City's property taxes are levied each October based on the assessed valuation for all real property located in the City as of the previous January 1. Taxes are due upon receipt of billing and become delinquent after December 31. Liens are placed on property for delinquent taxes on January 1 following the due date.

The St. Charles County Assessor establishes assessed values and the County tax collector makes collections. The assessed value at January 1, 2008 upon which the 2008 levy was based for real estate, personal property, and railroads and utilities taxes was \$673,628,163.

The City's tax rate was levied at \$0.9079 per \$100 of assessed valuation which is used completely for general governmental services.

CITY OF WENTZVILLE, MISSOURI

NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

20. Use of Estimates

The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires the City to make estimates and assumptions that affect the reported amounts of assets and liabilities at fiscal year-end and revenues and expenditures/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 December 31, 2008, 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.

2. Investments

As of December 31, 2008, the City had the following investments:

<u>Investments</u>	<u>Fair Market Value</u>	<u>No Maturity</u>	<u>Less Than One Year</u>	<u>1 - 5 Years</u>	<u>6 - 10 Years</u>	<u>More Than 10 Years</u>	<u>Credit Risk</u>
Governmental Funds							
Repurchase agreement	\$4,300,000	-	4,300,000	-	-	-	AAA
Certificates of deposit	2,334,879	-	2,334,879	-	-	-	N/A
Money market funds	<u>27,753</u>	<u>27,753</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	Not rated
Total Investments	6,662,632	<u>27,753</u>	<u>6,634,879</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Amounts included in cash and cash equivalents	(4,327,753)						
Total Govern- mental Funds	<u>\$2,334,879</u>						

CITY OF WENTZVILLE, MISSOURI

NOTES TO FINANCIAL STATEMENTS

NOTE B - CASH AND INVESTMENTS (Continued)

2. Investments (Continued)

<u>Investments</u>	<u>Fair Market Value</u>	<u>No Maturity</u>	<u>Less Than One Year</u>	<u>1 - 5 Years</u>	<u>6 - 10 Years</u>	<u>More Than 10 Years</u>	<u>Credit Risk</u>
Proprietary Funds							
Certificates of deposit	\$ 5,087,955	-	5,087,955	-	-	-	N/A
Federal agency notes	1,286,428	-	351,384	-	-	935,044	AAA
Guaranteed investment contract	13,411,902	-	350,000	-	-	13,061,902	AA
Money market funds	<u>363,246</u>	<u>363,246</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	Not rated
Total Investments	20,149,531	<u>363,246</u>	<u>5,789,339</u>	<u>-</u>	<u>-</u>	<u>13,996,946</u>	
Amounts included in cash and cash equivalents	<u>7,644,352</u>						
Total Proprietary Funds	<u>\$12,505,179</u>						
Component Unit							
Money market funds	<u>\$134</u>	<u>134</u>	<u>-</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. In accordance with its investment policy, the City minimizes credit risk by diversifying the portfolio to reduce potential losses on individual securities.

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. In accordance with its investment policy, the City minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, therefore avoiding the need to sell securities on the open market prior to maturity, and investing in primarily shorter term securities.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. In accordance with its investment policy, the City minimizes concentration of credit risk by diversifying the investment portfolio.

NOTE C - CAPITAL ASSETS

Capital asset activity was as follows:

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE C - CAPITAL ASSETS (Continued)

For The Year Ended December 31, 2008				
	Balance December 31 2007	Additions	Reclassi- fications And Deletions	Balance December 31 2008
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 9,315,365	-	-	9,315,365
Construction in progress	<u>11,039,232</u>	<u>4,548,227</u>	<u>7,830,554</u>	<u>7,756,905</u>
Total Capital Assets Not Being				
Depreciated	<u>20,354,597</u>	<u>4,548,227</u>	<u>7,830,554</u>	<u>17,072,270</u>
Capital assets being depreciated:				
Buildings	11,414,688	24,641	-	11,439,329
Infrastructure	52,780,750	15,015,588	-	67,796,338
Equipment	<u>7,847,400</u>	<u>1,482,617</u>	<u>606,258</u>	<u>8,723,759</u>
Total Capital Assets Being				
Depreciated	<u>72,042,838</u>	<u>16,522,846</u>	<u>606,258</u>	<u>87,959,426</u>
Less - Accumulated depreciation for:				
Buildings	3,963,839	395,225	-	4,359,064
Infrastructure	8,542,630	2,455,051	-	10,997,681
Equipment	<u>4,678,104</u>	<u>777,647</u>	<u>521,407</u>	<u>4,934,344</u>
Total Accumulated Depreciation	<u>17,184,573</u>	<u>3,627,923</u>	<u>521,407</u>	<u>20,291,089</u>
Total Capital Assets Being				
Depreciated, Net	<u>54,858,265</u>	<u>12,894,923</u>	<u>84,851</u>	<u>67,688,337</u>
Governmental Activities Capital				
Assets, Net	<u>\$75,212,862</u>	<u>17,443,150</u>	<u>7,915,405</u>	<u>84,740,607</u>
Business-type Activities				
Capital assets not being depreciated:				
Land	\$ 1,276,331	-	-	1,276,331
Construction in progress	<u>1,572,908</u>	<u>539,533</u>	<u>87,145</u>	<u>2,025,296</u>
Total Capital Assets Not Being				
Depreciated	<u>2,849,239</u>	<u>539,533</u>	<u>87,145</u>	<u>3,301,627</u>
Capital assets being depreciated:				
Buildings	20,176,009	172,311	-	20,348,320
Water system	21,798,078	1,951,875	150,998	23,598,955
Sewer system	30,938,745	2,413,933	-	33,352,678
Equipment	<u>2,069,765</u>	<u>360,243</u>	<u>19,730</u>	<u>2,410,278</u>
Total Capital Assets Being				
Depreciated	<u>74,982,597</u>	<u>4,898,362</u>	<u>170,728</u>	<u>79,710,231</u>
Less - Accumulated depreciation for:				
Buildings	722,526	671,793	-	1,394,319
Water system	3,377,508	711,993	7,969	4,081,532
Sewer system	6,720,702	1,135,423	-	7,856,125
Equipment	<u>1,200,920</u>	<u>232,578</u>	<u>19,730</u>	<u>1,413,768</u>
Total Accumulated Depreciation	<u>12,021,656</u>	<u>2,751,787</u>	<u>27,699</u>	<u>14,745,744</u>
Total Capital Assets Being				
Depreciated, Net	<u>62,960,941</u>	<u>2,146,575</u>	<u>143,029</u>	<u>64,964,487</u>
Business-type Activities Capital				
Assets, Net	<u>\$65,810,180</u>	<u>2,686,108</u>	<u>230,174</u>	<u>68,266,114</u>

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE C - CAPITAL ASSETS (Continued)

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

	For The Year Ended December 31 2008
Governmental Activities	
General government	\$ 120,413
Public safety	423,176
Community development	2,846,224
Parks and recreation	<u>238,110</u>
Total Depreciation Expense - Governmental Activities	<u>\$3,627,923</u>
Business-type Activities	
Water	\$ 752,592
Sewer	1,998,422
Stormwater	<u>773</u>
Total Depreciation Expense - Business-type Activities	<u>\$2,751,787</u>

NOTE D - RESTRICTED ASSETS

Certain amounts are restricted for various bond and escrow purposes. The bond reserve restricted account balances are as follows:

	December 31, 2008	
	<u>Actual</u>	<u>Required</u>
Leasehold Revenue Bonds:		
Series 1999 Reserve	\$ 126,368	104,000
Series 2001 Reserve	1,386,848	290,500
Series 2004 Reserve	664,161	638,500
Series 2005 Reserve	565,593	549,522
Series 2006 Reserve	281,441	272,500
Series 2008 Reserve	573,428	475,432
Sewerage System Revenue Bonds, Series 2005 Reserve	<u>13,234,051</u>	<u>13,234,051</u>
	<u>\$16,831,890</u>	<u>15,564,505</u>

Certain reserve accounts may at times be below the required balance due to market fluctuations in the investment balances. The bank trustee and the City have agreed to restore the deficiency by paying additional payments through interest earnings and future increase until the Reserve Fund equals the requirement, if needed.

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE E - INTERFUND TRANSFERS

Interfund transfers are as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>December 31</u> <u>2008</u>
Park Fund - Special Revenue Fund	General Fund	\$ 852,232
Park Fund - Special Revenue Fund	Capital Improvement Fund - Capital Projects Fund	153,594
Transportation Fund - Special Revenue Fund	General Fund	510,411
Transportation Fund - Special Revenue Fund	Capital Improvement Fund - Capital Projects Fund	1,591,073
Stormwater Fund - Enterprise Fund	General Fund	351,882
Stormwater Fund - Enterprise Fund	Capital Improvement Fund - Capital Projects Fund	353,749
Trash Fund - Enterprise Fund	General Fund	<u>8,977</u>
		<u>\$3,821,918</u>

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

Additional interfund transfers were used to record capital assets transferred from governmental funds to proprietary funds. These items were transferred into the Water Fund, Wastewater Fund, and Stormwater Fund and totaled \$26,895, 6,939, and \$64,396, respectively.

NOTE F - RESTRICTED NET ASSETS

The government-wide statement of net assets reports \$5,570,052 of restricted net assets, of which \$1,609,653 is restricted by enabling legislation.

NOTE G - INTERFUND ASSETS/LIABILITIES

Interfund assets and liabilities are as follows:

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE G - INTERFUND ASSETS/LIABILITIES (Continued)

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>December 31 2008</u>
General Fund	Trash Fund - Enterprise Fund	\$ 36,232
Water Fund - Enterprise Fund	General Fund	43,475
Wastewater Fund - Enterprise Fund	General Fund	26,612
Stormwater Fund - Enterprise Fund	General Fund	64,396
Water Fund - Enterprise Fund	Wastewater Fund - Enterprise Fund	1,296,684
General Fund	Capital Improvements Fund -	
	Capital Projects Fund	<u>314,544</u>
		<u>\$1,781,943</u>

The outstanding balances between funds result mainly from the time lag between the dates that 1) inter-fund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. All interfund balances are expected to be repaid during the fiscal year ending December 31, 2009.

NOTE H - LONG-TERM DEBT

The following is a summary of the long-term debt transactions:

	For The Year Ended December 31, 2008			Amounts	
	Balance			Due	
	December 31			Within	
	2007	Additions	Reductions	2008	One Year
Governmental Activities					
Neighborhood Improvement					
District bonds	\$ 1,400,000	-	115,000	1,285,000	120,000
Leasehold revenue bonds	6,145,000	1,289,270	221,830	7,212,440	219,540
Less - Discounts (net)	(122,414)	(1,718)	(10,730)	(113,402)	-
Less - Deferred loss	(573,372)	(31,731)	(48,295)	(556,808)	-
2005A and 2005B notes payable	4,664,552	-	-	4,664,552	-
Notes payable - other	1,481,488	222,073	425,086	1,278,475	473,739
Tax increment revenue notes	1,002,000	-	-	1,002,000	-
Compensated absences	<u>588,398</u>	<u>158,274</u>	<u>117,680</u>	<u>628,992</u>	<u>125,798</u>
Total Governmental Activities	\$14,585,652	1,636,168	820,571	15,401,249	939,077

CITY OF WENTZVILLE, MISSOURI

NOTES TO FINANCIAL STATEMENTS

NOTE H - LONG-TERM DEBT (Continued)

	For The Year Ended December 31, 2008			Amounts	
	Balance	Additions	Reductions	Balance	Due
	December 31 2007			December 31 2008	Within One Year
Business-type Activities					
Leasehold revenue bonds	\$15,955,000	4,340,730	6,463,170	13,832,560	805,460
Sewerage system revenue bonds	19,430,000	-	835,000	18,595,000	840,000
Plus - Premium (net)	146,783	(5,782)	(87,173)	228,174	-
Less - Deferred loss	(98,806)	(106,835)	(17,044)	(188,597)	-
Compensated absences	<u>35,145</u>	<u>16,056</u>	<u>7,029</u>	<u>44,172</u>	<u>8,834</u>
Total Business-type Activities	<u>\$35,468,122</u>	<u>4,244,169</u>	<u>7,200,982</u>	<u>32,511,309</u>	<u>1,654,294</u>
Component Unit					
CID notes payable	<u>\$3,735,134</u>	<u>-</u>	<u>-</u>	<u>3,735,134</u>	<u>-</u>

Bond discounts and deferred changes are recorded as a reduction of the debt obligation. Bond issuance costs are capitalized intangibles. Such amounts are amortized over the term of the related bonds.

1. Neighborhood Improvement District Bonds

On April 1, 2006 the City issued \$1,510,000 of Neighborhood Improvement District Limited General Obligation Refunding Bonds (Bear Creek stormwater detention, sanitary sewer, and water improvement project) Series 2006. The bonds were issued for the purpose of refunding in advance the \$1,585,000 of outstanding Neighborhood Improvement District Bonds Series 2000. The bonds are indebtedness of the City and are to be paid from special assessments that are assessed on the real property of the District. The bonds bear interest from 3.5% to 3.92% and are due March 1, 2018. Annual principal and interest on the Neighborhood Improvement District Bonds, Series 2006 are as follows:

For The Years Ended December 31	Principal	Interest	Total
2009	\$ 120,000	45,495	165,495
2010	120,000	41,265	161,265
2011	125,000	36,885	161,885
2012	130,000	32,282	162,282
2013	135,000	27,445	162,445
2014 - 2018	<u>655,000</u>	<u>58,377</u>	<u>713,377</u>
	<u>\$1,285,000</u>	<u>241,749</u>	<u>1,526,749</u>

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE H - LONG-TERM DEBT (Continued)

2. 2005A and 2005B Notes Payable

In 2005 the City issued \$4,714,771 of Series 2005A and 2005B notes payable for land which are special, limited obligations of the City payable from a portion of the sales tax generated within certain development property. The notes have an interest rate of 4.5%.

3. Notes Payable - Other

The City has issued various notes from 2006 to 2008 to finance the purchase of certain property. The interest rates on these notes vary from 0% to 9% and mature between 2009 and 2016. Annual principal and interest requirements to maturity are as follows:

For The Years Ended December 31	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 473,739	58,937	532,676
2010	343,113	35,686	378,799
2011	138,623	17,442	156,065
2012	64,600	14,535	79,135
2013	64,600	11,628	76,228
2014 - 2016	<u>193,800</u>	<u>17,442</u>	<u>211,242</u>
	<u>\$1,278,475</u>	<u>155,670</u>	<u>1,434,145</u>

4. Tax Increment Revenue Notes

In 2007 the City issued \$1,002,000 in tax increment revenue notes pursuant to an ordinance dated May 2007. The bonds are special, limited obligations of the City, payable solely from payment in lieu of taxes and economic activity tax revenues, generated in the redevelopment area. The bonds mature in 2029 with interest rates at 8.25% and 9.25%.

5. WEDC - Leasehold Revenue Bonds

Funding of such capital improvements and facilities has been provided through the issuance of Leasehold Revenue Bonds by the WEDC. The Leasehold Revenue Bonds do not constitute a legal debt or liability for the City, the State of Missouri, or for any other political subdivision thereof and do not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The issuance of the Leasehold Revenue Bonds does not obligate the City to levy any form of taxation or to make any appropriation for payment in any fiscal year. The WEDC has no taxing power.

On April 1, 1999, the WEDC issued \$3,195,000 of Leasehold Revenue and Improvement Bonds. A portion of the bonds amounting to \$1,815,000 were issued to fund the construc-

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE H - LONG-TERM DEBT (Continued)

5. WEDC - Leasehold Revenue Bonds (Continued)

tion of water and sewer lines, roads, and sidewalks within the newly formed Tax Increment Financing District. The balance of the bonds amounting to \$1,380,000 were issued to advance refund \$1,290,000 of outstanding 1995 Leasehold Revenue Bonds. The bonds mature in varying amounts each year through 2015 and accrue interest at varying rates between 3.8% and 5.5%.

On December 16, 2004, the WEDC issued \$6,700,000 of Leasehold Revenue Refunding Bonds, Series 2004. The balance of the bonds amounting to \$6,447,300 were issued to advance refund \$6,035,000 of outstanding 2000 Leasehold Revenue Bonds. The bonds mature in varying amounts each year through 2021 and accrue interest at varying rates between 2.05% and 4.25%. The Leasehold Revenue Bonds, Series 2000 proceeds were used to finance the construction of a new police station and acquisition of equipment for the police department.

On July 13, 2005, the WEDC issued \$7,540,000 of Leasehold Revenue Bonds, Series 2005. The proceeds are being used to acquire land and to construct a water tower, booster pump, and water main. Payment of the principal is for varying amounts every year through 2025. Interest is due semi-annually with varying interest rates from 2.55% to 4.25%.

On December 1, 2006, the WEDC issued \$2,725,000 of Leasehold Revenue Refunding Bonds, Series 2006. The proceeds were used to refund \$2,615,000 of outstanding 1997 Leasehold Revenue Bonds. The 1997 bonds were used to finance certain sewer treatment facilities and improvements. The bonds mature in varying amounts each year through 2017 and accrue interest at varying rates between 3.45% and 3.9%.

On February 26, 2008, the WEDC issued \$5,630,000 of Leasehold Revenue Bonds, Series 2008. The proceeds used to advance refund \$5,625,000 of outstanding 2002 Leasehold Revenue Bonds which were used to construct a lift station and sewer main and basin for stormwater control. Payment of the principal is for varying amounts each year through 2022. Interest is due semi-annually with interest rate at 3.83%.

Annual principal and interest requirements to maturity on the Leasehold Revenue Bonds are as follows:

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE H - LONG-TERM DEBT (Continued)

5. WEDC - Leasehold Revenue Bonds (Continued)

For The Years Ended December 31	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 1,025,000	811,142	1,836,142
2010	1,065,000	774,983	1,839,983
2011	1,105,000	736,268	1,841,268
2012	1,140,000	695,223	1,835,223
2013	1,185,000	651,996	1,836,996
2014 - 2018	7,220,000	2,343,668	9,563,668
2019 - 2023	7,275,000	682,012	7,957,012
2024 - 2025	<u>1,030,000</u>	<u>65,834</u>	<u>1,095,834</u>
	<u>\$21,045,000</u>	<u>6,761,126</u>	<u>27,806,126</u>

6. Water Pollution Control Revenue Bonds Payable

In November 2005, the Missouri State Environmental Improvement and Energy Resources Authority (the Authority) authorized and issued Water Pollution Control Revenue Bonds (State Revolving Funds Programs) Series 2005C (Series 2005C). The Series 2005C bonds provided funds to make loans to various Missouri political subdivisions that will be used to finance water treatment projects. A portion of the proceeds of the Series 2005C bonds issued by the Authority were used to purchase Participant Revenue Bonds (Participant Bonds) authorized and issued by the City in the aggregate principal amount of \$19,430,000, the proceeds of which will be used for constructing, repairing, and equipping new and existing wastewater facilities. The District's Participant Bonds have interest rates ranging from 3.25% to 5% and are payable in semi-annual installments at varying amounts through 2027.

In connection with the City's issuance of the 2005C bonds, the City participates in the State Revolving Funds Program established by the Missouri Department of Natural Resources (DNR). Monies from federal capitalization grants and state matching funds are used to fund a reserve account for each participant. As the City incurs approved capital expenses, the DNR reimburses the City for the expenses from the bond proceeds account and deposits in a bond reserve fund in the City's name an additional 70% for the Series 2005C bonds. Interest earned from this reserve fund can be used by the City to fund interest payments on the bonds. On the date of each payment of the principal amount of the City's Participant Bonds, the trustee transfers from this reserve account to the master trustee an amount equal to 70% for the Series 2005C bonds. The costs of operation and maintenance of the wastewater treatment and sewerage facilities and the debt service is payable from wastewater revenues.

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE H - LONG-TERM DEBT (Continued)

6. Water Pollution Control Revenue Bonds Payable (Continued)

Annual principal and interest on the Series 2005C bonds are as follows:

For The Years Ended December 31	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 840,000	830,376	1,670,376
2010	845,000	802,656	1,647,656
2011	855,000	773,082	1,628,082
2012	865,000	741,018	1,606,018
2013	875,000	708,582	1,583,582
2014 - 2018	4,615,000	2,959,190	7,574,190
2019 - 2023	5,150,000	1,823,888	6,973,888
2024 - 2027	<u>4,550,000</u>	<u>534,026</u>	<u>5,084,026</u>
	<u>\$18,595,000</u>	<u>9,172,818</u>	<u>27,767,818</u>

7. CID Notes Payable

In 2007, the CID issued \$3,735,134 in Community Improvement Revenue Notes with interest at prime plus 1% maturing March 2027. The notes are special obligations payable from certain revenues and are not a general obligation of the CID, City, or any other political subdivision.

8. Interest Capitalization

In accordance with FASB Statement No. 62, the City capitalizes the net effect of interest expense, related interest revenue and arbitrage expense on major construction while in progress, if any.

9. Defeased Debt

The City has defeased various debt issues by placing the proceeds in irrevocable trusts to provide for all future debt service payments on the old debt. Accordingly, the trust assets and liability for the defeased debt are not included in the City's financial statements. As of December 31, 2008, \$1,015,000 of debt is considered defeased.

10. Refunding

In February 2008, the City issued \$5,630,000 of Leasehold Refunding Revenue Bonds to refund \$5,625,000 of outstanding Series 2002 Leasehold Revenue Bonds (the old debt). The net proceeds were used to purchase securities for deposit in an irrevocable trust with

NOTE H - LONG-TERM DEBT (Continued)

10. Refunding (Continued)

an escrow agent to provide for all future debt service payments on the old debt. As a result, the old debt is considered to be defeased and the liability for this debt has been removed from the City's financial statements. The City decreased its aggregated debt service payments by \$638,496 over 14 years which resulted in economic gain (difference between the present values of the old and new debt service payments) of \$379,222.

NOTE I - EMPLOYEE RETIREMENT BENEFIT PLAN

1. Plan Description and Provisions

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.

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 70.600-70.755. 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 401(a) 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 rates are 7.5% (general) and 7.9% (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 2008, the City's annual pension cost of \$581,363 was equal to the required and actual contributions. The required contribution was determined as part of the February 28, 2006 and/or 2007 annual actuarial valuation using the entry age actuarial cost method. The actuarial assumptions as of February 29, 2008 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 divi-

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE I - EMPLOYEE RETIREMENT BENEFIT PLAN (Continued)

3. Annual Pension Cost (Continued)

sion, 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) postretirement mortality based on the 1971 Group Annuity Mortality table projected to 2000 set back one year for men and seven 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 29, 2008 was 15 years.

Three-year trend information follows:

<u>For The Years Ended June 30</u>	<u>Pension Cost (APC)</u>	<u>Annual Percentage Of APC Contributed</u>
2008	\$581,363	100%
2007	543,321	100
2006	506,283	100

Schedule of funding progress follows:

<u>For The Valuation Years Ended February 28</u>	<u>Actuarial Value Of Assets</u>	<u>Entry Age Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (Excess Assets)</u>
2008	\$10,872,835	\$10,271,951	(\$600,884)
2007	9,258,271	8,661,717	(596,554)
2006	8,379,444	8,034,501	(344,943)

<u>For The Valuation Years Ended February 28</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>Unfunded AAL As A Percentage Of Covered Payroll</u>
2008	106%	\$7,917,443	- %
2007	107	6,613,488	-
2006	104	6,232,549	-

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE I - EMPLOYEE RETIREMENT BENEFIT PLAN (Continued)

3. Annual Pension Cost (Continued)

Note: The above assets and AAL 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 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The City provides healthcare benefits to non-uniformed employees who are eligible to retire once they have attained age 55 plus 30 years of service or age 62 and police who are eligible to retire once they have attained age 50 plus 30 years of service or age 62. Medical and prescription drug benefits are available to retirees in the City's self-insured pool. The City pays the monthly group health insurance premium for the individual. Retirees must contribute the COBRA premium (\$550.09 per month for October 1, 2008 through September 30, 2009) to retain coverage. In addition, there is a closed group of former employees who receive life insurance coverage from the City. The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities. The City's annual OPEB cost for the current year and the related information are as follows:

	For The OPEB Fiscal Year Ended September 30, 2008
Amortization of past service cost	\$4,503
Normal cost	3,171
Interest to end of fiscal year	<u>307</u>
ARC	7,981
Interest on net OPEB obligation	-
Adjustment to ARC	<u>-</u>
Annual OPEB Cost	7,981
Contributions made	<u>(1,902)</u>
Increase In Net OPEB Obligation	6,079
Net OPEB obligation at September 30, 2008	<u>-</u>
Net OPEB Obligation Expected At September 30, 2009	<u>\$6,079</u>

The Plan was established by City Ordinance, which assigned the authority to establish and amend plan benefit provisions to the City. The contribution requirements of the City and plan members are established and may be amended by the City.

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE J - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

In future years, three-year trend information will be presented. 2008 was the year of implementation of GASB 45 and the City has elected to implement prospectively, therefore, prior year comparative funding progress is not available.

Required Supplemental Information

Schedule Of Funding Progress (Dollars In Thousands)						
Actuarial Valuation Date <u>October 1</u>	Actuarial Value Of Assets <u>(1)</u>	Actuarial Accrued Liability <u>(2)</u>	Unfunded Accrued Liability (UAAL) <u>(1)-(2)</u>	Funded Ratio <u>(1)/(2)</u>	Covered Payroll <u>(3)</u>	UAAL As A Percentage Of Covered Payroll <u>(1-2)/(3)</u>
2008	\$ -	\$52,070	(\$52,070)	- %	\$43,640	(50%)

Schedule Of Employer Contributions (Dollars In Thousands)			
For The Year Ended September 30	Annual Required Contribution	Contribution Made	Percent Contributed
2008	\$7,981	\$1,902	24%

Significant actuarial assumptions used in the valuation are as follows:

Valuation method	Projected unit cost method
Latest valuation date	October 1, 2008
Discount rate	4% per annum
Amortization period	15 years for initial UAAL
Payroll inflation	N/A
Mortality	RP2000 Blended Mortality Table
Medical premium rates	9.5% initial rate; 5.5% alternate rate

NOTE K - CONCENTRATION

General Motors Corporation (GM) is a major customer of the City's water and sewer services. The amount received from GM for the year ended December 31, 2008 was approximately \$853,000. In addition, this business and certain associated businesses accounted for approximately 7.6% of General Fund revenues and 1.8% of total City revenues.

NOTE L - RISK MANAGEMENT

The City is a member of the Missouri Intergovernmental Risk Management Association (MIRMA), a state-wide governmental self-insurance pool which provides property, liability, and workers' compensation coverages to its participating members in a single comprehensive multi-line package. The various

CITY OF WENTZVILLE, MISSOURI

NOTES TO FINANCIAL STATEMENTS

NOTE L - RISK MANAGEMENT (Continued)

lines of coverage are not available individually and the membership is limited to municipalities and municipally owned utilities. The City's policy covers all real and personal property owned by the City except sewer lines. The policy is for replacement cost and expires June 30, 2009.

MIRMA is funded by annual member assessments calculated at a rate per \$100 of annual payroll which applies to all lines of coverage on a composite basis. These funds are used to pay losses within specific risk retention limits shared equally by all members; purchase excess insurance which provides a transfer of catastrophic risk to private insurance carriers; purchase services such as claims administration, loss prevention, and data processing; and pay administrative expenses. Should actual insurance losses exceed MIRMA's estimates, the City could be required to contribute additional funds. Management believes the risk of additional loss is minimal and any additional contributions that may be required would not materially impact the overall operations of the City. The City paid an assessment totaling \$724,912 for MIRMA's fiscal year ended June 30, 2009. Settled claims resulting in these risks have not exceeded coverage in any of the past three years.

NOTE M - CONTINGENCIES

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

All Missouri entities that have collected confiscation funds may be required to remit all or part of these funds to other governmental entities. The City has not recorded any of these funds as revenue in this year or in previous years.

The City entered into an agreement with Public Water Supply District No. 2 of St. Charles County (Water District) as of September 26, 2007 for the purchase of a maximum of 20 million gallons of water daily. The contract is in effect until July 18, 2026 and will automatically renew for two ten-year terms unless terminated by either party.

The City has an agreement with the Wentzville Parkway Transportation Corporation (Corporation) that issued debt of \$12,935,000 of bonds payable in 2001. Upon final payment of the debt, the title and interest of the Corporation will be dedicated to the Missouri Highway and Transportation Commission (Commission). The City has agreed to provide funding from its transportation sales tax or other legally available amount less the amount of Commission payments and other amounts available to the Corporation sufficient to pay the principal and interest on the bonds and other specified items when due. The amount of bonds outstanding as of December 31, 2008 was \$2,390,000.

The City voters have approved a total of \$80 million of revenue bonds for wastewater treatment plant expansion. The City has issued \$19,430,000 through December 31, 2008.

The City had commitments to purchase water and sewer supplies and project services totaling \$914,529 at December 31, 2008.

CITY OF WENTZVILLE, MISSOURI
NOTES TO FINANCIAL STATEMENTS

NOTE N - RECLASSIFICATION

The City separated the amounts reported in its WEDC Fund into the governmental and business-type activities which modified the beginning balances as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Governmental WEDC Activities</u>	<u>Water Fund</u>	<u>Wastewater Fund</u>	<u>Enterprise WEDC Fund</u>
Net assets/fund balances, Decem- ber 31, 2007, as previously reported	\$ 72,786,180	44,471,388	-	18,372,058	26,248,106	784,895
Reclassifications	<u>2,255,653</u>	<u>(2,246,759)</u>	<u>1,417,235</u>	<u>1,005,344</u>	<u>(2,495,420)</u>	<u>(784,895)</u>
Net Assets/Fund Balances, Decem- ber 31, 2007, As Restated	<u><u>\$ 75,041,833</u></u>	<u><u>42,224,629</u></u>	<u><u>1,417,235</u></u>	<u><u>19,377,402</u></u>	<u><u>23,752,686</u></u>	<u><u>-</u></u>

REQUIRED SUPPLEMENTAL INFORMATION SECTION

CITY OF WENTZVILLE, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND
BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2008 WITH COMPARATIVE
TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007

	2008				2007
	Budgeted Amounts			Over (Under)	
	Original	Final	Actual	Budget	Actual
REVENUES					
General property and sales taxes	\$ 12,487,241	13,144,197	13,111,045	(33,152)	12,141,248
Licenses and permits	997,820	512,820	515,205	2,385	1,099,840
Intergovernmental	-	13,975	25,300	11,325	81,500
Fines and forfeitures	978,800	1,028,800	1,203,573	174,773	947,351
Investment income	100,000	255,000	162,026	(92,974)	339,393
Other	254,100	253,647	246,021	(7,626)	334,502
Total Revenues	14,817,961	15,208,439	15,263,170	54,731	14,943,834
EXPENDITURES					
Current:					
General government:					
Administrative:					
Personnel services	826,654	784,950	776,896	(8,054)	698,865
Other charges and services	496,816	491,164	497,875	6,711	457,315
Operating supplies	45,961	41,461	29,177	(12,284)	80,672
Repairs and maintenance	95,875	96,391	68,926	(27,465)	66,901
Contractual services	285,019	324,253	282,591	(41,662)	220,455
Capital outlay	176,688	140,919	71,480	(69,439)	76,714
Total Administrative	1,927,013	1,879,138	1,726,945	(152,193)	1,600,922
Finance:					
Personnel services	472,402	516,829	523,760	6,931	451,146
Other charges and services	126,639	124,165	118,205	(5,960)	82,127
Operating supplies	13,898	12,948	9,286	(3,662)	13,804
Repairs and maintenance	47,719	43,719	42,884	(835)	36,737
Contractual services	70,898	55,398	45,405	(9,993)	43,054
Capital outlay	-	259,716	156,694	(103,022)	-
Total Finance	731,556	1,012,775	896,234	(116,541)	626,868
Municipal court:					
Personnel services	191,117	192,268	195,293	3,025	189,478
Other charges and services	23,049	20,822	19,689	(1,133)	17,268
Operating supplies	7,000	7,000	6,998	(2)	4,826
Repairs and maintenance	2,200	2,200	1,922	(278)	1,871
Contractual services	26,000	26,000	28,502	2,502	25,158
Capital outlay	5,000	5,000	4,142	(858)	-
Total Municipal Court	254,366	253,290	256,546	3,256	238,601
Total General Government	2,912,935	3,145,203	2,879,725	(265,478)	2,466,391
Public safety - Police Department:					
Personnel services	4,771,491	4,861,637	4,936,457	74,820	4,422,342
Other charges and services	599,280	468,936	449,530	(19,406)	436,472
Operating supplies	299,732	294,545	296,518	1,973	274,286
Repairs and maintenance	216,547	387,126	164,362	(222,764)	133,242
Contractual services	236,886	242,317	196,316	(46,001)	177,643
Capital outlay	395,713	464,015	446,112	(17,903)	285,631
Total Public Safety - Police Department	6,519,649	6,718,576	6,489,295	(229,281)	5,729,616

(Continued)

CITY OF WENTZVILLE, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND
BALANCE - BUDGET AND ACTUAL - GENERAL FUND (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2008 WITH COMPARATIVE
TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007

	2008			2007
	Budgeted Amounts		Over (Under) Budget	
	Original	Final	Actual	Actual
EXPENDITURES (Continued)				
Community development:				
Economic development:				
Personnel services	145,968	148,155	149,979	144,518
Other charges and services	65,068	62,649	54,048	52,386
Operating supplies	47,125	46,025	47,393	41,616
Repairs and maintenance	2,250	2,250	482	3,521
Contractual services	124,000	127,494	46,766	32,307
Capital outlay	1,810	1,810	1,498	-
Total Economic Develop- ment	386,221	388,383	300,166	274,348
Public works:				
Personnel services	2,483,792	2,406,029	2,313,797	2,141,476
Other charges and services	314,943	257,717	255,163	235,911
Operating supplies	117,417	105,842	78,687	91,197
Repairs and maintenance	75,258	66,118	49,599	45,023
Contractual services	66,064	65,398	52,944	149,547
Capital outlay	216,375	271,192	192,052	370,997
Total Public Works	3,273,849	3,172,296	2,942,242	3,034,151
Street:				
Personnel services	835,419	816,022	764,379	718,456
Other charges and services	407,684	400,146	413,782	392,058
Operating supplies	146,370	236,370	160,426	218,563
Repairs and maintenance	68,224	99,941	88,335	77,763
Contractual services	193,302	119,302	111,400	101,251
Capital outlay	278,500	240,108	235,057	109,211
Total Street	1,929,499	1,911,889	1,773,379	1,617,302
Total Community Develop- ment	5,589,569	5,472,568	5,015,787	4,925,801
Total Expenditures	15,022,153	15,336,347	14,384,807	13,121,808
REVENUES OVER (UNDER)				
EXPENDITURES	(204,192)	(127,908)	878,363	1,822,026
OTHER FINANCING SOURCES				
(USES)				
Transfers in	-	-	-	220,307
Transfers out	(1,204,114)	(1,655,596)	(1,723,502)	(688,744)
Total Other Financing Sources (Uses)	(1,204,114)	(1,655,596)	(1,723,502)	(468,437)
NET CHANGE IN FUND BALANCE	<u>\$ (1,408,306)</u>	<u>(1,783,504)</u>	(845,139)	<u>1,353,589</u>
FUND BALANCE, JANUARY 1			8,368,466	
FUND BALANCE, DECEMBER 31			<u>\$ 7,523,327</u>	

CITY OF WENTZVILLE, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - PARK SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2008 WITH COMPARATIVE
TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007

	2008			2007
	Budgeted Amounts		Over (Under) Budget	
	Original	Final	Actual	Actual
REVENUES				
General property and sales taxes	\$ 557,709	558,709	536,975	(21,734) 494,489
Intergovernmental	-	-	-	- 82,954
Parks memberships and programs	952,300	916,700	905,916	(10,784) 893,681
Investment income	-	-	12,451	12,451 323
Other	121,300	20,500	22,845	2,345 27,235
Total Revenues	<u>1,631,309</u>	<u>1,495,909</u>	<u>1,478,187</u>	<u>(17,722)</u> 1,498,682
EXPENDITURES				
Parks and recreation:				
Personnel services	1,137,348	1,143,622	1,116,986	(26,636) 1,074,362
Other charges and services	638,816	617,582	546,812	(70,770) 539,852
Operating supplies	327,456	283,646	250,841	(32,805) 246,020
Repairs and maintenance	80,000	100,270	83,393	(16,877) 90,573
Contractual services	42,900	45,632	40,754	(4,878) 30,363
Total Parks And Recreation	<u>2,226,520</u>	<u>2,190,752</u>	<u>2,038,786</u>	<u>(151,966)</u> 1,981,170
Capital outlay	893,091	462,430	204,215	(258,215) 989,206
Debt service:				
Principal	-	-	64,600	64,600 114,329
Total Expenditures	<u>3,119,611</u>	<u>2,653,182</u>	<u>2,307,601</u>	<u>(345,581)</u> 3,084,705
REVENUES OVER (UNDER) EXPENDITURES	<u>(1,488,302)</u>	<u>(1,157,273)</u>	<u>(829,414)</u>	<u>327,859</u> (1,586,023)
OTHER FINANCING SOURCES				
Sale of capital assets	-	402	402	- 49,729
Issuance of notes payable	-	-	-	- 646,000
Transfers in	1,638,302	1,352,302	1,005,826	(346,476) 1,646,288
Total Other Financing Sources	<u>1,638,302</u>	<u>1,352,704</u>	<u>1,006,228</u>	<u>(346,476)</u> 2,342,017
NET CHANGE IN FUND BALANCE	<u>\$ 150,000</u>	<u>195,431</u>	<u>176,814</u>	<u>(18,617)</u> 755,994
FUND BALANCE, JANUARY 1			<u>1,067,794</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 1,244,608</u>	

CITY OF WENTZVILLE, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - SCHEDULE OF
REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - TRANSPORTATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2008 WITH COMPARATIVE
TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007

	2008				2007
	Budgeted Amounts			Over (Under) Budget	
	Original	Final	Actual		Actual
REVENUES					
General property and sales taxes	\$ 2,595,812	2,551,812	2,411,734	(140,078)	2,435,842
Intergovernmental	8,210,455	8,517,170	3,066,687	(5,450,483)	3,441,485
Total Revenues	10,806,267	11,068,982	5,478,421	(5,590,561)	5,877,327
EXPENDITURES					
General government:					
Other charges and services	1,208,425	1,208,425	751,907	(456,518)	738,661
Repairs and maintenance	560,000	510,000	385,474	(124,526)	700,496
Contractual services	60,000	637,434	632,828	(4,606)	90,162
Total General Government	1,828,425	2,355,859	1,770,209	(585,650)	1,529,319
Capital outlay	9,988,069	11,439,772	4,630,401	(6,809,371)	4,027,321
Debt service:					
Principal	-	-	360,486	360,486	386,349
Interest and fiscal charges	-	-	-	-	3,425
Total Expenditures	11,816,494	13,795,631	6,761,096	(7,034,535)	5,946,414
REVENUES OVER (UNDER) EXPENDITURES					
	(1,010,227)	(2,726,649)	(1,282,675)	1,443,974	(69,087)
OTHER FINANCING SOURCES					
Issuance of notes payable	-	-	222,073	222,073	228,325
Transfers in	1,010,227	1,687,102	2,101,484	414,382	383,422
Total Other Financing Sources	1,010,227	1,687,102	2,323,557	636,455	611,747
NET CHANGE IN FUND BALANCE					
	\$ -	(1,039,547)	1,040,882	2,080,429	542,660
FUND BALANCE, JANUARY 1					
			317,628		
FUND BALANCE, DECEMBER 31					
			\$ 1,358,510		

CITY OF WENTZVILLE, MISSOURI
REQUIRED SUPPLEMENTAL INFORMATION - NOTES TO
SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2008

Budgetary Data

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

- a. Prior to December, the City Administrator, after receiving input from each department head, submits to the Board of Aldermen the operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Prior to January 1, the budget is legally enacted through passage of an ordinance.
- c. A motion from the Board of Aldermen is required to transfer budgeted amounts between funds, or for any revisions that would alter the total expenditures of any fund.
- d. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, and Capital Projects Funds except for the Tax Increment Financing District Fund which is not budgeted.

OTHER SUPPLEMENTAL INFORMATION SECTION

CITY OF WENTZVILLE, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCE - BUDGET AND
ACTUAL - CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2008 WITH COMPARATIVE
TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007

	2008			2007
	Budgeted Amounts		Over (Under) Budget	
	Original	Final	Actual	Actual
REVENUES				
General property and sales taxes	\$ 2,353,584	2,353,584	2,245,668	(107,916) 2,229,863
Investment income	-	-	3,143	3,143 2,104
Total Revenues	2,353,584	2,353,584	2,248,811	(104,773) 2,231,967
EXPENDITURES				
General government:				
Other charges and services	557,287	557,287	505,210	(52,077) 557,045
REVENUES OVER (UNDER) EXPENDITURES	1,796,297	1,796,297	1,743,601	(52,696) 1,674,922
OTHER FINANCING USES				
Transfers out	(1,796,297)	(2,098,416)	(2,098,416)	- (1,576,376)
NET CHANGE IN FUND BALANCE	\$ -	(302,119)	(354,815)	(52,696) 98,546
FUND BALANCE, JANUARY 1			388,583	
FUND BALANCE, DECEMBER 31			\$ 33,768	

CITY OF WENTZVILLE, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF REVENUES, EXPEN-
DITURES, AND CHANGE IN FUND BALANCE - BUDGET AND ACTUAL -
NEIGHBORHOOD IMPROVEMENT DISTRICT CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2008 WITH COMPARATIVE
TOTALS FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>2008</u>		<u>2007</u>	
	<u>Original And Final Budgeted Amounts</u>	<u>Actual</u>	<u>Over (Under) Budget</u>	<u>Actual</u>
REVENUES				
NID assessments	\$ 163,770	166,212	2,442	160,257
Investment income, net	5,000	(1,221)	(6,221)	8,415
Total Revenues	<u>168,770</u>	<u>164,991</u>	<u>(3,779)</u>	<u>168,672</u>
EXPENDITURES				
General government	-	-	-	1,996
Debt service:				
Principal	119,178	115,000	(4,178)	110,000
Interest and fiscal charges	49,592	52,336	2,744	57,787
Total Expenditures	<u>168,770</u>	<u>167,336</u>	<u>(1,434)</u>	<u>169,783</u>
NET CHANGES IN FUND BALANCES	<u>\$ -</u>	<u>(2,345)</u>	<u>(2,345)</u>	<u>(1,111)</u>
FUND BALANCE, JANUARY 1		<u>117,083</u>		
FUND BALANCE, DECEMBER 31		<u>\$ 114,738</u>		

CITY OF WENTZVILLE, MISSOURI
OTHER SUPPLEMENTAL INFORMATION - SCHEDULE OF
CHANGES IN ASSETS AND LIABILITIES - FIDUCIARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2008

	Balance December 31 2007	Additions	Deductions	Balance December 31 2008
ASSETS				
Current Assets				
Cash	\$ 64,066	659,907	657,613	66,360
Accounts receivable	88,028	87,029	88,028	87,029
Total Current Assets	<u>\$ 152,094</u>	<u>746,936</u>	<u>745,641</u>	<u>153,389</u>
 LIABILITIES				
Current Liabilities				
Due to others	<u>\$ 152,094</u>	<u>746,936</u>	<u>745,641</u>	<u>153,389</u>

STATISTICAL SECTION

CITY OF WENTZVILLE, MISSOURI

STATISTICAL

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

Contents	Pages
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	61 - 65
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue sources.	66 - 71
Debt Capacity	
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.	72 - 76
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	75 - 76
Operating Information	
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.	77 - 80

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

CITY OF WENTZVILLE MISSOURI

NET ASSETS BY COMPONENT

LAST SIX FISCAL YEARS

	December 31					
	2008	2007	2006	2005	2004	2003
Governmental Activities						
Invested in capital assets, net of related debt	\$ 70,983,950	61,342,757	56,726,873	36,598,495	25,659,720	18,619,561
Restricted	4,154,537	2,442,209	437,669	640,261	890,557	831,241
Unrestricted	9,632,685	9,001,214	3,383,447	4,120,472	7,485,697	8,557,247
Total Governmental Activities Net Assets	<u>\$ 84,771,172</u>	<u>72,786,180</u>	<u>60,547,989</u>	<u>41,359,228</u>	<u>34,035,974</u>	<u>28,008,049</u>
Business-type Activities						
Invested in capital assets, net of related debt	\$ 36,119,759	35,731,210	35,445,503	17,470,521	15,895,175	13,176,174
Restricted	1,415,515	2,407,613	2,408,302	2,161,776	1,937,574	2,187,992
Unrestricted	8,037,487	6,332,565	(866,358)	4,663,688	2,448,476	1,177,683
Total Business-type Activities Net Assets	<u>\$ 45,572,761</u>	<u>44,471,388</u>	<u>36,987,447</u>	<u>24,295,985</u>	<u>20,281,225</u>	<u>16,541,849</u>
Primary Government						
Invested in capital assets, net of related debt	\$ 107,103,709	97,073,967	92,172,376	54,069,016	41,554,895	31,795,735
Restricted	5,570,052	4,849,822	2,845,971	2,802,037	2,828,131	3,019,233
Unrestricted	17,670,172	15,333,779	2,517,089	8,784,160	9,934,173	9,734,930
Total Primary Government Net Assets	<u>\$ 130,343,933</u>	<u>117,257,568</u>	<u>97,535,436</u>	<u>65,655,213</u>	<u>54,317,199</u>	<u>44,549,898</u>

Source: Basic financial statements

GASB 34 was implemented in 2003.

CITY OF WENTZVILLE, MISSOURI

CHANGES IN NET ASSETS

LAST SIX FISCAL YEARS

	For The Years Ended December 31					
	2008 (1)	2007 (2)	2006	2005	2004	2003
EXPENSES						
Governmental Activities						
General government	\$ 4,996,668	4,081,220	4,734,747	3,811,587	4,128,471	8,151,690
Public safety	6,601,295	5,799,258	5,069,540	4,949,071	4,489,128	3,870,119
Community development	7,466,815	7,758,672	5,371,645	4,824,786	4,392,739	3,504,205
Parks and recreation	2,389,735	2,274,789	2,007,723	1,850,885	1,752,513	1,712,070
Interest and fiscal changes	463,277	150,386	224,529	104,513	105,873	109,392
Total Governmental Activities Expenses	21,917,790	20,064,325	17,408,184	15,540,842	14,868,724	17,347,476
Business-type Activities						
Water/sewer	4,883,676	3,559,571	6,084,130	5,662,967	4,738,479	4,084,846
Sewer	5,474,346	4,001,301	-	-	-	-
Stormwater	103,516	-	-	-	-	-
Trash/natural gas	1,611,753	1,492,685	1,313,118	1,087,131	844,322	458,713
Wentzville Economic Development Council	-	1,730,263	1,704,047	1,622,689	1,204,082	1,432,300
Total Business-type Activities Expenses	12,073,291	10,783,820	9,101,295	8,372,787	6,786,883	5,975,859
Total Primary Government Expenses	33,991,081	30,848,145	26,509,479	23,913,629	21,655,607	23,323,335
PROGRAM REVENUES						
Governmental Activities						
Charges for services:						
General government	1,175,475	924,498	945,825	879,052	909,752	750,205
Public safety	20,632	17,266	17,183	16,073	17,355	19,435
Parks and recreation	905,916	893,681	682,536	573,983	460,271	451,150
Operating grants and contributions	3,094,187	3,605,939	4,748,834	2,840,594	774,634	2,279,207
Capital grants and contributions	7,208,110	7,874,918	13,889,992	2,891,566	5,254,941	3,745,793
Total Governmental Activities Program Revenues	12,404,320	13,316,302	20,284,370	7,201,268	7,416,953	7,245,790
Business-type Activities						
Charges for services:						
Water/sewer	4,568,732	5,227,839	7,490,962	7,590,347	6,025,005	4,313,167
Sewer	3,574,983	3,115,684	-	-	-	-
Trash/natural gas	1,598,320	1,455,553	1,294,426	1,072,016	824,540	446,563
Wentzville Economic Development Council	-	2,085,645	2,017,806	1,552,594	1,449,159	1,418,318
Operating grants and contributions	39,820	-	-	-	-	-
Capital grants and contributions	3,823,603	5,161,733	10,261,794	1,699,497	1,983,924	2,053,648
Total Business-type Activities Program Revenues	13,605,458	17,046,454	21,064,988	11,914,454	10,282,628	8,231,696
Total Primary Government Program Revenues	26,009,778	30,362,756	41,349,358	19,115,722	17,699,581	15,477,486

(Continued)

CITY OF WENTZVILLE, MISSOURI

CHANGES IN NET ASSETS (Continued)

LAST SIX FISCAL YEARS

		For The Years Ended December 31					
		2008 (1)	2007 (2)	2006	2005	2004	2003
NET REVENUES (EXPENSES)							
Governmental activities		(9,513,470)	(6,748,023)	2,876,186	(8,339,574)	(7,451,771)	(10,101,686)
Business-type activities		1,532,167	6,262,634	11,963,693	3,541,667	3,495,745	2,255,837
Total Primary Government Net Revenues (Expenses)		<u>(7,981,303)</u>	<u>(485,389)</u>	<u>14,839,879</u>	<u>(4,797,907)</u>	<u>(3,956,026)</u>	<u>(7,845,849)</u>
GENERAL REVENUES AND TRANSFERS							
Governmental Activities							
Taxes - property and sales		15,337,571	17,184,822	14,400,446	14,130,005	11,763,706	13,719,218
Licenses and permits		518,995	1,105,427	1,340,870	1,250,301	905,257	689,890
Investment income		260,005	350,247	307,971	132,899	44,501	58,556
Other		3,939,076	360,821	280,783	272,683	254,080	167,098
Transfers		<u>(812,838)</u>	<u>(15,103)</u>	<u>(17,495)</u>	<u>(123,060)</u>	<u>(200,883)</u>	<u>(369,358)</u>
Total Governmental Activities General Revenues And Transfers		<u>19,242,809</u>	<u>18,986,214</u>	<u>16,312,575</u>	<u>15,662,828</u>	<u>12,766,661</u>	<u>14,265,404</u>
Business-type Activities							
Investment income		966,875	1,194,224	575,798	287,817	64,490	33,101
Gain (loss) on sale of property		-	-	106,850	(3,215)	534,446	450,195
Other		36,252	11,980	27,626	65,431	123,406	181,263
Transfers		<u>812,838</u>	<u>15,103</u>	<u>17,495</u>	<u>123,060</u>	<u>200,883</u>	<u>369,358</u>
Total Business-type Activities General Revenues And Transfers		<u>1,815,965</u>	<u>1,221,307</u>	<u>727,769</u>	<u>473,093</u>	<u>923,225</u>	<u>1,033,917</u>
Total Primary Government General Revenues And Transfers		<u>21,058,774</u>	<u>20,207,521</u>	<u>17,040,344</u>	<u>16,135,921</u>	<u>13,689,886</u>	<u>15,299,321</u>
CHANGES IN NET ASSETS							
Governmental activities		9,729,339	12,238,191	19,188,761	7,323,254	5,314,890	4,163,718
Business-type activities		<u>3,348,132</u>	<u>7,483,941</u>	<u>12,691,462</u>	<u>4,014,760</u>	<u>4,418,970</u>	<u>3,289,754</u>
Total Primary Government Changes In Net Assets		<u>\$ 13,077,471</u>	<u>19,722,132</u>	<u>31,880,223</u>	<u>11,338,014</u>	<u>9,733,860</u>	<u>7,453,472</u>

Source: Basic financial statements

GASB 34 was implemented in 2003.

Notes:

(1) In 2008, the City began reporting the activities of the WEDC with other related funds.

(2) In 2007, the City began reporting water and sewer separately.

CITY OF WENTZVILLE, MISSOURI
FUND BALANCES, GOVERNMENTAL FUNDS
LAST SIX FISCAL YEARS

	December 31					
	2008	2007	2006	2005	2004	2003
General Fund						
Reserved	\$ 1,030,759	848,236	931,847	479,990	1,519,924	1,148,941
Unreserved	6,492,568	7,520,230	6,083,030	5,290,950	2,986,696	4,708,298
Total General Fund	<u>\$ 7,523,327</u>	<u>8,368,466</u>	<u>7,014,877</u>	<u>5,770,940</u>	<u>4,506,620</u>	<u>5,857,239</u>
All Other Governmental Funds						
Reserved	\$ 6,721,013	1,104,065	2,898,804	2,817,407	917,303	367,562
Unreserved:						
Special Revenue Funds	(1,422,046)	341,142	(3,869,659)	(2,568,788)	(537,246)	(86,901)
Capital Projects Funds	(19,169)	505,666	408,231	617,632	635,356	602,655
Total All Other Governmental Funds	<u>\$ 5,279,798</u>	<u>1,950,873</u>	<u>(562,624)</u>	<u>866,251</u>	<u>1,015,413</u>	<u>883,316</u>

Source: Basic financial statements

GASB 34 was implemented in 2003.

CITY OF WENTZVILLE, MISSOURI
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST SIX FISCAL YEARS

	For The Years Ended December 31					
	2008	2007	2006	2005	2004	2003
REVENUES						
General property and sales taxes	\$ 18,630,923	17,292,840	15,067,374	14,088,678	11,926,283	11,222,813
Licenses and permits	515,205	1,099,840	1,335,582	1,250,301	905,257	689,890
Intergovernmental	3,091,987	3,605,939	4,748,834	2,840,594	774,634	2,279,207
NID assessments	166,212	160,257	161,433	28,230	165,329	170,806
Fines and forfeitures	1,203,573	947,351	968,296	895,125	927,107	769,640
Parks memberships and programs	905,916	893,681	682,536	573,983	460,271	451,150
Investment income	260,005	350,247	307,971	132,899	44,501	58,556
Other	688,372	361,737	276,988	272,683	254,080	167,100
Total Revenues	<u>25,462,193</u>	<u>24,711,892</u>	<u>23,549,014</u>	<u>20,082,493</u>	<u>15,457,462</u>	<u>15,809,162</u>
EXPENDITURES						
Current:						
General government	4,922,952	4,409,662	4,529,453	3,567,828	4,016,980	7,154,410
Public safety	6,043,183	5,443,985	4,808,120	4,693,354	4,464,397	3,838,193
Community development	4,587,180	5,428,593	3,975,312	3,731,963	3,650,050	3,050,334
Parks and recreation	2,038,786	1,981,170	1,692,788	1,529,639	1,507,580	1,490,047
Capital outlay	6,384,145	5,859,080	8,398,788	9,865,553	2,664,036	2,086,417
Debt service:						
Principal	761,916	610,678	70,000	65,000	65,000	60,000
Interest and fiscal charges	407,724	61,212	77,228	105,709	107,058	110,466
Debt issue costs	-	19,000	42,181	-	-	-
Total Expenditures	<u>25,145,886</u>	<u>23,813,380</u>	<u>23,593,870</u>	<u>23,559,046</u>	<u>16,475,101</u>	<u>17,789,867</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>316,307</u>	<u>898,512</u>	<u>(44,856)</u>	<u>(3,476,553)</u>	<u>(1,017,639)</u>	<u>(1,980,705)</u>
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	402	49,729	3,795	-	-	-
Issuance of tax increment revenue notes payable	-	1,002,000	-	-	-	-
Issuance of debt	1,511,343	874,325	-	4,714,771	-	-
Discount on Neighborhood Improvement District Bonds	-	-	(9,588)	-	-	-
Issuance of Neighborhood Improvement District Bonds	-	-	1,510,000	-	-	-
Payment to escrow agent	(46,893)	-	(1,626,794)	-	-	-
Transfers in	3,107,310	2,250,017	2,110,376	1,978,617	1,078,963	1,119,223
Transfers out	(3,821,918)	(2,265,120)	(2,127,871)	(2,101,677)	(1,279,846)	(1,488,581)
Total Other Financing Sources (Uses)	<u>750,244</u>	<u>1,910,951</u>	<u>(140,082)</u>	<u>4,591,711</u>	<u>(200,883)</u>	<u>(369,358)</u>
NET CHANGES IN FUND BALANCES	<u>\$ 1,066,551</u>	<u>2,809,463</u>	<u>(184,938)</u>	<u>1,115,158</u>	<u>(1,218,522)</u>	<u>(2,350,063)</u>

Debt service as a percentage of non-capital expenditures	6.2 %	3.6	1.0	0.9	1.4	1.3
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Source: Basic financial statements

GASB 34 was implemented in 2003.

CITY OF WENTZVILLE, MISSOURI
PROGRAM REVENUES BY FUNCTIONS/PROGRAMS
LAST SIX FISCAL YEARS

FUNCTIONS/PROGRAMS	Program Revenues					
	2008 (1)	2007 (2)	2006	2005	2004	2003
Governmental Activities						
General government	\$ 1,341,687	1,154,018	1,107,258	907,282	1,075,081	3,108,420
Public safety	38,432	29,503	168,623	271,020	212,789	104,056
Community development	10,116,085	11,156,146	18,301,333	5,432,144	5,580,651	3,574,987
Parks and recreation	908,116	976,635	707,156	590,822	548,432	458,327
Total Governmental Activities	<u>12,404,320</u>	<u>13,316,302</u>	<u>20,284,370</u>	<u>7,201,268</u>	<u>7,416,953</u>	<u>7,245,790</u>
Business-type Activities						
Water/sewer	6,307,629	7,649,026	17,489,534	9,290,144	8,008,929	6,366,815
Sewer	5,659,689	5,810,060	-	-	-	-
Trash	1,638,140	1,455,553	1,294,426	1,072,016	824,540	446,563
Wentzville Economic Development Council	-	2,131,815	2,281,028	1,552,594	1,449,159	1,418,318
Total Business-type Activities	<u>13,605,458</u>	<u>17,046,454</u>	<u>21,064,988</u>	<u>11,914,754</u>	<u>10,282,628</u>	<u>8,231,696</u>
Total Program Revenues	<u>\$ 26,009,778</u>	<u>30,362,756</u>	<u>41,349,358</u>	<u>19,116,022</u>	<u>17,699,581</u>	<u>15,477,486</u>

Source: Basic financial statements

GASB 34 was implemented in 2003.

Notes:

- (1) In 2008, the City began reporting the activities of the WEDC with other related funds.
- (2) In 2007, the City began reporting water and sewer separately.

CITY OF WENTZVILLE, MISSOURI
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
LAST SIX FISCAL YEARS

Fiscal Year	Property Taxes	Sales Taxes	Gross Receipts Taxes	Other	Total
2008	\$ 6,505,720	\$ 8,912,528	\$ 2,892,856	\$ 319,819	\$ 18,630,923
2007	5,722,455	8,787,673	2,427,684	355,028	17,292,840
2006	5,187,011	7,676,204	1,877,383	326,776	15,067,374
2005	4,682,810	7,431,730	1,641,248	332,890	14,088,678
2004	3,822,756	6,371,555	1,397,898	334,074	11,926,283
2003	3,634,715	5,943,374	1,317,506	327,218	11,222,813

Source: Required supplemental information and basic financial statements

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

Fiscal Year	Assessed Value					Estimated Actual Value	Ratio Of	Total Direct Tax Rate
	Residential	Commercial	Agriculture	Personal	Total		Total Assessed Value To Total Estimated Actual Value	
2008	\$ 390,727,100	\$ 166,579,150	\$ 1,249,980	\$ 115,071,933	\$ 673,628,163	\$ 2,932,650,564	23.0 %	\$ 0.9079
2007	363,908,320	150,200,075	1,264,464	98,168,683	613,541,542	2,689,725,431	22.8	0.9079
2006	298,591,812	129,738,016	584,870	93,019,682	521,934,380	2,260,900,116	23.1	0.9734
2005	243,976,610	121,392,751	875,629	86,050,008	452,294,998	1,928,886,701	23.4	0.9729
2004	174,789,670	108,351,384	631,533	81,036,746	364,809,333	1,506,916,720	24.2	1.0273
2003	137,207,560	109,079,766	593,363	97,198,880	344,079,569	1,359,560,653	25.3	1.0273
2002	97,813,220	96,313,589	523,631	104,364,210	299,014,650	1,133,242,609	26.4	1.0706
2001	73,866,250	90,177,397	548,085	88,511,953	253,103,685	940,677,337	26.9	1.0706
2000	50,238,360	78,625,888	569,611	91,890,089	221,323,948	790,535,347	28.0	1.0900
1999	36,312,310	76,497,261	790,200	100,408,153	214,007,924	737,980,821	29.0	1.0900

Reassessments are currently performed every odd-numbered year. Residential property assessed valuation equals 19% of appraised value, agricultural equals 12%, and commercial and industrial equals 32%. Personal property is valued as one-third of the property's market value.

Tax rates per \$100 of assessed valuation.

Source: St. Charles County Assessor County Assessor

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

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
City of Wentzville	\$ 0.9079	0.9079	0.9734	0.9729	1.0273	1.0273	1.0706	1.0706	1.0900	1.0900
St. Charles County Ambulance	0.1366	0.1334	0.1441	0.1441	0.1535	0.1535	0.1638	0.1438	0.1500	0.1500
State of Missouri	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
St. Charles County (includes County, road and bridge, Alarm Dispatch)	0.2435	0.2435	0.2586	0.2591	0.2734	0.2744	0.2950	0.2970	0.3200	0.3300
Development Disability	0.1247	0.1247	0.1323	0.1323	0.1422	0.1422	0.1530	0.1530	0.1600	0.1600
St. Charles County Library District	0.1946	0.1946	0.2064	0.2064	0.2221	0.2221	0.2387	0.2387	0.2400	0.2400
Fire District #13 - Wentzville	0.4299	0.4299	0.4644	0.4644	0.5017	0.5017	0.5370	0.5440	0.3100	0.3100
Wentzville R-IV School District	4.3446	4.3494	4.4043	4.4054	4.5669	4.1818	4.2146	4.2387	4.3700	4.3700
St. Charles County Community College	0.2094	0.2094	0.2196	0.2196	0.2318	0.2318	0.2435	0.2473	0.2500	0.2500

Source: St. Charles County Registrar's office

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

Taxpayer	2008			1999		
	Taxable Assessed Valuation	Rank	Percentage Of Total City Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage Of Total City Taxable Assessed Value
General Motors Corp.	\$ 63,394,538	1	9.41 %	\$ 114,809,284	1	53.65 %
THF Wentzville Dev. LLC	11,601,150	2	1.72	-		-
Dierbergs Wentzville LLD	6,832,846	3	1.01	-		-
THF Wentzville Two Dev. LLC	5,813,806	4	0.86	-		-
Target Corporation	3,937,383	5	0.58	-		-
Madison Warehouse Corp.	3,471,137	6	0.52	2,730,632	3	1.28
HD Dev. of Maryland (Home Depot)	2,497,457	7	0.37	-		-
Peine Lales LP	2,446,390	8	0.36	-		-
MCW-RD Wentzville Commons	2,286,840	9	0.34	-		-
West Heritage Commons LLC	2,225,350	10	0.33	-		-
NAHC of Missouri (Doctors Hospital)	-		-	3,424,277	2	1.60
RK Stratman Company, Inc.	-		-	1,283,403	4	0.60
Raul Walters (Wentzville Center)	-		-	1,114,610	5	0.52
St. Lukes Development Corp.	-		-	1,109,000	6	0.52
Hidden Valley Assoc.	-		-	1,096,740	7	0.51
Wentzville Hospitality Inc.	-		-	963,997	8	0.45
Belz Investments Co.	-		-	838,540	9	0.39
Wentzville Park Assoc. L.P.	-		-	752,326	10	0.35
	<u>\$ 104,506,897</u>		<u>15.50 %</u>	<u>\$ 128,122,809</u>		<u>59.87 %</u>

Source: St. Charles County Assessor's office

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

Fiscal Year	Net Tax Levy	Collections	Percent Collected	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes As A Percent Of Net Tax Levy
2008	\$ 6,039,547	\$ 5,774,304	95.6 %	\$ 265,243	4.4 %
2007	5,479,200	5,335,926	97.4	143,274	2.6
2006	5,083,137	5,064,681	99.6	18,456	0.4
2005	4,263,811	4,222,292	99.0	41,519	1.0
2004	3,558,048	3,538,144	99.4	19,904	0.6
2003	3,357,981	3,288,976	97.9	69,005	2.1
2002	3,189,405	2,990,629	93.8	198,776	6.2
2001	2,551,372	2,418,853	94.8	132,519	5.2
2000	2,234,174	2,190,625	98.1	43,549	1.9
1999	2,188,468	2,171,339	99.2	17,129	0.8

Source: City's records 1999 to 2004; St. Charles County Collector's records 2005 to 2008.

CITY OF WENTZVILLE, MISSOURI
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST SIX FISCAL YEARS

Fiscal Year	Governmental Activities				Business-type Activities		Total Primary Government	Per Capita
	Neighborhood Improvement District Bonds	Leasehold Revenue Bonds	Notes Payable	Tax Increment Revenue Notes	Leasehold Revenue Bonds	Sewerage System Revenue Bonds		
2008	\$ 1,285,000	\$ 7,212,440	\$ 5,943,027	\$ 1,002,000	\$ 13,832,560	\$ 18,595,000	\$ 47,870,027	\$ 2,130
2007	1,400,000	6,145,000	6,146,040	1,002,000	15,955,000	19,430,000	50,078,040	2,228
2006	1,510,000	-	4,714,771	-	23,175,000	19,430,000	48,829,771	2,353
2005	1,655,000	-	4,714,771	-	25,125,000	19,430,000	50,924,771	2,817
2004	1,720,000	-	-	-	18,370,000	-	20,090,000	1,364
2003	1,785,000	-	-	-	18,320,000	380,000	20,485,000	1,650

CITY OF WENTZVILLE, MISSOURI
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2008

<u>Name Of Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share Of Overlapping Debt</u>
Wentzville School District	\$ 158,305,000	11.5 %	\$ 18,205,075
St. Charles County Community College	43,395,000	2.4	1,041,480
St. Charles County Ambulance	12,935,000	2.4	310,440
	214,635,000		19,556,995
City direct debt	1,285,000	100.0 %	1,285,000
Total Direct And Overlapping Debt	<u>\$ 215,920,000</u>		<u>\$ 20,841,995</u>

Source: Information was obtained by contacting the Taxing Jurisdiction.

The percentage applicable to the City is based on the jurisdiction's geographic area.

CITY OF WENTZVILLE, MISSOURI
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Years									
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Debt limit	\$ 67,362,816	61,354,154	52,193,438	45,229,500	36,480,933	34,407,957	29,901,465	25,310,369	22,132,395	21,400,792
Net debt applicable to limit	<u>1,285,000</u>	<u>1,400,000</u>	<u>1,510,000</u>	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$ 66,077,816</u>	<u>59,954,154</u>	<u>50,683,438</u>	<u>45,229,500</u>	<u>36,480,933</u>	<u>34,407,957</u>	<u>29,901,465</u>	<u>25,310,369</u>	<u>22,132,395</u>	<u>21,400,792</u>
Total Net Debt Applicable To The Limit As Percen- tage Of Debt Limit	0.02 %	0.02	0.03	-	-	-	-	-	-	-

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

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

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Median Age (1)</u>	<u>Per Capita Income (2)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rate (4)</u>
2008	N/A	30.8	-	11,708	5.9 %
2007	22,478	30.8	25,417	11,417	3.4
2006	20,749	30.8	22,757	10,810	-
2005	18,079	30.8	18,039	9,972	-
2004	14,732	30.8	-	8,720	-
2003	12,418	30.8	-	7,788	4.1
2002	10,215	30.8	-	7,275	4.0
2001	8,505	30.8	18,519	6,520	3.2
2000	7,400	30.8	14,638	6,105	2.2
1999	N/A	30.8	-	5,780	-

(1) Source: Census Bureau

(2) Source: 2007 and 2005 Census Bureau; 2006, 2001, 2000 ESRI

(3) Source: Wentzville School District

CITY OF WENTZVILLE, MISSOURI

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	<u>2008</u>		<u>1999</u>	
	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>
General Motors Corp.	2,500	1	2,500	1
Wentzville R-IV School District	1,800	2	737	3
US Fidelis	1,000	3	-	
RK Stratman Company, Inc.	302	4	171	6
Lear Corporation	227	5	164	7
City of Wentzville	188	6	-	
SSM St. Joseph Health Center-Wentzville	175	7	225	4
Century Tel, Inc.	160	8	-	
Superior Home Products, Inc.	160	8	130	8
Crider Center for Mental Health	145	10	125	9
GTE Telephone	-		1,200	2
Doctors Hospital-Wentzville	-		214	5
Allied Systems	-		106	10
	<u>6,657</u>		<u>5,572</u>	

Source: City Economic Development Department

CITY OF WENTZVILLE, MISSOURI
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTIONS/PROGRAMS
LAST SEVEN FISCAL YEARS

FUNCTIONS/PROGRAMS	Full-time Equivalent Employees As Of December 31						
	2008	2007	2006	2005	2004	2003	2002
Elected officials:							
Mayor	1	1	1	1	1	1	1
Aldermen	6	6	6	6	6	6	6
City collector							
Municipal court judge	1	1	1	1	1	1	1
General government:							
City administration and City clerk	2	2	2	2	2	2	2
Administrative services	4	3	4	3	3	3	3
Human resources	2	1	1	1	1	1	1
IT department	2	2	2	2	2	2	2
Finance	8	7	6	7	6	6	5
Economic development	2	2	2	2	2	2	2
Municipal court:							
Administration and support	3	3	3	3	3	2	2
Police:							
Chief and captain	2	2	2	2	2	1	1
Administrative and detectives	8	8	8	8	6	6	3
Patrol lieutenant	4	4	4	4	4	2	2
Patrol sergeant	4	4	4	4	4	6	5
Patrol officers	34	29	24	23	26	26	5
Animal control/park rangers	2	2	2	2	2	2	2
Support lieutenant	1	-	-	-	-	-	-
Support patrol - DARE	1	1	1	1	1	1	1
Correction technicians	6	5	5	6	4	6	-
Dispatch-communications officer	8	8	8	7	6	5	6
Records	4	4	4	3	3	3	2

(Continued)

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

FUNCTIONS/PROGRAMS	Full-time Equivalent Employees As Of December 31						
	2008	2007	2006	2005	2004	2003	2002
Public works:							
Administrative services	4	4	3	3	3	4	5
Engineer and support	9	8	7	9	7	6	3
Street maintenance	15	14	13	13	13	13	11
Planning and zoning	4	4	3	3	3	3	3
Vehicle maintenance	3	3	3	3	3	3	3
Building and property maintenance	5	6	6	6	6	5	5
Building department:							
Administration amd support	2	3	3	3	3	2	1
Inspectors and code officers	7	7	7	6	6	6	4
Plans examiners		2	2	2	2	2	2
Parks and recreation:							
Administration and support	4	4	4	4	4	4	4
Recreation	4	4	3	3	3	1	3
Maintenance	5	5	4	5	5	5	5
Water and wastewater:							
Supervisor water and wastewater	1	1	1	1	1	1	1
Administrative support	2	2	1	1	1	1	1
Water maintenance	10	10	7	7	7	6	6
Wastewater maintenance	9	6	5	5	6	5	4
Stormwater:							
Management coordinator	1	1	-	-	-	-	-
Total Employees By Year	<u>190</u>	<u>179</u>	<u>162</u>	<u>162</u>	<u>158</u>	<u>151</u>	<u>113</u>

Source: City Payroll Department records as of the last payroll for that fiscal year.

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

FUNCTIONS/PROGRAMS	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Police - patrol:										
Arrests	3,106	3,433	3,891	3,522	3,959	4,073	3,450	1,173	1,154	1,276
Citations	9,118	8,406	8,349	9,282	9,902	9,329	5,881	6,473	5,459	4,230
Calls for service	44,062	42,367	36,734	15,075	29,180	35,950	18,663	14,129	13,271	15,514
Accidents	609	774	664	566	647	543	734	594	555	520
Building inspection:										
Single family	289	534	741	1,054	948	866	754	701	470	269
Multi-family	14	88	55	111	511	161	225	32	17	28
Commercial	23	20	32	41	39	14	12	26	26	20
Occupancy	1,890	2,293	2,831	3,049	1,460	441	291	452	737	677
Other permits	1,177	1,595	1,658	1,610	1,390	1,060	809	559	498	320
Inspections	13,128	20,612	25,071	22,671	19,360	15,471	12,657	11,046	8,320	4,508
Planning and zoning:										
Rezoning	9	16	27	35	31	35	28	12	22	23
Site plans	22	37	35	49	36	28	20	21	32	29
Record plats	10	29	30	38	47	28	17	23	34	29
Prelim plans/plats	2	3	13	29	13	21	14	3	19	20
Planned developments	-	3	7	6	9	7	5	4	-	3
Parks:										
Program participation	3,847	4,051	4,104	4,229	3,308	3,219	2,147	N/A	N/A	N/A
Special event attendance	5,982	6,429	6,814	5,438	4,704	2,670	390	N/A	N/A	N/A
Daily usage recreation facility	8,682	9,471	9,626	9,442	10,167	10,784	9,068	8,775	N/A	N/A
Membership usage	43,861	45,235	47,288	41,905	43,119	41,275	32,007	26,483	N/A	N/A
Pool usage	32,878	31,994	29,725	26,259	22,700	28,037	27,579	22,411	N/A	N/A
Facility rentals	179	169	183	184	195	218	187	N/A	N/A	N/A
Green Ltn senior meals	24,214	26,863	30,123	28,837	20,558	N/A	N/A	N/A	N/A	N/A
Acres mowed (includes some private fields we maintain in exchange for usage)	154	154	154	148	123	123	121	121	104	N/A
Administration and finance:										
Request for information	57	72	70	65	44	50	12	N/A	N/A	N/A
Business license issued	620	561	495	402	404	421	308	290	N/A	N/A
Accounts payable checks	5,789	5,894	6,183	6,250	6,282	5,789	5,755	N/A	N/A	N/A

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

FUNCTIONS/PROGRAMS	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Administration:										
Vehicles	3	3	3	3	3	2	-	-	-	-
Law enforcement/courts:										
Courts	1	1	1	1	1	1	1	1	1	1
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	37	36	36	31	29	28	-	-	-	-
Public works:										
Vehicles	48	48	41	40	34	31	-	-	-	-
Miles of streets	167	160	150	120	115	105	-	-	-	-
Traffic lights and signals	11	11	8	8	4	2	-	-	-	-
Miles of storm sewers	107	98	87	64	60	52	-	-	-	-
Parks:										
Vehicles	10	10	9	11	9	10	-	-	-	-
Number of parks	13	13	12	12	11	11	10	9	8	8
Acres of parks	293	293	218	218	189	189	142	136	121	121
Community centers	1	1	1	1	1	1	1	1	1	1
Swimming pools	1	1	1	1	1	1	1	1	1	1
Water:										
Vehicles	15	15	10	10	10	10	-	-	-	-
Pumping stations	2	2	2	1	1	1	1	1	1	1
Miles of waterlines	155	146	133	107	103	94	-	-	-	-
Sewer:										
Vehicles	9	8	7	5	5	5	-	-	-	-
Lift stations	35	33	33	33	21	15	15	15	11	11
Miles of sanitary sewers	183	173	159	127	121	110	-	-	-	-